

Yutong Bus CO.,LTD.

Audit Report

D.H.S.Z.[2024]0011008185-EN

Da Hua Certified Public Accountants (Special General Partnership)

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报告编码:京24M8Y1187M



Yutong Bus CO.,LTD.
Audit Report and Financial Statements

(1 January 2023 to 31 December 2023)

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Audit Report

D.H.S.Z.[2024]0011008185-EN

To the Shareholders of Yutong Bus CO.,LTD.:

I. Audit Opinion

We have audited the accompanying financial statements of Yutong Bus CO.,LTD. (Herein after “Yutong Bus”), Which comprise the consolidated and the parent company's balance sheet as at 31 December 2023, the consolidated and the parent company's statement of comprehensive income, the consolidated and the parent company's cash flows statement and the consolidated and the parent company's statement of changes in equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present in all material respects in accordance with the requirements of Accounting Standards for Business Enterprises, and fairly reflect Yutong Bus financial position at 31 December 2023 and the financial performance and cash flows for the year then ended.

II. Basis for Audit Opinion

We conducted our audit in accordance with CICPA Standards on Auditing (“CSAs”). In ‘VI. Certified Public Accountant's Responsibilities for the Audit of Financial Statements’ of this report, our responsibilities under



these standards are described. Those standards require that we comply with CICPA professional ethical requirements, that we are independent from Yutong Bus and have fulfilled all other ethical obligations. We believe that we have obtained sufficient and appropriate audit evidence as basis of for our opinion.

III.Key Audit Matters

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

We determine revenue as a key audit matters that need to be addressed in our report.

1.Event description

Please refer to Note III/(31) and Note V/Note 44 of the consolidated financial statements for accounting policies and book amounts for revenue recognition of Yutong Bus in 2023.

As revenue is one of the key performance indicators of Yutong Bus, there is an inherent risk that management will manipulate revenue recognition in order to achieve specific goals or expectations, so we identify revenue recognition as a key audit item.

2. Audit response

Important audit procedures we have carried out for revenue recognition of Yutong Bus include:

(1) Test the design and execution of key internal controls related to the



revenue cycle to confirm the effectiveness of internal controls;

- (2) Perform analytical review procedures for revenue and costs;
- (3) Obtain contracts signed between Yutong Bus and customers, and verify key terms of contracts, including delivery, settlement and collection, exchange and return policies, etc.;
- (4) Check the purchase orders, shipping documents, transportation documents, receipt confirmation, accounting vouchers, payment collection documents and other materials of Yutong Bus and customers;
- (5) Implement independent verification procedures for important customers to verify accounts receivable and current sales;
- (6) Select samples of revenue transactions recorded before and after the balance sheet date, check relevant supporting documents, and evaluate whether the revenue is recorded in the appropriate accounting period.

Based on the audit procedures carried out, we believe that Yutong Bus revenue recognition meets the relevant provisions of the Accounting Standards for business enterprises.

IV. Other Information

The management of Yutong Bus is responsible for the other information. The other information comprises the information included in the 2023 annual report, but does not include the consolidated financial statements and our auditor's report.

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

In combination with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider



whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

Management of Yutong Bus is responsible for the preparation and present these financial statements fairly in accordance with the requirements of Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management of Yutong Bus is also responsible for assessing Yutong Bus's ability to continue as a going concern, disclosing matters related to going concern (if applicable), and using going concern assumption, unless the management either intends to liquidate the Company or to cease operations or has no realistic option to comply.

Those charged with governance are responsible for overseeing the Yutong Bus's financial reporting process.

VI.Certified Public Accountant's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an independent auditor's report



that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions the users taken on the basis of these Financial Statements.

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

1. Identify and assess the risks of material misstatements 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 of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting. Based on the audit evidence obtained, conclude on whether a material uncertainty exists related to events or conditions that may cast significant doubt on Yutong Bus'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 the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Yutong Bus to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the Financial Statements, and evaluate whether Financial Statements fairly reflected the underlying transactions and events.

6. Obtain sufficient appropriate audit evidence regarding Yutong Bus's financial information of the entities or business activities within the Group to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation



precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Da Hua Certified Public Accountants
(Special General Partnership)



CICPA:

(Engagement Partner)

CICPA:



Cao Bo



Zhu Honghui

30 March 2024



Consolidated Balance Sheet

As at 31 December 2023

Prepared by: Yutong Bus CO.,LTD.

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

Assets	Notes V	Closing Balance	Opening Balance
Current assets:			
Cash and Cash equivalents	V.1	6,433,808,650.59	7,034,623,944.95
Financial assets held for trading	V.2	100,121,315.07	22,110.96
Derivative financial assets			
Notes receivable	V.3	246,653,807.77	266,636,208.67
Accounts receivable	V.4	3,968,792,894.26	4,089,677,935.27
Financing receivables	V.5	211,076,691.04	62,257,015.37
Prepayments	V.6	736,325,379.70	673,422,781.72
Other receivables	V.7	1,020,759,936.91	916,168,621.56
Including: interest receivable			
Including: Dividends receivable	V.7		4,504,187.49
Inventories	V.8	4,513,287,997.28	4,893,551,267.55
Contract assets	V.9	127,516,136.84	528,800,987.92
Held-for-sale assets			
Current portion of non-current assets	V.10	530,147,886.53	367,603,961.86
Other current assets	V.11	1,725,801,160.27	165,417,122.38
Total current assets		19,614,291,856.26	18,998,181,958.21
Non-current assets:			
Debt investments	V.12	134,252,000.02	391,826,645.82
Other debt investments			
Long-term receivables	V.13	21,890,394.56	81,286,212.68
Long-term equity investments	V.14	649,545,124.13	996,940,163.70
Other equity instruments investments	V.15	1,479,764,762.94	1,715,590,445.12
Other non-current financial assets	V.16	598,803,277.44	132,500,000.00
Investment properties			
Fixed assets	V.17	4,171,617,820.66	4,161,372,973.79
Construction in progress	V.18	189,997,999.56	276,431,436.65
Productive biological assets			
Oil and gas assets			
Right-of-use assets	V.19	21,123,048.36	13,769,494.50
Intangible assets	V.20	1,543,591,173.65	1,564,864,113.99
Development expenditure			
Goodwill	V.21	103,203.85	103,203.85
Long-term deferred expenses	V.22	889,542.72	184,814.34
Deferred tax assets	V.23	1,599,212,219.33	1,655,836,331.53
Other non-current assets	V.24	831,873,549.94	9,495,239.37
Total non-current assets		11,242,664,117.16	11,000,201,075.34
Total assets		30,856,955,973.42	29,998,383,033.55

(Attached notes to statements are part of the financial statements)

Legal Representative:

Finance Officer (CFO):



Financial Manager:



Consolidated Balance Sheet (Continue)

As at 31 December 2023

Prepared by: Yutong Bus CO., LTD.

(除特别注明外, 金额单位均为人民币元)

Liability and Equity	Notes V	Closing Balance	Opening Balance
Current liabilities:			
Short-term borrowings			
Financial liabilities held for trading	V.25	45,558,310.35	45,890,608.52
Derivative financial liabilities			
Notes payable	V.26	3,305,579,159.12	2,303,768,801.76
Accounts payable	V.27	3,837,693,858.77	5,197,175,040.59
Receipts in advance	V.28	4,157,974.12	10,389,583.54
Contract liabilities	V.29	2,472,666,720.88	1,309,569,296.41
Payroll and employee benefits payable	V.30	1,108,643,151.98	836,380,903.13
Taxes payable	V.31	219,045,146.63	204,887,483.77
Other payables	V.32	2,280,463,542.26	2,179,223,900.29
Held-for-sale liabilities			
Current portion of non-current liabilities	V.33	4,110,702.05	6,762,907.04
Other current liabilities	V.34	406,291,882.00	486,134,261.55
Total current liabilities		13,684,210,448.16	12,580,182,786.60
Non-current liabilities:			
Long-term borrowings			
Bonds payable			
Including: Preferred stock			
Including: Perpetual debt			
Lease liabilities	V.35	13,525,052.63	3,655,966.72
Long-term payables			
Long-term employee benefits payable			
Provisions	V.36	2,386,118,529.77	1,990,173,231.26
Deferred income	V.37	500,599,879.13	669,163,678.81
Deferred tax liabilities	V.23	215,882,402.18	159,158,823.19
Other non-current liabilities			
Total non-current liabilities		3,116,125,863.71	2,822,151,699.98
Total liabilities		16,800,336,311.87	15,402,334,486.58
Equity:			
Share capital	V.38	2,213,939,223.00	2,213,939,223.00
Other equity instruments			
Including: Preferred stock			
Including: Perpetual debt			
Capital reserves	V.39	1,505,802,389.72	1,494,452,186.09
Less: Treasury shares			
Other comprehensive income	V.40	81,783,135.23	254,299,964.23
Special reserves	V.41	4,391,303.91	5,153,780.54
Surplus reserve	V.42	3,236,247,955.04	3,038,152,006.09
Unappropriated profit	V.43	6,876,806,726.32	7,466,591,790.27
Equity attributable to parent company		13,918,970,733.22	14,472,588,950.22
Non-controlling interests		137,648,928.33	123,459,596.75
Total shareholders' equity		14,056,619,661.55	14,596,048,546.97
Total liabilities and shareholders' equity		30,856,955,973.42	29,998,383,033.55

(Attached notes to statements are part of the financial statements)

Legal Representative:



Finance Officer (CFO):

杨力波

Financial Manager:




Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

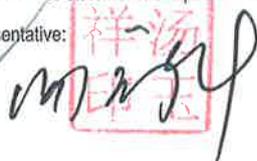
Prepared by: Yutong Bus CO., LTD.

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

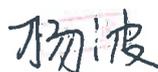
Items	Notes V	Current Period	Prior Period
1. Operating revenue	V.44	27,041,989,494.57	21,798,960,604.67
Less: Operating costs	V.44	20,105,991,490.18	16,823,122,585.66
Taxes and surcharges	V.45	327,644,040.06	224,637,974.81
Selling expenses	V.46	1,954,943,335.45	1,639,000,517.56
Administrative expenses	V.47	719,313,451.70	846,249,444.57
Research and development expenses	V.48	1,567,641,719.45	1,694,314,017.12
Finance expenses	V.49	-85,802,958.12	-78,243,005.81
Including: Interest expenses	V.49	1,870,787.06	234,535.01
Interest income	V.49	146,521,974.16	61,999,128.31
Add: Other income	V.50	329,775,019.58	433,454,299.66
Income from investments	V.51	99,035,717.88	153,254,781.82
Including: Investment income from associates and joint ventures	V.51	98,966,718.81	100,415,500.59
Derecognition of financial assets at amortised cost	V.51	-54,170,176.39	-44,687,511.20
Gains from net exposure hedging			
Gains from changes in fair values	V.52	-1,239,105.29	-17,245,208.93
Credit impairment losses	V.53	-333,561,307.12	-441,440,832.56
Assets impairment losses	V.54	-557,103,720.64	-126,088,338.25
Gains from asset disposals	V.55	46,722,820.36	53,992,660.32
2. Operating profit		<u>2,035,887,840.62</u>	<u>705,806,432.82</u>
Add: Non-operating income	V.56	65,698,467.46	32,863,921.98
Less: Non-operating expenses	V.57	23,573,038.11	30,910,755.55
3. Profit before tax		<u>2,078,013,269.97</u>	<u>707,759,599.25</u>
Less: Income tax expenses	V.58	238,509,966.63	-60,045,092.38
4. Net profit		<u>1,839,503,303.34</u>	<u>767,804,691.63</u>
Including: Net profit realised before business combinations under common control			
I. Net profit classified by going concern			
Net profit from continuing operations		1,839,503,303.34	767,804,691.63
Net profit from discontinuing operations			
II. Net profit classified by ownership			
Net profit attributable to parent company		1,817,084,152.22	759,140,760.22
Net profit attributable to non-controlling interests		22,419,151.12	8,663,931.41
5. Other comprehensive income after tax		<u>-167,350,873.22</u>	<u>-396,855,577.35</u>
Other comprehensive income after tax attributable to parent company		<u>-167,350,873.22</u>	<u>-396,855,577.35</u>
I. Items of other comprehensive income that will not be reclassified to profit or loss		<u>-168,870,508.51</u>	<u>-396,855,577.35</u>
i. Changes in remeasurement of defined benefit plans			
ii. Other comprehensive income that cannot be transferred to profit or loss under the			
iii. Changes in fair value of investments in equity instruments		-168,870,508.51	-396,855,577.35
iv. Changes in fair value of the Company's own credit risk			
v. Others			
II. Items of other comprehensive income that will be reclassified to profit or loss		<u>1,519,635.29</u>	
i. Other comprehensive income that can be transferred to profit or loss under the			
ii. Changes in fair value of other debt investments			
iii. Amount of financial assets reclassified into other comprehensive income			
iv. Provisions for credit impairment of other debt investments			
v. The effective portion of gains or losses arising from cash flow hedging			
vi. Translation differences arising from financial statements in foreign currencies		1,519,635.29	
vii. Income from investments in subsidiaries before loss of control			
viii. Investment properties at fair value converted from other assets			
ix. Others			
Other comprehensive income attributable to non-controlling interests after tax			
6. Total comprehensive income		<u>1,672,152,430.12</u>	<u>370,949,114.28</u>
Total comprehensive income attributable to parent company		1,649,733,279.00	362,285,182.87
Total comprehensive income attributable to non-controlling interests		22,419,151.12	8,663,931.41
7. Earnings per share			
I. Basic earnings per share		0.82	0.34
II. Diluted earnings per share		0.82	0.34

(Attached notes to statements are part of the financial statements)

Legal Representative:



Finance Officer (CFO):



Financial Manager:





Consolidated Cash Flows Statement

For the year ended 31 December 2023

Prepared by: Yutong Bus CO., LTD.

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

Items	Notes V	Current Period	Prior Period
1. Cash flows from operating activities			
Cash received from sales and services		30,404,712,926.33	24,671,130,941.10
Tax and surcharge refunds		421,546,143.47	409,179,400.50
Other cash receipts related to operating activities	V.59.i	716,002,911.89	1,091,541,883.93
Total cash inflows from operating activities		31,542,261,981.69	26,171,852,225.53
Cash paid for goods and services		20,911,298,554.73	17,012,028,922.32
Cash paid to and for employees		2,368,199,981.54	2,694,966,784.99
Taxes and surcharges paid		869,531,361.37	698,164,806.22
Other cash payments related to operating activities	V.59.i	2,676,534,355.88	2,513,086,908.46
Total cash outflows from operating activities		26,825,564,253.52	22,918,247,421.99
Net cash flows from operating activities		4,716,697,728.17	3,253,604,803.54
2. Cash flows from investing activities			
Cash received from withdrawal of investments		10,947,550,667.29	2,530,292,679.26
Cash received from investment income		11,137,500.00	51,219,785.73
Net proceeds from disposals of fixed assets, intangible assets and other long-		117,254,042.50	120,211,166.94
Net proceeds from disposal of subsidiaries and other business units		15,090,000.00	34,712,460.72
Other cash receipts related to investing activities			
Total cash inflows from investing activities		11,091,032,209.79	2,736,436,092.65
Cash paid for fixed assets, intangible assets and other long-term assets		567,039,081.24	975,657,927.93
Cash paid for investments		13,697,734,725.40	2,159,582,867.86
Net cash paid for acquiring subsidiaries and other business units			
Other cash payments related to investing activities			
Total cash outflows from investing activities		14,264,773,806.64	3,135,240,795.79
Net cash flows from investing activities		-3,173,741,596.85	-398,804,703.14
3. Cash flows from financing activities			
Cash received from investments by others		3,643,200.00	8,173.79
Including: Cash received by subsidiaries from non-controlling investors		3,643,200.00	8,173.79
Cash received from borrowings			
Other cash receipts related to other financing activities			
Total cash inflows from financing activities		3,643,200.00	8,173.79
Cash repayments for debts			
Cash paid for distribution of dividends and profit and for interest expenses		2,245,698,257.62	1,116,795,631.60
Including: Dividends or profit paid by subsidiaries to non-controlling investors		11,873,019.54	9,988,647.40
Other cash payments related to financing activities	V.59.ii	9,282,499.82	320,402,119.05
Total cash outflows from financing activities		2,254,980,757.44	1,437,197,750.65
Net cash flows from financing activities		-2,251,337,557.44	-1,437,189,576.86
4. Effect of changes in foreign exchange rates on cash and cash equivalents		-27,019,533.07	-9,531,041.47
5. Net increase in cash and cash equivalents		-735,400,959.19	1,408,079,482.07
Add: Opening balance of cash and cash equivalents		7,027,259,964.83	5,619,180,482.76
6. Closing balance of cash and cash equivalents		6,291,859,005.64	7,027,259,964.83

(Attached notes to statements are part of the financial statements)

Legal Representative:

汤祥
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Finance Officer (CFO):

杨波

Financial Manager:

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Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

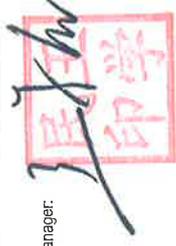
	Equity attributable to parent company										Total shareholders' equity				
	Other equity instruments		Capital reserves		Less: Treasury shares		Other comprehensive income		Special reserves			Surplus reserve		Unappropriated profit	
	Preferred stock	Perpetual debt	Others	Capital reserves	Others	Capital reserves	Others	Less: Treasury shares	Others comprehensive income	Special reserves	Surplus reserve	Unappropriated profit	Non-controlling interests	Total shareholders' equity	
1. Closing balance of last year	2,262,931,223.00			1,787,914,266.09	342,454,080.00	753,187,571.70	5,385,846.22	2,948,919,632.11	7,802,754,907.06	124,481,946.46	15,943,121,312.64				
Add: Increase/decrease due to changes in accounting policies															
Increase/decrease due to corrections of errors in prior															
Others															
2. Opening balance of current year	2,262,931,223.00			1,787,914,266.09	342,454,080.00	753,187,571.70	5,385,846.22	2,948,916,123.46	7,802,723,329.19	124,481,946.46	15,343,086,226.12				
3. Increase/decrease for current year	-48,992,000.00			-293,462,080.00	-342,454,080.00	-498,887,607.47	-232,065.08	89,235,882.63	-336,131,536.92	-1,022,349.71	-747,037,879.15				
I. Total comprehensive income															
II. Owner's contributions to and withdrawals of capital															
i. Common stock contributed/paid-in capital by															
ii. Capital contributed by other equity instruments holders															
iii. Share-based payments to owners' equity															
iv. Others															
III. Profit distribution															
i. Appropriation of surplus reserve															
ii. Distribution to owners															
iii. Others															
IV. Transfers within owners' equity															
i. Capital reserves transferred to paid-in capital															
ii. Surplus reserve transferred to paid-in capital															
iii. Use of surplus reserve to cover previous losses															
iv. Changes in remeasurement of defined benefit plans															
v. Other comprehensive income transferred to retained															
vi. Others															
V. Special reserves															
i. Appropriated during current year															
ii. Used during current year															
VI. Others															
4. Closing balance of current year	2,213,939,223.00			1,494,452,186.09		254,299,964.23	5,153,780.54	3,038,152,006.09	7,466,591,790.27	123,459,586.75	14,596,048,546.97				

(Attached notes to statements are part of the financial statements)

Legal Representative:

Finance Officer (CFO):

Financial Manager:



Parent Company's Balance Sheet

As at 31 December 2023

Prepared by: Yutong Bus CO., LTD. (The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

Assets	Notes XVI	Closing Balance	Opening Balance
Current assets:			
Cash and Cash equivalents		3,596,382,466.51	3,579,352,038.49
Financial assets held for trading		100,121,315.07	
Derivative financial assets			
Notes receivable		109,274,692.40	202,014,392.64
Accounts receivable	XVI.1	5,629,119,962.00	5,571,985,165.92
Financing receivables		85,455,242.48	57,442,053.12
Prepayments		642,158,250.82	571,768,540.62
Other receivables	XVI.2	2,091,204,447.88	2,935,469,885.42
Including: interest receivable			16,000,000.00
Including: Dividends receivable			
Inventories		2,130,872,245.87	1,707,057,949.09
Contract assets		90,403,173.48	488,619,858.91
Held-for-sale assets			
Current portion of non-current assets		530,147,886.53	367,603,961.86
Other current assets		1,520,659,697.31	11,282,966.82
Total current assets		<u>16,525,799,380.35</u>	<u>15,492,596,812.89</u>
Non-current assets:			
Debt investments		134,252,000.02	391,826,645.82
Other debt investments			
Long-term receivables		21,890,394.56	81,286,212.68
Long-term equity investments	XVI.3	4,010,026,878.68	4,908,132,544.56
Other equity instruments investments		810,322,262.94	847,199,242.75
Other non-current financial assets			
Investment properties			
Fixed assets		3,135,270,302.57	3,389,020,826.65
Construction in progress		48,783,018.85	148,144,899.87
Productive biological assets			
Oil and gas assets			
Right-of-use assets		3,484,722.78	5,518,374.62
Intangible assets		1,021,327,272.41	1,036,163,277.88
Development expenditure			
Goodwill			
Long-term deferred expenses			
Deferred tax assets		1,227,947,738.50	1,324,428,124.63
Other non-current assets		830,543,655.09	7,581,491.40
Total non-current assets		<u>11,243,848,246.40</u>	<u>12,139,301,640.86</u>
Total assets		<u>27,769,647,626.75</u>	<u>27,631,898,453.75</u>

(Attached notes to statements are part of the financial statements)

Legal Representative:

Finance Officer (CFO):

Financial Manager:



Parent Company's Balance Sheet (Continue)

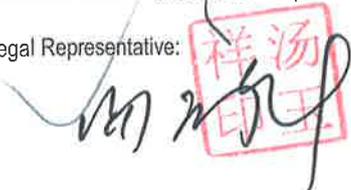
As at 31 December 2023

Prepared by: Yutong Bus CO.,LTD. (The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

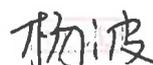
Liability and Equity	Notes XVI	Closing Balance	Opening Balance
Current liabilities:			
Short-term borrowings			
Financial liabilities held for trading		31,499,244.76	21,331,454.77
Derivative financial liabilities			
Notes payable		3,247,678,159.07	2,217,026,442.32
Accounts payable		2,802,658,251.75	4,329,309,593.83
Receipts in advance		1,864,860.00	8,025,266.05
Contract liabilities		1,493,221,833.21	879,896,678.33
Payroll and employee benefits payable		1,053,618,958.41	815,618,726.06
Taxes payable		157,959,712.29	95,252,360.55
Other payables		1,678,652,048.50	1,810,519,522.65
Held-for-sale liabilities			
Current portion of non-current liabilities		1,633,119.54	1,615,392.10
Other current liabilities		303,259,728.23	379,392,394.67
Total current liabilities		<u>10,772,045,915.76</u>	<u>10,557,987,831.33</u>
Non-current liabilities:			
Long-term borrowings			
Bonds payable			
Including: Preferred stock			
Including: Perpetual debt			
Lease liabilities		2,074,451.03	3,655,966.72
Long-term payables			
Long-term employee benefits payable			
Provisions		1,897,145,389.13	1,627,499,970.06
Deferred income		477,365,023.76	636,287,661.06
Deferred tax liabilities		118,995,970.79	39,753,301.10
Other non-current liabilities			
Total non-current liabilities		<u>2,495,580,834.71</u>	<u>2,307,196,898.94</u>
Total liabilities		<u>13,267,626,750.47</u>	<u>12,865,184,730.27</u>
Equity:			
Share capital		2,213,939,223.00	2,213,939,223.00
Other equity instruments			
Including: Preferred stock			
Including: Perpetual debt			
Capital reserves		2,212,319,569.40	2,212,319,569.40
Less: Treasury shares			
Other comprehensive income		-372,092,179.06	-340,746,746.22
Special reserves		1,204,788.23	1,572,469.06
Surplus reserve		3,047,244,001.97	2,849,148,053.02
Unappropriated profit		7,399,405,472.74	7,830,481,155.22
Total shareholders' equity		<u>14,502,020,876.28</u>	<u>14,766,713,723.48</u>
Total liabilities and owners' equity		<u>27,769,647,626.75</u>	<u>27,631,898,453.75</u>

(Attached notes to statements are part of the financial statements)

Legal Representative:




Finance Officer (CFO):



Financial Manager:






Parent Company's Statement of Comprehensive Income

For the year ended 31 December 2023

Prepared by: Yutong Bus CO.,LTD.

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

Items	Notes XVI	Current Period	Prior Period
1. Operating revenue	XVI.4	23,693,784,402.02	19,662,003,867.39
Less: Operating costs	XVI.4	17,638,316,038.72	15,506,929,744.50
Taxes and surcharges		248,437,468.04	125,746,877.66
Selling expenses		1,615,808,374.43	1,334,024,991.12
Administrative expenses		575,977,996.49	710,464,365.65
Research and development expenses		1,411,123,227.15	1,557,437,091.05
Finance expenses		-148,423,059.51	-120,748,633.21
Including: Interest expenses		9,246,666.67	
Interest income		103,569,021.71	31,792,504.62
Add: Other income		302,062,477.10	397,337,234.81
Income from investments	XVI.5	246,569,641.19	224,261,206.82
Including: Investment income from associates and joint ventures		50,245,792.62	100,415,500.59
Derecognition of financial assets at amortised cost		-26,322,845.52	-38,385,532.84
Gains from net exposure hedging			
Gains from changes in fair values		32,457,617.27	5,847,934.76
Credit impairment losses		-308,138,631.60	-469,254,198.80
Assets impairment losses		-536,054,624.87	-61,403,568.32
Gains from asset disposals		38,160,343.76	54,187,604.17
2. Operating profit		<u>2,127,601,179.55</u>	<u>699,125,644.06</u>
Add: Non-operating income		57,976,325.50	30,004,909.45
Less: Non-operating expenses		10,544,089.59	1,132,078.20
3. Profit before tax		<u>2,175,033,415.46</u>	<u>727,998,475.31</u>
Less: Income tax expenses		194,073,925.99	-79,211,552.65
4. Net profit		<u>1,980,959,489.47</u>	<u>807,210,027.96</u>
Net profit from continuing operations		1,980,959,489.47	807,210,027.96
Net profit from discontinuing operations			
5. Other comprehensive income after tax		<u>-31,345,432.84</u>	<u>-382,202,637.27</u>
I. Items of other comprehensive income that will not be reclassified to profit or loss		<u>-31,345,432.84</u>	<u>-382,202,637.27</u>
i. Changes in remeasurement of defined benefit plans			
ii. Other comprehensive income that cannot be transferred to profit or loss under the			
iii. Changes in fair value of investments in equity instruments		-31,345,432.84	-382,202,637.27
iv. Changes in fair value of the Company's own credit risk			
v. Others			
II. Items of other comprehensive income that will be reclassified to profit or loss			
i. Other comprehensive income that can be transferred to profit or loss under the			
ii. Changes in fair value of other debt investments			
iii. Amount of financial assets reclassified into other comprehensive income			
iv. Provisions for credit impairment of other debt investments			
v. The effective portion of gains or losses arising from cash flow hedging			
vi. Translation differences arising from financial statements in foreign currencies			
vii. Income from investments in subsidiaries before loss of control			
viii. Investment properties at fair value converted from other assets			
ix. Others			
6. Total comprehensive income		<u><u>1,949,614,056.63</u></u>	<u><u>425,007,390.69</u></u>
7. Earnings per share			
I. Basic earnings per share			
II. Diluted earnings per share			

(Attached notes to statements are part of the financial statements)

Legal Representative:



Finance Officer (CFO):



Financial Manager:




Parent Company's Cash Flows Statement

For the year ended 31 December 2023

Prepared by: Yutong Bus CO., LTD.

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

Items	Notes XVI	Current Period	Prior Period
1. Cash flows from operating activities			
Cash received from sales and services		26,064,308,704.19	21,497,579,117.66
Tax and surcharge refunds		399,471,678.02	363,324,520.28
Other cash receipts related to operating activities		1,865,617,742.31	1,154,413,012.79
Total cash inflows from operating activities		28,329,398,124.52	23,015,316,650.73
Cash paid for goods and services		18,796,885,197.16	16,949,334,537.80
Cash paid to and for employees		2,076,334,556.94	2,376,781,599.18
Taxes and surcharges paid		460,526,785.63	301,046,147.32
Other cash payments related to operating activities		2,917,808,690.58	1,981,003,265.26
Total cash outflows from operating activities		24,251,555,230.31	21,608,165,549.56
Net cash flows from operating activities		4,077,842,894.21	1,407,151,101.17
2. Cash flows from investing activities			
Cash received from withdrawal of investments		11,390,862,479.78	2,983,347,146.36
Cash received from investment income		195,587,500.00	105,767,466.67
Net proceeds from disposals of fixed assets, intangible assets and other long-term assets		116,954,856.19	117,101,964.69
Net proceeds from disposal of subsidiaries and other business units			
Other cash receipts related to investing activities			
Total cash inflows from investing activities		11,703,404,835.97	3,206,216,577.72
Cash paid for fixed assets, intangible assets and other long-term assets		402,278,626.34	607,786,776.40
Cash paid for investments		13,181,175,111.31	2,509,758,209.77
Net cash paid for acquiring subsidiaries and other business units			
Other cash payments related to investing activities			
Total cash outflows from investing activities		13,583,453,737.65	3,117,544,986.17
Net cash flows from investing activities		-1,880,048,901.68	88,671,591.55
3. Cash flows from financing activities			
Cash received from investments by others			
Cash received from borrowings			
Other cash receipts related to other financing activities			
Total cash inflows from financing activities			
Cash repayments for debts			
Cash paid for distribution of dividends and profit and for interest expenses		2,221,249,070.57	1,106,806,984.20
Other cash payments related to financing activities		2,990,662.38	314,248,438.06
Total cash outflows from financing activities		2,224,239,732.95	1,421,055,422.26
Net cash flows from financing activities		-2,224,239,732.95	-1,421,055,422.26
4. Effect of changes in foreign exchange rates on cash and cash equivalents		-16,167,205.84	8,533,914.57
5. Net increase in cash and cash equivalents		-42,612,946.26	83,301,185.03
Add: Opening balance of cash and cash equivalents		3,578,544,117.23	3,495,242,932.20
6. Closing balance of cash and cash equivalents		3,535,931,170.97	3,578,544,117.23

(Attached notes to statements are part of the financial statements)

Legal Representative:



Finance Officer (CFO):

汤波

Financial Manager:

3 印学



Parent Company's Statement of Changes in Equity

For the year ended 31 December 2023

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

	Current Period						Total shareholders' equity					
	Share capital	Preferred stock	Perpetual debt	Other equity instruments	Capital reserves	Less: Treasury shares		Other comprehensive income	Special reserves	Surplus reserve	Unappropriated profit	
1. Closing balance of last year	2,213,939,223.00				2,212,319,569.40		-340,746,746.22	1,572,469.06	2,849,151,758.26	7,830,514,502.35	-33,347.13	14,766,750,775.85
Add: Increase/decrease due to changes in accounting policies									-3,705.24			-37,052.37
Increase/decrease due to corrections of errors in prior period												
Others												
2. Opening balance of current year	2,213,939,223.00				2,212,319,569.40		-340,746,746.22	1,572,469.06	2,849,148,053.02	7,830,491,155.22		14,766,713,723.48
3. Increase/decrease for current year							-31,345,432.84	-367,680.83	198,095,948.95	-431,075,662.48		-264,692,847.20
I. Total comprehensive income							-31,345,432.84			1,980,959,489.47		1,949,614,056.63
II. Owner's contributions to and withdrawals of capital												
i. Common stock contributed/paid-in capital by												
ii. Capital contributed by other equity instruments holders												
iii. Share-based payments to owners' equity												
iv. Others												
III. Profits distribution												
i. Appropriation of surplus reserve									198,095,948.95	-2,412,035,171.95		-2,213,939,223.00
ii. Distribution to owners									198,095,948.95	-198,095,948.95		
iii. Others										-2,213,939,223.00		-2,213,939,223.00
IV. Transfers within owners' equity												
i. Capital reserves transferred to paid-in capital												
ii. Surplus reserve transferred to paid-in capital												
iii. Use of surplus reserve to cover previous losses												
iv. Changes in remeasurement of defined benefit plans												
v. Other comprehensive income transferred to retained earnings												
vi. Others												
V. Special reserves												
i. Appropriated during current year												
ii. Used during current year												
VI. Others												
4. Closing balance of current year	2,213,939,223.00				2,212,319,569.40		-372,092,179.06	1,204,788.23	3,047,244,001.97	7,399,405,472.74		14,502,020,876.28

(Attached notes to statements are part of the financial statements)

Legal Representative: 

Finance Officer (CFO):



Financial Manager:





Parent Company's Statement of Changes in Equity

For the year ended 31 December 2023

(The currency of the statements are Chinese Yuan or 'CNY', unless otherwise indicated)

	Prior Period						Total shareholders' equity					
	Share capital	Preferred stock	Perpetual debt	Others	Capital reserves	Less: Treasury shares		Other comprehensive income	Special reserves	Surplus reserve	Unappropriated profit	
1. Closing balance of last year	2,262,931,223.00				2,505,781,649.40	342,454,080.00	126,604,689.42	1,648,195.45	2,759,915,679.04	8,134,359,400.89	-31,577.87	15,448,786,757.20
Add: Increase/decrease due to changes in accounting policies												
Increase/decrease due to corrections of errors in prior period												
Others												
2. Opening balance of current year	2,262,931,223.00				2,505,781,649.40	342,454,080.00	126,604,689.42	1,648,195.45	2,759,912,170.39	8,134,327,823.02		15,448,751,670.68
3. Increase/decrease for current year	-48,992,000.00				-293,462,080.00	-342,454,080.00	-467,351,435.64	-75,726.39	89,235,882.63	-303,846,667.80	807,210,027.96	-682,037,947.20
I. Total comprehensive income												
II. Owner's contributions to and withdrawals of capital	-48,992,000.00											
i. Common stock contributed/paid-in capital by												
ii. Capital contributed by other equity instruments holders												
iii. Share-based payments to owners' equity												
iv. Others												
III. Profits distribution												
i. Appropriation of surplus reserve												
ii. Distribution to owners												
iii. Others												
IV. Transfers within owners' equity												
i. Capital reserves transferred to paid-in capital												
ii. Surplus reserve transferred to paid-in capital												
iii. Use of surplus reserve to cover previous losses												
iv. Changes in remeasurement of defined benefit plans												
v. Other comprehensive income transferred to retained earnings												
vi. Others												
V. Special reserves												
i. Appropriated during current year												
ii. Used during current year												
VI. Others												
4. Closing balance of current year	2,213,939,223.00				2,212,319,569.40	-340,746,746.22	1,572,469.06	2,849,148,053.02	7,830,481,155.22	14,766,713,723.48		15,869,129.32
												15,944,855.71

(Attached notes to statements are part of the financial statements)

Legal Representative:



王明波

Finance Officer (CFO):

Financial Manager:



Yutong Bus CO.,LTD.
For the year ended 31 december 2023
Notes to the financial statements

I.GENERAL INFORMATION OF THE COMPANY

1.Company profile

Yutong Bus CO.,LTD. (hereinafter referred to as the "Company") is a joint stock limited company established under the permission of Commission for Restructuring Commission (1993) No. 29 of Henan Province. It was approved by the China Securities Regulatory Commission to issue 35.00 million A-shares to the public. After the issuance of the total capital of 73.00 million shares, and listed on the Shanghai Stock Exchange in May 1997. Unified social credit code of the company: 91410000170001401D.

Through the years of allotment of new shares, conversion of capital, additional issue of new shares and share repurchase. As at December 31, 2023, the Company had a total cumulative outstanding capital of 2,213,939,223.00 shares. The registered capital is 2,213,939,223.00 yuan. Registered address: No. 6 Yutong Road, Guancheng Huizu District, Zhengzhou. Headquarters Address: No. 6 Yutong Road, Guancheng Huizu District, Zhengzhou. The parent company is Zhengzhou Yutong Group Co.,Ltd. (hereinafter referred to as "Yutong Group"). The actual control of the group is Tang Yuxiang.

2.The business nature and main business activities of the Company

The company belongs to the automobile manufacturing industry. The main business is the production and sales of passenger cars, the provision of automobile maintenance services and the city - county line travel passenger service.

3.Approve the presentation of financial statements

These financial statements have been approved by the board of directors of the Company on 30 March, 2024.

II.PREPARATION BASIS OF FINANCIAL STATEMENTS

1.Basis of Preparation



The Group has adopted the Accounting Standards for Business Enterprises ("ASBE") issued by the Ministry of Finance ("MoF"). In addition, the Group has disclosed relevant financial information in accordance with Information Disclosure and Presentation Rules for Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reporting (Revised in 2023).

2.Going concern

The Company evaluated its ability to go as a going concern for the 12 months from the end of the reporting period and did not identify matters or circumstances that raised material doubt about its ability to go as a going concern. Accordingly, the financial statements have been prepared on the basis of going concern assumptions.

3.Basis of accounting and pricing principles

The Company's accounting is based on the accrual basis. Except for certain financial instruments measured at fair value, the financial statements are measured on a historical cost basis. In case of asset impairment, the corresponding impairment reserve shall be set aside in accordance with relevant provisions.

III.SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1.Statement of compliance with accounting standards for business enterprises

The financial statements prepared by the company meet the requirements of the accounting standards for business enterprises, truly and completely reflect the company's financial position, operating results, cash flow and other relevant information during the reporting period.

2.Accounting period

The accounting period is from 1 January to 31 December.

3.Operating cycle

The main business of the company is the production and sales of buses, the operating cycle is short, with 12 months as the liquidity division standard of assets and liabilities; The operating cycle of the company's real estate business usually lasts more than 12 months, from land purchase to property development to sale and realization. The specific cycle is determined according to the development project situation, and the operating cycle is taken as the liquidity division standard of assets and liabilities.



4.Reporting currency

The Company's functional currency is Renminbi.

5.Determining method and selecting basis of importance criterion

Items	Importance Criterion
Significant write-off receivables for the period	The balance of receivables is more than 1% and the amount is greater than or equal to 10 million yuan
Significant prepayments aged over 1 year	The amount is greater than or equal to 10 million yuan
Significant recovery or reversal of bad debt provision for the current period	The balance of receivables is more than 1% and the amount is greater than or equal to 10 million yuan
Significant debt investments	Total assets of more than 1% and the amount is greater than or equal to 200 million yuan
Significant accounts payable aged over 1 year	The balance of accounts payable is more than 1% and the amount is greater than or equal to 10 million yuan
Significant receipts in advance aged over 1 year	The balance of receipts in advance is more than 10% and the amount is greater than or equal to 5 million yuan
Significant contract liabilities aged over 1 year	The balance of contract liabilities is more than 1% and the amount is greater than or equal to 10 million yuan
Significant other payables aged over 1 year	The amount is greater than or equal to 10 million yuan
Cash received in connection with significant investment activities	Non-financial investment that accounts for more than 1% of the cash received from the sale of goods and the provision of services in the year and is greater than or equal to 200 million yuan
Cash payments relating to significant investment activities	Non-financial investment that accounts for more than 1% of the cash received from the sale of goods and the provision of services in the year and is greater than or equal to 200 million yuan
Significant non-wholly owned subsidiaries	The net profit impact exceeds 10% of the company's consolidated net profit
Significant joint ventures and associates	The net profit impact exceeds 10% of the company's consolidated net profit
Significant outsourcing research projects	Research and development cost more than 5% and the amount is greater than or equal to 10 million yuan
Significant construction in progress	The budget accounts for more than 1% of the total assets and the amount is greater than or equal to 200 million yuan

6.Accounting treatments for business combinations involving entities under common control and not under common control

i. The terms, conditions, and economic impact of each transaction in the process of a step-by-step business combination meet one or more of the following conditions, accounting for multiple transactions as a package transaction

- (1)The transactions were entered into at the same time or having regard to the effects of each other;
- (2)These transactions as a whole can achieve a complete business outcome;
- (3)The occurrence of one transaction depends on the occurrence of at least one other transaction;
- (4)A transaction is uneconomic in isolation, but economic when considered in conjunction with other transactions.



ii. Business combinations involving entities under common control

The enterprises participating in the merger are ultimately controlled by the same party or the same multiple parties before and after the merger, and the control is not temporary, and it is a business combination under the same control.

The assets and liabilities acquired by the Company in the business combination shall be measured according to the book value of the assets and liabilities of the merged party (including the goodwill generated by the acquisition of the merged party by the ultimate controlling party) in the consolidated financial statements of the ultimate controlling party on the merger date. For the difference between the book value of net assets acquired in the merger and the book value of the merger consideration paid (or the total face value of the issued shares), the capital premium in the capital reserve shall be adjusted. If the capital premium in the capital reserve is insufficient for write-down, the retained earnings shall be adjusted.

If contingent consideration exists and a projected liability or asset needs to be recognized, the difference between the estimated liability or asset amount and the subsequent contingent consideration settlement amount, Adjust capital reserves (capital premium or equity premium), and if capital reserves are insufficient, adjust retained earnings.

For the enterprise merger that is finally realized through multiple transactions and belongs to the package transaction, accounting treatment shall be carried out for each transaction as one transaction that has acquired control rights. If it is not a package transaction, on the date of acquisition of control rights, Initial investment cost of long-term equity investment, the difference between the book value of the long-term equity investment before the merger and the book value of the new consideration for shares acquired on the merger date, adjust the capital reserve; If the capital reserve is insufficient for write-down, the retained earnings shall be adjusted. For the equity investment held before the merger date, other comprehensive income recognized by using the equity method of accounting or financial instrument recognition and measurement standards accounting, temporarily no accounting treatment, until the disposal of the investment in the same basis as the direct disposal of relevant assets or liabilities of the invested entity; Other changes in owner's equity except net profit and loss, other comprehensive income and profit distribution in the net assets of the invested entity recognized by the equity method shall not be accounted for temporarily until they are transferred to current profit and loss when the investment is disposed of.

iii. Business combinations involving entities not under common control

The enterprises participating in the merger are not ultimately controlled by the same party or the same multiple parties before and after the merger, which is a business merger not under the same control.



On the purchase date, the Company measures the assets paid and liabilities incurred or assumed as consideration for the merger in accordance with the fair value, and the difference between the fair value and the carrying value is recorded into current profit and loss.

The Company recognizes as goodwill the difference between the cost of the merger and the share of the fair value of the identifiable net assets of the purchaser obtained in the merger; The difference between the merger cost less than the fair value share of the identifiable net assets of the purchaser obtained in the merger shall be recorded into the current profit and loss after review.

If the enterprise combination under different control is realized step by step through multiple exchange transactions, and belongs to a package transaction, each transaction shall be treated as one transaction that has acquired control rights; If the equity investment held before the merger date is accounted by the equity method, the sum of the book value of the equity investment held by the purchaser before the purchase date and the new investment cost on the purchase date shall be taken as the initial investment cost of the investment. Other comprehensive income recognized by the equity method for the equity investment held before the purchase date shall be accounted for on the same basis as the direct disposal of related assets or liabilities by the invested entity when disposing of the investment. If the equity investment held before the merger date is accounted by financial instrument recognition and measurement criteria, the sum of the fair value of the equity investment on the merger date plus the cost of new investment shall be taken as the initial investment cost on the merger date. The balance between the fair value of the original equity and the book value as well as the accumulated fair value changes originally included in other comprehensive income shall all be transferred to the investment income of the current period of the merger date.

iv. Are expenses incurred in connection with the merger

Intermediary fees, such as auditing, legal services, evaluation and consulting, and other directly related expenses incurred for business merger shall be booked into current profit and loss when incurred; Transaction expenses of equity securities issued for the purpose of enterprise merger may be deducted from equity directly attributable to equity transactions.

7.The criterion of control and the preparation method of consolidated financial statements

i. The criterion of control

Control means that the investor has power over the investee, enjoys variable returns by participating in the investee's related activities, and has the ability to use its power over the investee to influence the amount of returns.

The Company determines whether to control the investee on the basis of comprehensive



consideration of all relevant facts and circumstances. If changes in relevant facts and circumstances lead to changes in the relevant elements of the definition of control, the Company will re-evaluate. Relevant facts and circumstances include:

- (1) The purpose of establishment of the investee.
- (2) the related activities of the investee and how to make decisions about the related activities.
- (3) whether the rights enjoyed by the investor currently enable it to direct the relevant activities of the investee.
- (4) Whether the investor enjoys variable returns by participating in the investee's related activities.
- (5) Whether the investor has the ability to use its power over the investee to influence the amount of its return.
- (6) The investor's relationship with other parties.

ii. Scope of consolidated financial statements

The consolidated scope of the Company's consolidated financial statements is determined on a control basis and all subsidiaries (including separate entities controlled by the Company) are included in the consolidated financial statements.

iii. Merge program

The Company prepares consolidated financial statements based on its own financial statements and those of its subsidiaries and other relevant information. In preparing consolidated financial statements, the Company regards the entire enterprise group as one accounting entity and reflects the overall financial position, operating results and cash flow of the enterprise group in accordance with the recognition, measurement and presentation requirements of relevant accounting standards for enterprises and in accordance with uniform accounting policies.

The accounting policies and accounting periods adopted by all subsidiaries included in the consolidated financial statements are consistent with those of the Company. If the accounting policies and accounting periods adopted by the subsidiaries are not consistent with those of the Company, necessary adjustments shall be made in accordance with the accounting policies and accounting periods of the Company when preparing the consolidated financial statements.

The consolidated financial statements offset the impact of internal transactions between the Company and its subsidiaries and among subsidiaries on the consolidated balance sheet, consolidated income statement, consolidated cash flow statement and consolidated statement of changes in shareholders' equity. If the perspective of consolidated financial statements of an



enterprise group is different from the recognition of the same transaction with the company or its subsidiaries as the accounting subject, the transaction shall be adjusted from the perspective of the enterprise group.

The owners' equity, current net profit and loss and the shares belonging to minority shareholders in the current comprehensive income of the subsidiary are separately shown under the owners' equity item in the consolidated balance sheet, under the net profit item in the consolidated income statement and under the total comprehensive income item. The current loss shared by the minority shareholders of the subsidiary exceeds the balance formed by the minority shareholders' shares in the initial owner's equity of the subsidiary, and thus reduces the shareholders' equity.

For the subsidiaries acquired by the merger of enterprises under the same control, the financial statements of the subsidiaries shall be adjusted based on the book value of their assets and liabilities (including the goodwill formed by the acquisition of the subsidiary by the ultimate controlling party) in the financial statements of the ultimate controlling party.

For subsidiaries acquired by a merger of enterprises not under the same control, their financial statements shall be adjusted on the basis of the fair value of identifiable net assets on the purchase date

(1) Add a subsidiary or business

Adjust the beginning of the consolidated balance sheet during the reporting period if there is an increase in subsidiaries or businesses as a result of the merger of enterprises under the same control; Include the revenues, expenses and profits from the beginning of the current period to the end of the reporting period of the merger of subsidiaries or businesses into the consolidated income statement; If the cash flows of the subsidiary or business combination from the beginning of the current period to the end of the reporting period are included in the consolidated cash flow statement, and relevant items of the comparative statements are adjusted at the same time, it is deemed that the consolidated reporting subject has existed since the control point of the final controlling party.

If it is possible to exercise control over the investee under the same control due to additional investment or other reasons, it shall be deemed that the parties participating in the merger shall make adjustment in the current state when the final controlling party begins to control. Equity investment held prior to the acquisition of control of the merged party, if the relevant gains and losses, other comprehensive income and other changes in net assets are recognized between the date of acquisition of the original equity and the date on which the merged party and the merged party are under the same control and the merger date, the initial retained earnings or current gains and losses of the comparative statement period are respectively deducted.



During the reporting period, if there is an increase in subsidiaries or businesses due to the merger of enterprises not under the same control, the beginning of the consolidated balance sheet will not be adjusted; Include the revenues, expenses and profits of the subsidiary or business from the purchase date to the end of the reporting period into the consolidated income statement; The cash flows of the subsidiary or business from the purchase date to the end of the reporting period are included in the consolidated statement of cash flows.

If the Company is able to control the investee not under the same control due to additional investment or other reasons, for the equity held by the purchased buyer before the purchase date, the Company shall re-measure the equity according to the fair value of the equity on the purchase date, and the difference between the fair value and the book value shall be included in the current investment income. If the equity held by the purchaser before the purchase date involves changes in other comprehensive income under the equity method and other owners' equity except for net profit and loss, other comprehensive income and profit distribution, the relevant changes in other comprehensive income and other owners' equity shall be converted into investment income of the current period belonging to the purchase date. Except other comprehensive income arising from changes in net liabilities or net assets of the invested party due to remeasurement of the defined benefit plan.

(2) Dispose of a subsidiary or business

1) General treatment

During the Reporting Period, when the Company disposes of a subsidiary or business, the income, expenses and profits of that subsidiary or business from the beginning of the period to the date of disposal are included in the consolidated income statement of the Company; The cash flows from the beginning of the period to the disposal date of the subsidiary or operation are included in the consolidated statement of cash flows of the Company.

When the Company loses control of the investor due to the disposal of part of the equity investment or other reasons, the Company shall remeasure the remaining equity investment after disposal according to the fair value on the date of the loss of control. The sum of the consideration obtained from the disposal of the equity and the fair value of the remaining equity, minus the difference between the share of the original subsidiary's net assets and the sum of goodwill which should be continuously calculated since the purchase date or the merger date based on the original shareholding ratio, shall be included in the investment income of the period of loss of control. Other comprehensive income related to the equity investment of the original subsidiary or other changes in owners' equity other than net profit and loss, other comprehensive income and profit distribution shall be converted into current investment income when the right of



control is lost, except other comprehensive income arising from the change in net liabilities or net assets of the investor due to the remeasurement and setting of the benefit plan.

2) Disposal of subsidiaries step by step

Where the Company disposed of equity investment in a subsidiary step by step through multiple transactions until control is lost, for example, the terms, conditions and economic impact of each transaction that disposes of the equity investment in a subsidiary meet one or more of the following conditions, the Company accounts for multiple transactions as a single transaction:

- A. The transactions were entered into at the same time or having regard to the effects of each other;
- B. These transactions as a whole can achieve a complete business outcome;
- C. The occurrence of one transaction depends on the occurrence of at least one other transaction;
- D. A transaction is uneconomic in isolation, but economic when considered in conjunction with other transactions.

Where each transaction that disposes of an equity investment in a subsidiary until control is lost is a blanket transaction, the Company accounts for each transaction as a transaction that disposes of the subsidiary and loses control; However, the Company recognises the difference between each disposal price before the loss of control and the share of net assets of the subsidiary corresponding to the disposal of the investment as other comprehensive income in the consolidated financial statements and is transferred to profit or loss in the period in which control is lost when control is lost.

Where each transaction that disposes of an equity investment in a subsidiary until the loss of control is not a blanket transaction, the relevant policy for partial disposal of an equity investment in a subsidiary without loss of control is accounted for before the loss of control by the Company; When control is lost, accounting is performed in the same manner as would be done for a disposal subsidiary.

(3) Purchase of minority interests in subsidiaries

The difference between the Company's costs of newly acquired long-term equity investment resulting from the purchase of minority interests and the share of net assets attributable to the subsidiary calculated on an ongoing basis from the date of purchase (or the date of combination) based on the newly increased shareholding ratio, the equity premium in the capital reserve in the consolidated balance sheet is adjusted, and if the equity premium in the capital reserve is insufficient to offset, the retained earnings is adjusted.



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

The Company adjusts the equity premium in the capital reserve in the consolidated balance sheet for the difference between the disposal price obtained from the partial disposal of the long-term equity investment in the subsidiary without loss of control and the share of the net assets of the subsidiary that would continue to be calculated from the purchase date or the combination date corresponding to the disposal of the long-term equity investment, or adjust the retained earnings if the equity premium in the capital reserve is insufficient to offset.

8. Classification of joint arrangement and accounting methods of joint operations

i. Classification of joint arrangement

The Company divides the joint venture arrangement into joint venture and joint venture according to the structure, legal form, terms agreed in the joint venture arrangement, other relevant facts and circumstances and other factors. Joint operation means a joint venture arrangement in which the parties enjoy the assets related to the arrangement and bear the liabilities related to the arrangement. A joint venture is a joint venture arrangement in which the parties have rights only to the net assets of the arrangement.

ii. Accounting methods of joint operations

The Company shall confirm the following items related to the Company in the profit share of joint operation, and shall conduct accounting treatment in accordance with the provisions of relevant accounting standards for enterprises:

- (1) Recognize the assets held solely by the Company, and recognize assets held jointly by the Company in appropriation to the share of the Company;
- (2) Recognize the obligations assumed solely by the Company, and recognize obligations assumed jointly by the Company in appropriation to the share of the Company;
- (3) Recognize revenue from disposal of joint operations in appropriation to the share of the Company;
- (4) Recognize revenue from disposal of joint operations in appropriation to the share of the Company;
- (5) Recognize fees solely occurred by the Company and recognize fees from joint operations in appropriation to the share of the Company.

The Company invests or sells assets, etc. to the joint venture (except the assets constituting the business), and only recognizes the part of the profit and loss attributable to the other parties of the joint venture resulting from the transaction before the assets are sold by the joint venture to a third



party. If the invested or sold assets suffer asset impairment losses in accordance with Accounting Standards for Business Enterprises No. 8 -- Asset Impairment and other provisions, the Company will fully recognize the loss.

The Company purchases assets, etc. from the joint operation (except the assets constituting the business), and only recognizes the part of the profit and loss arising from the transaction attributable to other participants in the joint operation before selling the assets, etc. to a third party. In case of asset impairment loss in accordance with Accounting Standards for Business Enterprises No. 8 -- Asset Impairment and other provisions of the purchased assets, the Company shall recognize such loss according to its share to be borne.

9.Cash and cash equivalents

In preparing the statement of cash flows, the Company's cash on hand and deposits available for payment at any time are recognized as cash. An investment with a short maturity (generally maturing within three months from the date of purchase), strong liquidity, easy conversion into a known amount of cash, and little risk of change in value are identified as cash equivalents.

10.Foreign operations and foreign currency translation

i. Foreign operations

The initial recognition of foreign currency operations is measured at Renminbi, the exchange rate of which is the adoption of spot exchange rate at the transaction date, which is determined in a rational method.

Except for the exchange balance on foreign currency borrowings, which are generated from the construction of the assets eligible for capitalization, being recognized in accordance with the principle of capitalization of borrowing costs, the differences arising from the translation exchange of foreign monetary items at the spot exchange rate of the dated of balance sheet are recognized as gain and loss of the current period of report. Non-monetary items denominated in foreign currency that are measured at historical cost are still measured at amount denominated in reporting currency exchanged at the prevailing exchange rate at the transaction date, the recording currency remains unchanged meanwhile.

Non-monetary items denominated in foreign currency that are measured at fair value are translated using the exchange rate at the date when fair value was determined and the difference between the translated functional currency amount and the prevailing exchange rate on initial recognition or on the previous balance sheet date are recognized as changes in fair value through profit or loss for the current period. Non-monetary items denominated in foreign currency items recognized as



available for sale, the exchange of which recognized as other comprehensive income.

ii. Foreign currency translation

The assets and liabilities in the balance sheet shall be translated at the spot exchange rate at the balance sheet date; Owners' equity items are translated at the spot exchange rate at the time of occurrence, except for "undistributed profit" items. The income and expense items in the income statement are converted using the average exchange rate of the period. The foreign currency translation difference resulting from the above translation is included in other comprehensive income.

When disposing of an overseas operation, the translation difference of the foreign currency financial statements related to the overseas operation shown in other comprehensive income items in the balance sheet is transferred from other comprehensive income items to the profit or loss of the disposal period; When part of the equity investment is disposed of or other reasons cause the proportion of overseas operating interests to be reduced but the control of overseas operations is not lost, the difference in the translation of foreign currency statements related to the overseas operating disposal part will be attributed to the minority shareholders' equity and will not be transferred to the current profit or loss. When disposing of part of the equity of an overseas operation as an associate or joint venture, the difference in the translation of foreign currency statements related to the overseas operation is transferred to the profit or loss of the disposal period in proportion to the disposal of the overseas operation.

11. Financial instruments

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

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and allocating interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or liability. All the provisions of the contract of the financial asset or liability (e.g. early payment, extension, call option or other similar options) shall be considered on the determination of the effective interest rate, with expected credit losses not included.

The amortized cost of a financial asset or financial liability is the amount which the financial asset is measured at initial recognition minus the principal payments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial



asset is the amortized cost of a financial asset before adjusting for any loss allowance.

i. Classification, recognition and measurement of financial assets

The company's financial assets are classified into the following three categories based on the business model under which the financial asset is managed and its contractual cash flow characteristics:

- (1) Financial assets measured at amortized cost.
- (2) Financial assets measured at fair value through other comprehensive income (FVTOCI).
- (3) Financial assets measured at fair value through profit or loss of the current period (FVTPL).

A financial asset is initially recognized at fair value. However, if the accounts receivable or notes receivable arising from the sales of goods or the provision of services do not contain significant financing components or do not consider financing components less than one year, the initial measurement is based on the transaction price.

In the case of financial assets at fair value through profit or loss, the related transaction costs are directly recognized in profit or loss for the current period. For other financial assets, the transaction costs are included in their initially recognized costs.

Subsequent measurement of a financial asset is determined by its category, when and only when the company changes the business model used for managing financial assets, all affected financial assets are reclassified only when the company changes its business model for managing financial assets.

(1) Financial assets measured at amortized cost

A financial asset is classified as a financial asset at amortized cost if both of the following conditions are satisfied: 1) the company's business model for managing the financial assets is aimed at collecting contractual cash flows; 2) the contractual term of the financial assets provide that the cash flow generated on specified dates shall solely be used in payments of principal and interest on the outstanding principal amount. Such financial assets are recognized for interest income using the effective interest method and measured at amortized cost subsequently. The gains or losses arising from the derecognition, modification or impairment are recognized in profit or loss for the current period. Such financial assets mainly include monetary funds, accounts receivable and notes receivable, other receivables and long-term receivables etc. Except the conditions listed below, interest income should be calculated by multiplying the book value of financial asset and effective interest rate:

- 1) For the purchased or originated credit impaired financial assets, interest revenue is recognized



by applying the credit-adjusted effective interest rate to the amortized cost carrying amount since initial recognition'.

2) For the financial asset, the credit loss of which not accrued as purchased or generated otherwise accrued in the subsequent period, interest income is determined by amortized cost of the financial asset and effective interest rate in the subsequent period. Where there is no longer credit loss in the subsequent period for an improvement of its credit risk, interest income is determined by multiplying the effective interest rate and the book value of financial asset.

(2) Classified as financial assets measured at fair value through other comprehensive income

If a financial asset meets both of the following conditions, the company classifies it as a financial asset at fair value through other comprehensive income: 1) the contractual term of the financial assets provide that the cash flow generated on specified dates shall solely be used in payments of principal and interest on the outstanding principal amount; 2) the company's business model for managing the financial assets is aimed at collecting contractual cash flows and also aimed at selling the financial assets.

Such financial assets are recognized for interest income using the effective interest method. Except for interest income, impairment losses and exchange differences, which are recognized in profit or loss for the period, other changes in fair value are included in other comprehensive income. When the financial assets are derecognized, the accumulated gains or losses previously recognized in other comprehensive income is transferred from other comprehensive income and recognized in profit or loss.

Notes and accounts receivable measured at fair value and included in other comprehensive income with changes are listed as receivables financing, other such financial assets are listed as other debt investments, among which: other debt investments that mature within one year from the balance sheet date are listed as non-current assets that mature within one year, and other debt investments whose original maturity date is within one year are listed as other current assets.

(3) Designated as financial assets measured at fair value through other comprehensive income

The company irrevocably choose to designate certain non-trading investment in equity instrument as financial assets at fair value through other comprehensive income based on a single financial asset for the initial recognition.

Subsequent changes in fair value are included in other comprehensive income, and no impairment provision is required. When the financial assets are derecognized, the accumulated gains or losses previously recognized in other comprehensive income are transferred from other comprehensive income and recognized in retained earnings. In the duration of holding the investment in equity



instrument, when the right for collecting the dividend is determined, the relevant economic benefit probably inflow into the company and the amount of dividend can be reliably measured, the dividend income should recognize into profit or loss for the current period. Such financial assets are presented as other equity investments.

Equity instrument investment that meets any of the following conditions belongs to financial assets measured at fair value and whose changes are recorded into current profits or losses : 1) the financial asset is acquired for the purpose of selling in the short term; 2) the financial asset is a part of a portfolio of identifiable financial instruments that are collectively managed, and there is objective evidence indicating that the enterprise recently manages this portfolio for the purpose of short-term profits; 3) the financial asset is a derivative, except for a derivative that is designated as an effective hedging instrument, or a financial guarantee contract.

(4) Classified as financial assets measured at fair value through profit or loss of the current period

The financial asset other than the aforesaid financial assets are classified as financial assets at amortized cost, financial assets at fair value through other comprehensive income are classified as the financial assets at fair value through profit or loss.

Such kind of financial assets are subsequently measured at fair value, gain or loss derives from the changes in fair value along with dividend and interest income related to these financial assets should be recognized into profit or loss for the current period.

This category of financial asset should be listed as trading financial assets or other non-current financial asset items according to its liquidity.

(5) Designated as financial assets measured at fair value through profit or loss of the current period

For eliminating or significantly reducing accounting mismatch, the company can designate single financial asset as financial assets at FVTPL.

For hybrid contracts which include one or multiple embedded derivative instruments, and its major contract does not belong to financial asset stated above, the company can designate the whole contract as the financial instrument as FVTPL, other than situations stated below:

- 1) Embedded derivative instruments will not impact significantly on the cash flow of the mixed contract;
- 2) Embedded derivative should not be splited without analysis on the initial determination of whether the similar mixed contract need to be splinted. Such as the right of prepayment embedded



in the loans, which permits prepayment at the amount close to the amortized cost, is no need to be splited.

The company measure this kind of financial asset at fair value subsequently, gain or loss derive from the changes of fair value and the dividend and interest income related to this kind of financial asset are recognized into profit or loss of the current period.

The company lists this kind of financial asset as trading financial asset, other non-current financial asset according to its liquidity.

ii. Classification, recognition and measurement of financial liabilities

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and equity instrument, not only by the legal form. The company's financial liabilities are, on initial recognition, classified into: financial liabilities at fair value through profit or loss, other liabilities and derivatives those are designated as effective hedging instruments.

Financial liabilities are measured at fair value at the first recognition. For financial liabilities at FVTPL, the relevant transaction costs recognized into profit or loss of the current period, for other kinds of financial liabilities, the relevant transaction costs are recognized into initially recognized amount.

The subsequent measurement of a financial liability depends on its classification:

(1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading (including derivates classified as financial liability) and those designated upon initial recognition as financial liabilities at fair value through profit or loss.

A financial liability held for trading is the financial liability that meets one of the following criteria: 1) the financial liability is assumed for the purpose of repurchasing it in the short term; 2) the financial liability is a part of a portfolio of identifiable financial instruments that are collectively managed, and there is objective evidence indicating that the enterprise recently manages this portfolio for the purpose of short-term profits; 3) the financial liability is a derivative, except for a derivative that is designated as effective hedging instrument, or a financial guarantee contract. The financial liabilities held for trading (including derivatives classified as financial liability) are subsequently measured at fair value, and all changes in fair value, except those related to hedging accounting, are recognized in profit or loss of the current period.

For providing more relevant accounting information, the company irrevocably designate the



financial liabilities, satisfying the one of the following conditions, as FVTPL on the initial recognition:

- 1) Can eliminate or significantly decrease accounting mismatch;
- 2) The liability is part or a group of financial liabilities or financial assets and financial liabilities that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Company's key management personnel.

The company measured this kind of financial liabilities at fair value subsequently, other than the fair value changes derive from the own credit risks recognized into other comprehensive income, other changes of fair value are recognized into profit or loss of the current period. The Company recognizes the full amount of change in the fair value in profit or loss only if the presentation of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

(2) Other financial liability

The company classifies the financial liabilities as financial liabilities at amortized cost, amortized cost is adopted for subsequent measurement at effective interest rate method, gain or loss from derecognition and amortization is recognized into profit or loss of the current period:

- 1) Financial liabilities at fair value through profit or loss.
- 2) Financial liabilities derive from the transfer of financial assets which are not satisfying the rules of derecognition nor continuing involvement.
- 3) Financial guarantee contracts, not included in the conditions stated above, and the loan commitment not included in condition a, which is below the market rate.

Financial guarantee contract refers to the contract requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee contract, not included into the financial liabilities at FVTPL, is measured at the higher amount of the credit impairment amount and the balance of initially recognized amount after the deduction of cumulative amortization in the guarantee period since the initial recognition.

iii. Derecognition of financial assets and liabilities

(1) The company derecognizes a financial asset that is to be written off from the accounts and the balance sheet when the following criteria are met:



- 1) The rights to receive cash flows from the financial asset have expired, or
- 2) The financial asset has been transferred and the transfer satisfies the rules for derecognition of financial assets.

(2) Derecognition of financial liabilities

A financial liability should be removed from the balance sheet when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged or cancelled or expires.

If an existing financial liability is replaced by the same creditor with a new financial liability that has substantially different items, or if the terms of an existing financial liability are substantially revised such replacement or revision is accounted for as the derecognition of the original liability and the recognition of a new liability, and the resulted difference is recognized in profit or loss of the current period.

Where the company repurchase part of the financial liability, book value of the whole financial liability should be distributed according to proportion for the fair value of the continuing recognition part and derecognition part to the whole fair value. The difference between the distributed book value of the derecognition part and the payment consideration, non-monetary asset or assumed liabilities included, is recognized into profit or loss of the current period.

iv. The recognition basis and measurement method of financial assets transfer

Where a transfer of financial asset occurs, the extent to risk and reward remained of the ownership of financial asset is evaluated and treated according to the situations listed below:

- (1) The financial asset is derecognized if the company transfers substantially all the risks and rewards of ownerships of the financial asset, right and responsibility generated or retained from the transfer is individually recognized as asset or liability;
- (2) The financial asset is not derecognized if the company retains substantially all the risks and rewards of ownerships of the financial asset;
- (3) If the company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the transaction is accounted for as follows:
 - 1) The company has not retained control; the financial asset is derecognized and any resulting assets or liabilities are recognized;
 - 2) If the company has retained control, the financial asset is recognized to the extent of its continuing involvement in the transferred financial asset and an associated liability is recognized.



The extent of continuing involvement refers to the extent the company assumed to shoulder of the risk or reward relevant to the changes of value of transferred financial assets.

Substance over form principle is adopted on judging whether the transferal of financial assets meets the conditions of derecognition above. Transfer of financial assets is distinguished as entire transfer and partial transfer.

(1) With the entire transfer of financial assets satisfying the condition of derecognition, the difference between the amounts of the two following items are recognized as profits and losses of the current period:

- 1) The book value of the transferred financial asset;
- 2) The aggregate consideration received from the transfer, and the accumulated amount of the changes in fair value (including the situation that the financial asset transferred is financial assets at FVTOCI), which are recognized as other comprehensive income previously.

(2) With the partial transfer of financial assets satisfying the condition of derecognition, the entire book value of the transferred financial assets is distributed to the portion whose recognition has been stopped and the portion whose recognition is not stopped, according to relative fair value respectively. Meanwhile, the difference between the amounts of the two following items are recognized as profits and losses of the current period:

- 1) The book value of the portion whose recognition has been stopped;
- 2) The aggregate consideration of the portion whose recognition has been stopped, and the accumulated amount of the changes in fair value portion directly recorded into shareholders' equity corresponded to the portion whose recognition has been stopped (including the situation that the financial asset transferred is financial asset at FVTOCI).

With the transfer of the financial asset does not meet the derecognition condition, the Company continues to recognize the financial asset, and the consideration received of which is recognized as financial liability.

v. Determination of fair value of financial assets and liabilities

Where there is an active market for financial asset or financial liability, the fair value should be determined as the quoted prices in the active market, unless there is restricted period for the asset.

The determination of fair value of derivative financial assets or financial liabilities is based on the market truncation prices at the initial acquisition date.

If there is no active market for financial assets or financial liabilities, the Company establishes fair



value by using a valuation technique that makes maximum use of market inputs and includes recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, giving priority to the relevant observable inputs. Unobservable inputs are adopted on the occasion that relevant observable inputs cannot be obtained, or it is not feasible for the Company to obtain.

vi. Impairment of financial instruments

Based on the expected credit losses, the company conducts impairment treatment on financial assets measured at amortized costs, financial assets at fair value through other comprehensive income and financial guarantee contracts for the financial liability formed by the transfer of the financial asset which does not meet the termination recognition conditions or continues to be involved in the transferred financial asset, and recognized loss provision.

Expected credit losses refers to the weighted average of credit losses with the respective risks of a default occurring as the weightings. Credit loss refers to the difference between all contractual cash flows receivable from the contract, discounted at the original effective interest rate and all cash flows expected to be received by the company, that is the present value of all cash shortages. Among them, credit-impaired financial assets purchased or owned by the company shall be discounted according to the actual interest rate of financial assets subject to credit adjustment.

For receivables that do not contain significant financing components, the Company uses a simplified measurement method to measure loss provision equivalent to the amount of expected credit losses throughout the duration period.

For the purchased or originated credit-impaired financial assets, the Company would recognize changes in lifetime expected losses since initial recognition as a loss allowance at the balance sheet date. On each balance sheet date, any changes for the changes in lifetime expected losses would be recognized in profit or loss. Under the requirements, any favorable changes for such assets are an impairment gain even if the resulting expected cash flows of a financial asset exceed the estimated cash flows on initial recognition.

For financial assets other than those applying simplified measurement methods, the company assesses whether its credit risk has increased significantly since the initial recognition on each balance sheet date, impairment loss, expected credit loss and its changes are measured according to the following situations:

(1) If the credit risk has not increased significantly since the initial recognition, representing the first phase, the company measures loss provision equivalent to the amount of expected credit loss over the next 12 months, interest income is accrued on book value and effective interest.



(2) If the credit risk has increased significantly since the initial recognition, representing the second phase, the company measures loss provision equivalent to the amount of expected credit losses throughout the duration period, and calculates interest income based on book balance and effective interest rate.

(3) If the credit impairment has occurred since the initial recognition, representing the third phase, the company measures loss provision equivalent to the amount of expected credit losses throughout the duration period, and calculates interest income based on book balance and effective interest rate.

The accrual or reversal of credit loss allowance of financial instrument is recognized as credit loss or gain into profit or loss of the current period. Other than financial assets classified as financial assets at FVTOCI, credit loss is an allowance for the book value of financial asset. For financial assets classified as financial assets at FVTOCI, credit loss allowance is recognized into other comprehensive income with no deduction to the book value of the financial instrument.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month at the current reporting date, and recognizes a corresponding impairment gain or loss in profit or loss into the current period.

(1) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is reasonable and supportable, including historical experience and forward-looking information. For a financial guarantee contract, when applying the financial instrument impairment rules, the initial recognition date should be the day the company becoming a party of the irrevocable commitment.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- 1) Existing or forecast adverse changes in business operating result or expectation;
- 2) Existing adverse change in the supervision, economic or technical environment of the debtor;
- 3) The value of collateral as pledge of debt or enhancement quality of guarantee or credit provided by the third party has changed significantly, and this change is expected to lower the



economic motive for the debtor to repay on due or affect the probability of default;

- 4) There is significant change of the expected performance and repayment behavior of the debtor;
- 5) There is change for the method of managing the credit of financial instrument of the Company.etc.

Despite the foregoing, the company assumes that the credit risk on a financial instrument has not increased significantly since the initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the borrower has a strong capacity to meet its contractual cash flow obligation in the near term, and ii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(2) Credit-impaired financial assets

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

- 1) Significant financial difficulty of the issuer or the borrower;
- 2) A breach of contract, such as a default or past due event;
- 3) The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- 4) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- 5) The disappearance of active market for that financial asset because of financial difficulties; or
- 6) The purchase or origination of a financial assets at a deep discount that reflects incurred credit losses.

Credit impairment of financial assets may be a joint result of multiple events, rather than a single identifiable event.

(3) Determination of expected credit loss

The company assesses the expected credit losses of financial instruments based on individual items and groups. The company considers all reasonable and evidence-based information, including past events, current conditions and future economic forecasts, when assessing expected credit losses.

The company groups financial instruments on the basis of shared credit risk characteristics. Adopted shared credit characteristics includes: the instrument type; the aging combination.



ECL of relevant financial instrument is determined according to the following methods:

- 1) For a financial asset, credit loss refers to the difference between the present value of contractual cash flows and the present value of cash flows the Company expects to receive.
- 2) For lease receivables, the credit loss is the present value of the difference between the contract cash flow that the Company should collect and the cash flow that it expects to collect.
- 3) For a financial guarantee contract, credit loss refers to the difference between the expected payments to reimburse the holder for a credit loss that it incurs, less any amounts that management expects to receive from the holder, the debtor or any other party.
- 4) For a financial asset that is credit-impaired at the reporting date, but that is not a purchased or originated credit-impaired financial asset, credit loss is measured at the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Any measurement of expected credit losses shall reflect an unbiased and probability-weighted amount that is determined by evaluating the range of possible outcomes as well as incorporating the time value of money. Also, the Company should consider reasonable and supportable information about past events, current conditions and reasonable and supportable forecasts of future economic conditions when measuring expected credit losses.

(4) Write-down policy

When the company no longer reasonably expects to be able to fully or partially recover the contractual cash flows of financial assets, the company directly writes down the carrying amount of the financial assets. The write-down means the derecognition of relevant financial assets.

vii. Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are presented in balance sheet separately without offset. Net amount after offset is presented in balance sheet, for the following situations are met at the same time:

- (1) The Company is entitled to have the legal right, which is current executable, to offset the recognized amounts;
- (2) The company intends to settle on a net basis or realize the asset, or realize the asset and settle the liability simultaneously.

12. Notes receivable

The Company's method of determining and accounting for expected credit losses on notes receivable is detailed in this note III/11-vi. Impairment of financial instruments.



When sufficient evidence of expected credit loss cannot be assessed at a reasonable cost at the level of individual instruments, the Company divides notes receivable into several combinations based on credit risk characteristics by referring to historical credit loss experience, combining the current situation and the judgment of future economic conditions, and calculates expected credit loss on the basis of combination. The basis for determining the combination is as follows:

Combination	Determine the basis for the combination	Method of withdrawal
Bank acceptance portfolio	The drawer has a high credit rating, no bill default has occurred in the history, the risk of credit loss is very low, and the ability to fulfill the contract cash flow obligations in the short term is very strong	Reference to the historical credit loss experience, combined with the current situation and the future economic conditions of the expected measurement of bad debt reserve
Commercial acceptance portfolio	Combination of acceptor, endorser, drawer and other debtors credit risk determined	The allowance for bad debts is based on the difference between the present value of its future cash flow and its book value

13.Accounts receivable

The Company's method of determining and accounting for expected credit losses on accounts receivable is detailed in this note III/11-vi. Impairment of financial instruments.

The Company separately determines the credit loss of the accounts receivable for which the single amount is significant and the credit impairment has occurred after the initial recognition.

When sufficient evidence of expected credit loss cannot be assessed at a reasonable cost at the level of individual instruments, the Company divides accounts receivable into several combinations based on credit risk characteristics by referring to historical credit loss experience, combining the current situation and the judgment of future economic conditions, and calculates expected credit loss on the basis of combination. The basis for determining the combination is as follows:

Combination	Determine the basis for the combination	Method of withdrawal
High risk portfolio	Credit rating risk is higher	If the impairment test is conducted separately and there is objective evidence that the impairment has occurred, the credit impairment loss shall be recognized and the bad debt reserve shall be set aside according to the difference between the present value of its future cash flow and its carrying value
Aging portfolio	Portfolio according to similar credit risk characteristics (aging), except for high-risk portfolios	Balance by age and expected credit loss rate over the entire duration

14.Financing receivables

Notes and accounts receivable classified as measured at fair value and whose changes are included in other comprehensive income are listed as receivables financing if the maturity period is within one year (including one year) from the initial recognition date; If the maturity period is more



than one year from the initial confirmation date, it is listed as other creditor's rights investment. The relevant accounting policies refer to Note III/11.

15. Other receivables

The Company's method of determining and accounting for expected credit losses on other receivables is detailed in this note III/11-vi. Impairment of financial instruments.

The Company separately determines the credit loss of the other receivables for which the single amount is significant and the credit impairment has occurred after the initial recognition.

When sufficient evidence of expected credit loss cannot be assessed at a reasonable cost at the level of individual instruments, the Company divides other receivables into several combinations based on credit risk characteristics by referring to historical credit loss experience, combining the current situation and the judgment of future economic conditions, and calculates expected credit loss on the basis of combination. The basis for determining the combination is as follows:

Combination	Determine the basis for the combination	Method of withdrawal
High risk portfolio	Credit rating risk is higher	If the impairment test is conducted separately and there is objective evidence that the impairment has occurred, the credit impairment loss shall be recognized and the bad debt reserve shall be set aside according to the difference between the present value of its future cash flow and its carrying value
Aging portfolio	Portfolio according to similar credit risk characteristics (aging), except for high-risk portfolios	Balance by age and expected credit loss rate over the entire duration

16. Inventories

i. Inventory category, issue valuation method, inventory system, amortization method for low-value consumables and packaging

(1) Inventory category

Inventory refers to finished products or commodities held by the Company in daily activities for sale, products in the process of production, materials and materials consumed in the process of production or provision of services, etc. It mainly includes raw materials, low-value consumable products, products in process, homemade semi-finished products, finished products (goods in stock), contract performance costs, development costs, development products, etc.

(2) Method of valuation of inventory

Inventory is initially measured at cost when acquired, including purchase cost, processing cost and other costs. Raw materials shall be calculated according to the actual cost, and calculated according to the weighted average method at the time of delivery; Cost accounting of homemade



semi-finished products according to plan, and adjust to actual cost by material cost difference at the end of the month; The finished products are priced at actual cost, and the individual pricing method is used at the time of shipment.

(3) Inventory system

Perpetual inventory system is adopted by the Company.

(4) Amortisation of low-value consumables and packaging materials

- (1) Low-value consumable products are amortized by one-time reselling method;
- (2) The packaging is amortized by one-time reselling method;
- (3) Other revolving materials shall be amortized by one-time reselling method.

ii. The recognition standard and accounting method of reserve for inventory decline

After a comprehensive inventory check at the end of the period, withdraw or adjust the inventory decline reserve according to the lower of the cost and net realizable value of the inventory. The net realizable value of commodity inventories directly used for sale, such as finished products, goods in stock and materials for sale, shall be determined in the normal course of production and operation by the estimated selling price of the inventory less estimated selling expenses and related taxes; For the inventory of materials to be processed, the net realizable value shall be determined in the normal course of production and operation by deducting the estimated selling price of finished products from the estimated cost, estimated selling expenses and related taxes to be incurred upon completion; The net realizable value of the inventory held for the purpose of executing the sales contract or service contract shall be calculated on the basis of the contract price. If the quantity of the inventory held is more than the quantity ordered under the sales contract, the net realizable value of the excess inventory shall be calculated on the basis of the general sales price.

At the end of the period, reserve for inventory declines shall be set aside according to individual inventory items; However, for the inventory with a large quantity and a low unit price, the reserve for inventory decline price shall be set aside according to the inventory category; For inventory related to product series produced and sold in the same area, having the same or similar end use or purpose, and difficult to measure separately from other items, the reserve for inventory decline shall be consolidated.

If the factors affecting the previous write-down of inventory value have disappeared, the amount of write-down shall be restored and transferred back within the original amount of reserve for inventory declines, and the amount transferred back shall be recorded into current profit and loss.



iii. Accounting method of land for development

The expenses of pure land development project constitute the land development cost alone;

Together with the overall development of the real estate project, the cost can distinguish the burden object, generally according to the actual area allocation is recorded in the cost of commercial housing.

iv. The method of calculating the cost of public supporting facilities

Public supporting facilities that cannot be transferred with compensation shall be allocated into the cost of commercial housing according to the standard determined by the proportion of benefits;

Public supporting facilities that can be transferred with compensation: take each supporting facilities project as the object of cost accounting and collect the cost incurred.

v. Accounting methods for maintenance funds

According to the relevant regulations of the place where the development project is located, the maintenance fund shall be charged to the buyer of the development cost of the relevant development product or deducted by the company when the development product is sold (pre-sale), and uniformly handed over to the maintenance fund management department.

vi. Accounting method of quality deposit

The quality deposit shall be reserved from the project funds of the construction unit in accordance with the provisions of the construction contract. The maintenance expenses incurred during the warranty period of the developed products, and the quality deposit shall be deducted; Upon expiration of the agreed warranty period, the balance of the quality deposit shall be returned to the construction unit.

17.Contract assets

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

The Company's method of determining and accounting for expected credit losses on contract assets is detailed in this note III/11-vi. Impairment of financial instruments.

18.Held-for-sale non-current assets for sale or disposal groups

i. Criteria for the recognition and accounting treatment of non-current assets held for sale



or disposal groups

The Company recognizes non-current assets or disposal groups as held for sale components that simultaneously meet the following conditions:

(1) As is customary for the sale of such assets or a disposal group in a similar transaction, to be sold immediately in the current circumstances;

(2) A sale is highly likely to occur, that is, the Company has resolved a sale plan and has received regulatory approval, if applicable, and has firm purchase commitments and expects the sale to close within one year.

Firm Purchase Commitment means a legally binding purchase agreement entered into by the Company and other parties, which contains such important terms as transaction price, time and penalties for breach of contract as to make it highly unlikely that the agreement will be significantly adjusted or cancelled.

The Company does not set aside depreciation or amortization for the non-current assets held for sale or the disposal group, and if the carrying value is higher than the net amount after the fair value minus the selling expense, the carrying value shall be written down to the net amount after the fair value minus the selling expense, and the amount written down shall be recognized as the asset impairment loss and booked into the current profit and loss. At the same time, the impairment reserve for the assets held for sale shall be set aside.

For the non-current assets or disposal groups classified as holding for sale on the acquisition date, the initial measurement amount assuming that they are not classified as holding for sale and the net fair value after deducting selling expenses are compared at the initial measurement, which is the lower of the two.

The above principles apply to all non-current assets, However, it does not include investment real estate which adopts fair value model for subsequent measurement, biological assets which adopt fair value less selling expenses, assets formed by employee compensation, deferred income tax assets, financial assets regulated by accounting standards related to financial instruments, and rights arising from insurance contracts regulated by accounting standards related to insurance contracts.

ii. Accreditation standards and presentation methods for termination of operations

Component of discontinuing operations is recognized when it is disposed or classified as held-for-sale and can be separated individually, meanwhile the following conditions are met:



- (1) The component represents a separate major line of business or geographical area of operations;
- (2) The component is part of a relevant plan for disposing a separate major line of business or geographical area of operations;
- (3) The component is a subsidiary setup specifically for resale.

Operating profit such as the impairment loss and reversal of discontinuing operation and disposal income is listed as net profit from discontinuing operations into income statement.

The Company distinguishes non-current assets held for sale separately from other assets or assets in the disposal group held for sale in the balance sheet from liabilities held for sale separately in the disposal group of other liabilities. Non-current assets held for sale or assets in the disposal group held for sale and liabilities in the disposal group held for sale are not set off against each other and are shown as current assets and current liabilities respectively. The Company presents profit or loss from continuing operations and profit or loss from discontinued operations separately in the income statement. For discontinued operations presented in the current period, the Company represents the information originally presented as profit or loss from continuing operations in the current financial statements as profit or loss from discontinued operations for the comparable accounting period. Where discontinued operations no longer meet the requirements for the classification of the categories held for sale, the Company represents the information originally presented as profit or loss from discontinued operations as profit or loss from continuing operations for the comparable accounting period in the current financial statements.

19.Long-term equity investments

i. Determination of initial cost

(1) For long-term equity investment acquired through a business combination, specific accounting policies refer to Note III/6- Accounting treatment for business combination under common control and not under common control.

(2) Long-term equity investment acquired through other ways

For a long-term equity investment acquired by cash, the initial investment cost is the amount of cash paid. Initial investment costs include expenses related to the acquisition of long-term investment directly, taxes and other necessary expenditures.

For a long-term equity investment acquired by issuing equity securities, the initial investment cost is the fair value of the equity securities issued. Transaction costs arising from the issuance or acquisition of the Company's own equity instruments, the proportion of which belongs to capital



transaction directly, are deducted from the equity.

The non-monetary asset exchange for a commercial real income and assets or the fair value other assets can be reliably measured, the initial investment cost should be determined according to long-term equity investment exchanged through the non-monetary asset exchange, unless there is evidence showing that for the fair value of assets is more reliable; the non-monetary asset exchange which does not meet the above premises, the book value of the exchanged assets to and the relevant fees and taxes to be paid should be the initial investment cost of the long-term equity investment. The initial investment cost of the long-term equity investments obtained through debt restructuring should be determined in accordance with fair value.

ii. Subsequent measurement and recognition of profit or loss

(1) Cost method

For the long-term equity investment, through which the Company have control over the investee, cost method is adopted. The price is measured at initial investment cost, adding or withdrawing investment is adjusted to the cost of long-term equity investment.

Cash dividend or profit distributed to the Company is recognized as investment income of the current period, excluding the actual consideration paid for acquisition or the cash dividend or profit declared but no issued included in the consideration.

(2) Equity method

Equity method is adopted for the long-term equity investment of joint ventures and associate enterprises by the Company. For the partial equity investment of joint ventures indirectly held through venture capital institutions, mutual funds and other similar bodies including unit-linked insurance funds, the price of which is measured at fair value and changes are recognized to profit or loss.

For long-term equity investment which is accounted for using the equity method, where the initial investment cost of a long-term equity investment exceeds the Company's interest in the fair value of the investee's identifiable net assets, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Company's interest in the fair value of the investee's identifiable net assets, the difference is charged to profit or loss for the current period.

The Company recognizes its share of the investee's net profit or losses, as well as its share of the investee's other comprehensive income in proportion of shares of investee, as investment incomes or losses and other comprehensive income, and adjust the carrying amount of the investment accordingly subsequent to the acquisition of the long-term equity investment. The carrying amount



of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is attributable to the Company. The Company's share of the investee's owners' equity changes, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution, is recognized into shareholders' equity, and the carrying amount of the long-term equity investment is adjusted accordingly.

The Company recognizes its share of the investee's net profits or losses based on the fair value 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 unrealized profit or loss from internal transactions entered into between the Company and its associate or joint venture is offset according to the shareholding percentage held by the Company and the remaining portion is recognized as investment income or loss.

The proportionate loss of the invested shared by the Company, is processed under the following sequences: First, offset the book value of the long-term equity investment. Then, if book value of the long-term equity investment is insufficient to offset, recognize investment loss to the ceiling of the book value of other long-term equity, which constitutes net investment of the investee in essence, offset the book value of the long-term receivables. Last, after conducting the above-mentioned steps, if the Company still has additional commitments according to the investment contract or agreement, estimated liabilities are recognized according to the obligation committed, investment loss is recognized into investment loss of the current period.

For the profit of the investee realized in the subsequent period, after deducting the proportionate unrealized losses, process is conducted in reverse order, that is the investment incomes are recovered after deducting book balances of the recognized estimated liabilities and recovering book values of other long-term equities constituting the net investments of the investee in essence and long-term equity investments.

iii. Transfer of accounting method of long-term equity investment

(1) Equity method transferred from fair value method

For the equity investments, held by the Company through which the Company has no control, common control or significant influence over the investee, recognized and measured as financial instruments, when the Company becomes capable of exercising significant influence or joint control (but not sole control) over an investee due to additional investment or other reasons, the accounting is changed to the equity method and the initial investment cost on the date of change is the sum of the fair value of the previously-held equity investment and additional investment cost in accordance with <Accounting Standards for Business Enterprises No.22- Recognition and measurement of Financial Instruments>. The differences between the fair value and carrying



amount of previously-held equity investment and the accumulated changes in fair value included in other comprehensive income are transferred to profit or loss for the current period upon commencement of the equity method.

For the equity investments classified as AFS financial assets, the difference between fair value and book value of which, and the accumulated changes in fair value recognized into other comprehensive income previously are transferred to profit or loss of the current period of transferring to equity method. If the initial investment cost is less than the proportionate fair value of net identifiable assets of the investee in new proportion of shares, determined after additional investment, at the follow-up investment date, book value of the long-term equity investment is adjusted and the difference between the two items stated above is recognized into non-operating income of the current period.

(2) Cost method transferred from fair value method or equity method

Equity investment originally held by the Company which does not control, jointly control or have significant influence on the investee and is accounted for according to the recognition and measurement standards of financial instruments, or long-term equity investment originally held by the Company in joint venture or joint venture, which is able to control the investee not under the same control due to additional investment or other reasons, when preparing individual financial statements, The sum of the book value of the original equity investment plus the cost of the new investment shall be used as the initial investment cost calculated according to the cost method.

Other comprehensive income recognized by the equity method for the equity investment held before the purchase date shall be accounted for on the same basis as the direct disposal of related assets or liabilities by the invested entity when disposing of the investment.

If the equity investment held before the purchase date is accounted for in accordance with the relevant provisions of the Accounting Standards for Business Enterprises No. 22 -- Recognition and Measurement of Financial Instruments, the accumulated fair value changes originally recorded in other comprehensive income are transferred to the current profit and loss when accounting according to the cost method.

(3) Equity method accounting to fair value measurement

If the Company loses its joint control or significant influence on the invested entity due to the disposal of part of the equity investment or other reasons, the remaining equity after disposal shall be accounted for in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and the difference between its fair value and carrying amount on the date of loss of joint control or significant influence shall be included



in the current profit and loss.

Other comprehensive income of the original equity investment recognized by the equity method of accounting shall be accounted for on the same basis as the direct disposal of related assets or liabilities by the invested entity when the equity method of accounting is terminated.

(4) Equity method transferred from cost method

When the Company can no longer exercise control over an investee due to partial disposal of equity investment or other reasons and the remaining equity investment after disposal can exercise joint control of or significant influence over an investee, the remaining equity investment is accounted for under equity method and re-measured by equity method as if it has been acquired since date of acquisition.

(5) Fair value method transferred from cost method

If the company loses control of the invested entity due to the disposal of part of the equity investment or other reasons, when preparing individual financial statements, Where the remaining equity investment can no longer exercise joint control of or significant influence over an investee, the remaining equity investment is accounted for in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments and the difference between the fair value and the carrying amount at the date of the loss of control is charged to profit or loss for the current period.

iv. Disposal of long-term equity investment

The difference between the book value and actual price obtained is recorded into profit or loss of the current period at disposal of long-term equity investments. For the long-term equity investment measured by employing equity method, the part of recorded as other comprehensive incomes is accounted in corresponding proportion, on the same basis of the relevant assets or liabilities directly disposed by the invested party at disposal.

Multiple transactions are treated as package of deal, if the terms, conditions and economic influence of the disposal of equity investment of subsidiaries meet one or more of the following situations:

- (1) These transactions are made at same time or after considering each other's influence;
- (2) These transactions can only achieve a complete business result only as a whole;
- (3) The occurrence of one transaction depends on the occurrence of at least one other transaction;
- (4) One single transaction is not considered to be economical; it is economical however when



considering other transactions.

When the Company can no longer exercise control over an investee due to partial disposal of equity investment or other reasons and the resulting transactions cannot be treated as package of deal, the relevant accounting treatments are conducted separately to the individual and consolidated financial statements:

(1) For individual financial statements, the difference between book value and the price actually obtained of the equity disposed are recorded into profit and loss of the current period. Where the remaining equity investment after disposal can exercise joint control of or significant influence over an investee the remaining equity investment is accounted for under equity method and re-measured by equity method as if it has been acquired since date of acquisition. Where the remaining equity investment can no longer exercise joint control of or significant influence over an investee, the remaining equity investment is accounted for in accordance with the Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments and the difference between the fair value and the carrying amount at the date of the loss of control is charged to profit or loss for the current period.

(2) For consolidated financial statements, transactions prior to the loss of control of subsidiaries, of which the difference between the disposal price and the proportionate accumulated net assets of the subsidiaries since the acquisition or combination date is adjusted to capital reserve (share premium), if the capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings. When the Company loses control of subsidiaries, the remaining equity is remeasured at fair value of the date of losing control. The balance of the sum of consideration obtained from disposal of equity and fair value of the remaining equity, after deduction of accumulated net assets distributable to the company in proportion to the original shareholding percentage since the acquisition date is recognized into investment income of the current period of the loss of control, and offset goodwill at the same time. Other comprehensive income related with the original long-term equity investment, is transferred to the investment income of the current period of the loss of control.

When the Company can no longer exercise control over an investee due to partial disposal of equity investment or other reasons and the resulting transactions can be treated as package of deal, the multiple transactions are treated as one transaction of disposing equity investment and losing control of a subsidiary, other relevant accounting treatments are conducted separately to the individual and consolidated financial statements:

(1) For individual financial statements, each difference between the disposal price and the book value of the long-term equity in proportion of the disposed equity is recognized as other



comprehensive income before loss of control, and transferred to profit or loss of the current period of the date of loss of control along with others.

(2) For consolidated financial statements, each difference between the disposal price and the net assets in proportion to the disposed equity before loss of control is recognized as other comprehensive income before loss of control, and transferred to profit or loss of the current period of the date of loss of control along with others.

v. Criteria of judgement of joint control and significant influence

If the company collectively controls an arrangement with other participants in accordance with relevant provisions, and the activity decision-making with significant influence on the arrangement exists after unanimous consent of the parties sharing control, then the company is regarded to have joint control over the arrangement long with other participants, the arrangement is joint venture arrangement.

If the joint venture arrangement is reached through a separate entity, when judging the company's rights to the net assets of the separate entity according to relevant provisions, the separate entity shall be regarded as a joint venture and the equity method shall be adopted for accounting. If it is judged that the Company does not enjoy the right to the net assets of the separate entity according to the relevant provisions, the separate entity shall be regarded as a joint operation, and the Company shall confirm the items related to the share of the joint operation interests and conduct accounting treatment in accordance with the relevant accounting standards for enterprises.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or join control of those policies. Significant influence is considered to have over investee through one or more of the following situations and under comprehensive consideration of all the facts and conditions:(1) Send one or more representatives in the board of directors or equivalent authorities of the investee;(2) Participate in the decision-making process of financial and operation policies;(3) There is major transaction occurred with the investee;(4) Dispatch managers to the investee;(5) Provide key technical data with the investee.

20.Fixed assets

i. Recognition

Fixed assets are tangible assets that are held for use in the production or supply of services, for rental to others, or for administrative purposes and have useful lives more than one accounting year. Fixed assets are recognized when both of the following conditions are satisfied:

- (1) It is probable that the future economic benefits associated with the asset will flow to the entity;
- (2) The cost of the asset can be measured reliably.



ii. Initial measurement

Fixed assets are initially measured at cost.

(1) The cost of purchased asset includes purchase price, import duty and relevant tax, and other necessary expenses for making the asset to the hoped condition for use that can be attributed to the asset directly.

(2) The cost of self-built asset is composed of necessary expenses for building the asset to the hoped condition for use.

(3) The entry value of asset of an investor is the value stipulated in the investment contract or agreement except the unfair value stipulated in the contract or agreement.

(4) The cost of the assets is measured on the basis of present value of the purchase price, when its payment is deferred beyond normal credit terms and belongs to financial lease in actual. The difference with the actual payment, except the proportion that should be capitalized, and the present value of the purchase price is recorded into current profit or loss of the credit period.

iii. Subsequent measurement and disposal

(1) Depreciation

Fixed assets are depreciated according to the book value after deduction of estimated net residual value within the estimated using life. For those fixed assets being provided for impairment loss, the related depreciation charge is determined based on the carrying amounts less impairment over their remaining useful lives. Fixed assets that have been fully depreciated but are still in use shall not be depreciated.

For fixed assets formed by special reserve expenditures, the special reserve shall be written down according to the cost of forming the fixed assets, and the accumulated depreciation of the same amount shall be recognized, and the fixed assets shall not be depreciated in future periods.

The useful lives and estimated residual value of the asset are determined according to the nature and use. The useful life, estimated residual value and the depreciation method of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, relevant adjustments should be made.

The depreciation method, depreciation life and annual depreciation rate of all types of fixed assets are as follows:

Category	Depreciation method	Depreciation period(Year)	Residual rate(%)	Annual depreciation rate(%)
Buildings	Double diminishing balance method	20-40	3	2.43-4.85
Machinery and equipment	Double diminishing balance method	5-10	3	9.70-19.40



Category	Depreciation method	Depreciation period(Year)	Residual rate(%)	Annual depreciation rate(%)
Vehicles	Double diminishing balance method	4-5	3	19.40-24.25
Other equipments	Double diminishing balance method	3-5	3	19.40-32.33

(2) Subsequent expenditure

If the subsequent expenses related to a fixed asset meet the recognition conditions of fixed assets, they are included in the cost; if the subsequent expenses fail to meet the recognition conditions, they are recorded into profit or loss on the occurrence.

(3) Impairment of fixed assets

The impairment test method for fixed assets and the provision for impairment provisions are detailed in this note III/24- Impairment of long-term assets.

(4) Disposal

An asset is derecognized on disposal or when it is withdrawn from use and no future economic benefits are expected from disposal. The balance of disposal price of selling, transfer, abandonment or damage after deduction of the book value and relevant tax is recognized as profit or loss of the current period.

21. Construction in progress

The self-built construction in progress is measured at actual cost, which is composed of necessary expenses for building the asset to the hoped condition for use, including structural material costs, labor costs, relevant paid taxes, borrowing costs, which should be capitalized, and indirect apportionment and so on.

All expenditures for building the asset to the hoped condition for use of the construction in progress are entry value of the asset. Where the construction in progress has reached the expected conditions for use with no final accounts of completed project conducted, it is transferred to fixed assets at the estimated value, which is made according to the project budget, construction cost or actual cost of the program and so on, and depreciated in accordance with the depreciation method of the Company. After the final accounts of completed project has been made, the original estimated value is adjusted according to the actual cost, and no adjustment is made to the accumulated depreciation.

The impairment test method for construction in progress and the provision method for impairment are detailed in this note III/24- Impairment of long-term assets.

22. Borrowing costs



i. Recognition of borrowing costs capitalization

Borrowing costs are capitalized when they are directly attributable to the acquisition, construction or production of a qualifying asset and included in the cost of related assets. Other borrowing costs are recognized as expenses and recorded into profit or loss for the current period.

A qualifying asset is an asset that takes a substantial period of time to get ready for its intended use or sale. That could be fixed asset, investment property, inventory and so on.

Capitalization of such borrowing costs commenced only when all of the following conditions are satisfied:

- (1) Expenditures for assets are being incurred, capital expenditure includes the expenditure in the form of cash payment, transfer of non-cash assets or interest-bearing liabilities for the purpose of acquiring or constructing assets eligible for capitalization;
- (2) Borrowing costs are being incurred;
- (3) Activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced.

ii. Capitalization period

Capitalization period refers to the period from the commencement point to cessation point of the capitalization of borrowing costs, excluding the period when the borrowing costs suspend to be capitalized.

Capitalization of borrowing costs ceases when the qualifying assets being acquired, constructed or produced become ready for their intended use or sale.

When the construction of a qualifying asset is completed in parts and each part is capable of being used while construction continues on other parts, capitalization of borrowing costs shall cease.

When each part of a qualifying assets acquired or constructed is completed separately, but they are capable of being used or sold only after the overall completion of the asset, capitalization of borrowing costs shall cease after overall completion of the asset.

iii. Suspension period

Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally and when the suspension is for a continuous period of more than 3 months. Capitalization of borrowing costs is not suspended when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale. Borrowing costs occurred during the suspension period are recognized as



profit or loss of the current period, and continue to be capitalized till the restart of the construction or production activities restarted.

iv. Calculation of capitalization amount

For funds borrowed for a specific purpose, the interest expenses of which (excluding bank interest earned from depositing the borrowed funds before being used into banks or any investment income on the temporary investment of those funds) are capitalized along with the auxiliary expenses of which before the acquired or constructed qualifying assets being capable for intended use or sale.

For funds borrowed for general purpose, the amount of interest to be capitalized on such borrowings is calculated by applying a capitalization rate to the weighted average of the excess amounts of cumulative expenditures on the asset over and above the amounts of specific-purpose borrowings. Capitalization rate is determined as calculating weighted average interest rate of general borrowings.

Where there is discount or premium of the funds, the depreciable discount or premium amount, determined by the use of effective interest method in each accounting period, is adjusted to interest of each period.

23.Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance held or controlled by the Company, including land use rights, registered trademarks, vehicle management rights, purchased software systems, etc.

i. Initial measurement

The cost of purchased intangible asset includes purchase price, relevant tax and other necessary expenses for making the asset to the hoped condition for use that can be attributed to the asset directly. The cost of the assets is measured on the basis of present value of the purchase price, when its payment is deferred beyond normal credit terms and belongs to financial lease in actual.

The entry value of mortgage intangible assets, acquired by debt restructuring from the debtors; is measured on the basis of fair value, and the differences between the book value of the restructured debt and fair value of the mortgage intangible assets are recorded into current profit or loss of the current period.

On the premise of the non-monetary assets exchange is commercial in nature and the fair value of the assets received or surrendered can be measured reliably, the entry value of the received intangible assets received from the non-monetary assets is measured on the basis of fair value of



the assets surrendered, unless there is conclusive evidence that the fair value of the received assets is more reliable. For non-monetary assets exchange fails to satisfy the premise stated above, costs of the received assets are measured at the sum of book value of the surrendered assets and relevant taxes paid, and no profits or losses are recognized.

For the intangible assets acquired by merge of company under common control, the entry value of the assets is measured at book value of the combined party; for the intangible assets acquired by merge of company not under common control, the entry value of the assets is measured at fair value.

The cost of self-developed intangible assets includes: materials consumed, labor costs, registration fees, amortization of other patent rights and franchises, and interest expenses meeting the conditions of capitalization during the developing of the asset, and other direct costs before the intangible assets are capable for expected purposes.

ii. Subsequent measurement

Intangible assets are classified into intangible assets with finite useful lives and with indefinite useful lives at the acquisition date by the Company.

(1) Intangible assets with finite useful lives

Intangible assets with finite useful lives are amortized by straight-line method in the period, when the assets can generate economic benefits for the Company. Estimated lives and judging criteria of the intangible assets with finite lives are listed as below:

Items	Estimated lives	Judging by
Land use rights	50	Certificate of rights
Registered trademark	10	
Vehicle management rights	6	Line permit certificate
purchased software systems	2-10	Expected economic benefits affect the period

The useful lives and amortization methods of intangible assets with finite useful lives are reviewed at the end of each accounting period, and relevant adjustments are made when there is any change from the previous estimates.

After review, the useful lives and amortization method of the intangible assets at the end of this period are no different from the previous.

(2) Intangible assets with indefinite useful lives

If it is unable to forecast the period when the intangible asset can bring economic benefits to the



enterprise, it shall be recognized as an intangible asset with indefinite useful life.

At the end of the period, the service life of intangible assets with uncertain service life is reviewed, and if there is evidence that the intangible assets bring economic benefits to the enterprise is foreseeable, its service life is estimated and amortized in accordance with the amortization policy of intangible assets with limited service life.

The impairment test method and the provision for impairment of intangible assets are detailed in this note III/24- Impairment of long-term assets.

iii. Divide the research stage and development stage specific standards of the company's internal research and development projects

Research stage: the stage of original planned investigation and research activities for the acquisition and understanding of new scientific or technical knowledge, etc.

Development stage: the activity of applying research results or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, etc., before commercial production or use.

Expenditures in the research phase of internal research and development projects are included in current profit and loss when incurred.

iv. Development phase expenditures meet the specific criteria for capitalization

Expenditures in the development phase of internal research and development projects are recognized as intangible assets when the following conditions are simultaneously met:

- (1) It is technically feasible to complete the intangible asset so that it can be used or sold;
- (2) It has the intention to complete the intangible asset and use or sell it;
- (3) The way in which the intangible asset generates economic benefits, including being able to prove that there is a market for the products produced by using the intangible asset or that there is a market for the intangible asset itself, and that the intangible asset will be used internally, being able to prove its usefulness;
- (4) It has the support of sufficient technology, financial resources and other resources to complete the development of the intangible asset and has the ability to use or sell the intangible asset;
- (5) The expenditure attributable to the development stage of the intangible asset can be measured reliably.

Expenditures in the development phase that do not meet the above conditions are recognised in the current profit or loss when incurred. If it is impossible to distinguish between expenditures in the research stage and expenditures in the development stage, all R&D expenditures incurred shall be



included in the current profit or loss. The cost of intangible assets arising from internal development activities only includes the total amount of expenditure incurred from the time when the capitalization conditions are met to the time when the intangible asset reaches its intended use, and no adjustment is made for expenditure that has been expensed in profit or loss before the capitalization conditions are met during the development of the same intangible asset.

24.Impairment of long-term assets

At each balance sheet date, the Company checks whether there are signs of possible impairment in long-term equity investments, fixed assets, projects under construction, intangible assets with defined useful life and assets with right of use. If there are signs of impairment of long-term assets, the recoverable amount is estimated on the basis of individual assets; If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group shall be determined on the basis of the asset group to which the asset belongs.

The recoverable amount of an asset is determined by the higher of the net amount after deducting the disposal costs from the asset's fair value and the present value of the asset's estimated future cash flow.

When the measurement of the recoverable amount indicates that, the recoverable amount is lower than its carrying amount, the Company reduces its carrying amount to its recoverable amount, the reduced amount is recorded in profit or loss for the current period and the provision for impairment of assets is recognized. An impairment loss once recognized is not reversed in subsequent period.

The depreciation or amortization of the impaired asset is adjusted correspondingly in the future period after the impairment loss being recognized, so that the adjusted book value (deducting the residual value) of the asset can be systematically allocated in the residual useful life.

Impairment test of goodwill acquired in a business combination and intangible assets with indefinite useful lives should be performed annually, whether or not there is any indication that it may be impaired.

The book value of goodwill is allocated to the asset group or combination of asset group, which is estimated to benefit from the synergies of business combination, in the impairment test. For impairment test performed for the relevant asset group or combination of asset group, which contain goodwill, if there is any indication of impairment: First, the impairment test is conducted for the asset group or combination of assets group excluding goodwill, the recoverable amount is compared with the relevant book value and corresponding impairment loss is recognized; Then the impairment test is conducted for the asset group or combination of asset group with goodwill, the



impairment loss of the goodwill is recognized when the recoverable amount of the asset group or combination of asset group is less than the book value (including the allocated book value of the goodwill).

25. Long-term deferred expenses

i. Amortization

Long-term deferred expenses are the expense occurred but should be attributable to the current period and subsequent for more than one year. Long-term deferred expenses are amortized by use of the straight-line method over the benefit period.

ii. Amortization period

Category	Amortization period	Remarks
Right of authentication	3 years	Overseas market product certification fees
The cost of building repairs	16 months	Benefit period

26. Contractual liabilities

Contractual liabilities presents the obligation to transfer goods or services to the customer for the consideration received or receivable from the customer

27. Payroll and employee benefits payable

Employee benefits refer to all forms of consideration or compensation given by the Company in exchange for service rendered by employee or for the termination of employment relationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

i. Short-term employee benefits

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee service are rendered, but do not include post-employee and termination benefits. The accrued short-term employee benefit is recognized as a liability in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

ii. Post-employment benefits

Post-employment benefits are any remuneration and benefits (other than short-term employee benefits and termination benefits) in exchange for service rendered by employees that are payable



after the retirement of the employees or termination of employment relationship.

The company classifies post-employment benefit plans as either defined contribution plans.

Defined contribution plans are mainly composed of social endowment insurance, unemployment insurance and so on implemented by labor and social security of various regions. The contribution payable to a defined contribution plan in exchange for service rendered by employees is recognized as a liability in the accounting period in which the employees are in service, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

After regular payment in compliance with the state specified standard, the Company has no further obligation.

iii. Termination benefits

Dismissal benefits refer to the termination of the labor relationship with the employee before the expiration of the employee's labor contract, or the compensation given to the employee to encourage the employee to accept the reduction voluntarily. When the Company cannot unilaterally withdraw the termination plan or reduction proposal, or when the costs related to the restructuring related to the payment of dismissal benefits are confirmed as early as possible. Recognize liabilities arising from compensation for termination of labor relations with employees and record them into current profits and losses.

The company provides internal retirement benefits to employees who accept internal retirement arrangements. Retirement benefits refer to the wages and social insurance premiums paid to employees who have not reached the retirement age stipulated by the state and who voluntarily quit their jobs with the approval of the company's management. The company shall pay internal retirement benefits to the retired employees from the date when the internal retirement arrangement begins until the employees reach the normal retirement age. For the retirement benefits, the company will conduct accounting treatment according to the dismissal benefits. When meeting the confirmation conditions related to the dismissal benefits, the wages and social insurance premiums to be paid by the retired employees from the date when the employees stop providing services to the normal retirement date will be recognized as liabilities and recorded into the current profit and loss in a lump sum. Differences caused by changes in actuarial assumptions and adjustments to benefit standards are recorded in current profits and losses when they occur.

iv. Other long-term employee benefits

Other long-term benefits are employee benefits other than short-term benefits, post-employment benefits and termination benefits.



28.Provisions

i. Recognition

When an obligation related to a contingent matter such as product quality assurance is a current obligation undertaken by the Company, the fulfilment of the obligation is likely to result in an outflow of economic benefits, and the amount of the obligation can be reliably measured, it is recognized as a projected liability.

ii. Measurement

Provisions are initially measured at the best estimate of the payment to settle the associated present obligation.

In reaching its best estimate, the Company takes into account the risks, uncertainties, time value of money and so on. If the impact of time value of money is significant, the best estimate is determined as its present value of future cash flow.

A best estimate is conducted as follows:

If there is a continuous range (or interval) for the expenditures and the possibilities for different results are the same within the range, the best estimate is measured as median within the range, namely the average of upper limit and lower limit of amount.

If there is not a continuous range (or interval) for the expenditures, or there is a continuous range but the possibilities for different results are not same within the range: The best estimate is determined as the most likely amount, where there is a single item related to the contingency; the best estimated is determined in accordance with all possible outcomes and the relevant probabilities, where there are multiple items concerned with the contingency.

If all or part of the expenses necessary for settling the provision is expected to be compensated by a third party, the amount of compensation is separately recognized as an asset when it is basically certain to be received. The recognized compensation amounts not exceed the carrying value of the provision.

29.Share based payment

i. Category of share-based payment

Share based payment of the Company is classified as equity-settled and cash-settled.

ii. Fair value of equity instrument

If there is active market for granted equity instrument, fair value is determined as the quoted price



in the active market. If there is no active market for granted equity instrument, fair value is determined by applying an option pricing model, with the following factors taken into account: (1) the exercise price of the option;(2) the life of the option;(3) the current price of the underlying shares;(4) the expected volatility of the share price;(5) the dividends expected on the shares; (6) the risk-free interest rate for the life of the option.

Market conditions of vesting conditions and non-vesting conditions shall be taken into account when estimating the fair value of the equity instruments. For grants of equity instruments with non-vesting conditions, the Company shall recognize the cost corresponding to the relevant service, when the employees or counterparty satisfy all vesting conditions that are not market conditions (e.g. services received from an employee who remains in service for the specific period of service), irrespective of whether those non-vesting conditions are satisfied.

iii. Criteria for determination of the best estimate of exercisable amount of equity instrument

On each reporting date of the vesting period, estimated exercisable equity instrument amount is adjusted to the best estimate, according to the newly obtained information relevant to the amount of exercisable employee amount. On vesting date, the Company shall revise the estimate to equal the number of equity instruments that ultimately vested.

iv. Accounting treatment

(1)Accounting for equity settlement and cash settlement of share payments

For equity-settled share-based payment transactions, fair value of equity instrument granted at the grant date is adopted. If the equity instruments granted can vest immediately, the Company recognizes the cost at fair value of equity instrument at the grant date, and increase capital reserve correspondingly. If the equity instruments granted do not vest until the completion of specified period of service or achievement of a performance condition, on each reporting date of vesting period, the Company recognizes the cost of service acquired and capital reserve at the fair value of equity instrument granted, on the basis of best estimate of exercisable amount of equity instrument. There is no adjustment made to the cost recognized and corresponding increase in equity after vesting date.

Share-based payments settled in cash shall be measured according to the fair value of liabilities calculated and determined on the basis of shares or other equity instruments undertaken by the Company. If the right is immediately feasible after the grant, the fair value of the liabilities borne by the company shall be recorded into the relevant costs or expenses on the grant date, and the liabilities shall be increased accordingly. On each balance sheet date during the waiting period,



based on the best estimate of the feasible right situation, the services acquired in the current period shall be recorded into costs or expenses and corresponding liabilities according to the fair value of the liabilities borne by the Company. On each balance sheet date before the settlement of the relevant liabilities and the settlement date, the fair value of the liabilities shall be re-measured, and the changes shall be recorded into the current profits and losses.

(2) Accounting for modification of share payment terms and conditions

In the case of adverse modifications, the Company shall treat the changes as if they never occurred and continue to account for the services obtained.

Favorable modifications shall be treated by the Company in accordance with the following provisions: If the modification increases the fair value of the equity instrument granted, the Enterprise shall recognize the increase in the services obtained in accordance with the increase in the fair value of the equity instrument. If the modification occurs during the waiting period, the recognition of the fair value of the services obtained between the date of the modification and the date of the revised option shall include both the amount of the services determined during the remaining original waiting period on the basis of the fair value of the original equity instrument grant date and the increase in the fair value of the equity instrument. If the modification occurs after the vesting date, the increase in the fair value of the equity instrument should be recognized immediately. If the share payment agreement requires the employee to obtain the modified equity instrument only after completing a longer period of service, the enterprise shall recognize the increase in the fair value of the equity instrument throughout the waiting period.

If the modification increases the number of equity instruments granted, the firm recognizes the fair value of the increased equity instruments accordingly as an increase in the acquisition of services. If the modification occurs during the waiting period, the recognition of the fair value of the services acquired between the date of the modification and the date of the availability of the increased equity instrument shall include both the amount of services determined during the remaining original waiting period based on the fair value of the original equity instrument grant date and the increase in the fair value of the equity instrument.

If the company modifies the availability conditions in a way that benefits employees, such as shortening the waiting period, changing or eliminating performance conditions (rather than market conditions), the company should take the revised availability conditions into account when dealing with the availability conditions.

(3) Accounting for cancellation of share payments

If a grant of equity instruments is cancelled, the Company accounts for the cancellation as an



acceleration of vesting, that is the amount that otherwise would have been recognized over the remainder of the vesting period recognized in profit or loss of the current period, and capital reserve recognized correspondingly. If the employee or counterparty can choose whether to meet a non-vesting condition, the Company treats the employee's or counterparty's failure to meet that non-vesting condition during the vesting period as a cancellation.

30. Preferred shares, perpetual debts and other financial instruments

In accordance with the provisions of the Financial Instrument Standards, the Company classifies such financial instruments or their components as financial liabilities or equity instruments at the time of initial recognition in accordance with the contractual terms of the issued preferred shares, perpetual bonds and other financial instruments and the economic substance reflected by them, not only in legal form, and in combination with the definition of financial liabilities and equity instruments:

i. A financial instrument issued is classified as a financial liability if one of the following conditions is met:

- (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 be settled with or can be settled with the enterprise's own equity instruments in the future, under which the enterprise will deliver a variable number of its own equity instruments;
- (4) Derivative contracts that must be settled with or can be settled with the enterprise's own equity instruments in the future, except derivative contracts that exchange a fixed number of its own equity instruments for a fixed amount of cash or other financial assets.

ii. Financial instruments issued shall be classified as equity instruments if the following conditions are met at the same time:

- (1) The financial instrument does not include a contractual obligation to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potentially adverse conditions;
- (2) If the financial instrument must be settled with or can be settled with the enterprise's own equity instrument in the future, if the financial instrument is a non-derivative instrument, the contractual obligation to deliver a variable number of its own equity instruments for settlement is not included; In the case of a derivative instrument, the enterprise can only settle the financial instrument by exchanging a fixed amount of its own equity instrument for a fixed amount of cash or other financial assets.



iii. Accounting treatment method

For financial instruments classified as equity instruments, their interest expense or dividend distribution shall be treated as the profit distribution of the issuing enterprise, their repurchase and cancellation shall be treated as the change of equity, and transaction expenses such as commission and commission shall be deducted from equity;

For financial instruments classified as financial liabilities, their interest expense or dividend distribution shall be treated in principle according to the borrowing cost, the gains or losses arising from their repurchase or redemption shall be included in the current profit and loss, and the transaction costs such as commissions and commissions shall be included in the initial measurement amount of the issued instruments.

31.Revenue

i. General revenue recognition

The Company has fulfilled its performance obligation under the contract, that is, when the customer obtains control of the relevant commodity or service, it recognizes revenue according to the transaction price apportioned to the performance obligation. Performance obligation refers to the commitment of the company to transfer clearly distinguishable goods or services to the customer in the contract. To acquire the control right of relevant goods refers to to be able to dominate the use of the goods and obtain almost all the economic benefits from them.

At the beginning date of a contract, the Company should assess the contract to identify the individual contract obligations in the contract, and to confirm whether the individual contract obligations are to be satisfied over time or at a point in time and then recognize the revenue respectively when the individual contract obligations are satisfied. The Company recognizes revenue over time if one of the following criteria is met: 1) the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs; 2) the Company's performance creates or enhances an asset that the customer controls as the asset is created; 3) the Company's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time when the customer obtains control of the relevant assets or service.

For the performance obligation over time, the appropriate performance progress is determined by the method of input method according to the nature of goods and service. The input method is to determine the performance progress according to the Company's input to fulfill the performance obligation. When the performance progress cannot be determined reasonably and the cost incurred is expected to be compensated, revenue is recognized as the cost incurred until the performance



progress can be reasonably determined.

ii. Specific revenue recognition

The Company has fulfilled its performance obligation under the contract, which is to recognize revenue when the customer acquires control of the relevant goods or services. If the contract contains two or more performance obligations, the Company shall, on the commencement date of the contract, apportion the transaction price to each individual performance obligation according to the relative proportion of the individual selling price of the commodity or service committed under each individual performance obligation, and measure the income according to the transaction price apportioned to each individual performance obligation. However, if there is conclusive evidence that the contract discount or variable consideration is only related to one or more (but not all) of the performance obligations under the contract, the contract discount or variable consideration shall be apportioned to one or more of the relevant performance obligations. The transaction price is the amount of consideration that the Company expects to be entitled to collect as a result of the transfer of goods or services to the customer, excluding payments received on behalf of third parties. Amounts expected to be refunded to customers are treated as return liabilities and are not included in the transaction price. If there is a significant financing component in the contract, the Company shall determine the transaction price based on the amount payable in cash when the customer assumes control of the goods or services. The difference between the transaction price and the contract consideration is amortized over the contract period using the effective interest rate method.

For performance obligations performed within a certain period of time, the Company recognizes revenue in accordance with the progress of performance during that period. If the performance progress cannot be reasonably determined and the company is expected to be compensated for the costs already incurred, the revenue shall be recognized according to the amount of costs already incurred until the performance progress can be reasonably determined. For performance obligations performed at a certain point, the Company recognizes revenue at the point when the customer acquires control of the relevant goods. In determining whether the customer has acquired control of the goods or services, the Company will consider the following indications: ① The Company has a current right to collect money in respect of the goods or services; ② The Company has transferred the physical goods to the customer; ③ The Company has transferred the legal ownership of the goods or the major risks and rewards of ownership to the Customer; ④ The customer has accepted the product.

The right of the Company to receive consideration for goods or services transferred to the customer (and subject to factors other than the passage of time) is set out as a contractual asset.



The right of the Company to collect consideration from the customer unconditionally (subject only to the passage of time) is shown as receivables. The company's obligation to transfer goods or services to customers for which consideration has been received or receivable is shown as a contractual liability.

iii. Specific judgment criteria for the recognition time of revenue from sales of goods

The company's sales are divided into domestic sales and export sales. Among them, domestic sales is after the contract is signed, the company organizes production according to the requirements of the contract, and recognizes the income when the warehouse issues the goods, issues the delivery notice and obtains the receipt document from the customer, and obtains the right to collect the payment for goods; Export means that after the contract is signed, production is organized according to the contract, and different settlement modes are divided when the commodities have been issued. Under the FOB mode of the shipping company designated by the buyer, the bill of lading is obtained after the goods cross the ship's rail, and the export declaration is handled to the customs and the income is confirmed after approval; Under the CIF mode of arranging the transportation of goods and handling freight insurance, the seller shall obtain the freight bill of lading after the goods cross the ship's rail, and at the same time go through the export declaration to the customs and confirm the income after approval.

32.Contractual cost

i. Contract performance costs

The company recognizes the cost of contract performance as an asset if it does not fall within the scope of accounting standards for enterprises other than revenue standards and meets the following conditions at the same time:

- (1)The cost is directly related to a contract currently obtained or expected to be obtained, including direct labor cost, direct material cost and manufacturing expense (or similar expense), the cost assumed by the customer and other costs incurred only due to the contract are specified;
- (2)The cost increases the resources of the enterprise for further performance of obligations;
- (3)The cost is expected to be recovered.

The asset is reported in inventory or other non-current assets according to whether the amortization period exceeds one normal operating cycle at the time of its initial recognition.

ii. Contract acquisition costs

The Company will recognize the incremental costs incurred in obtaining the contracts as contract acquisition costs. Incremental costs refers to the costs will not incur without the achieving of a



contract, such as sales commission. Where the amortization period not exceeding one year, the cost is recognized into current period as profit/loss at the time of occurrence.

iii. Amortization of contract costs

The assets related to the contract costs mentioned above shall be amortized at the point of performance of the performance obligation or in accordance with the progress of performance of the performance obligation on the same basis as the income recognition of goods or services related to the asset, and shall be recorded into the current profit and loss.

iv. Impairment of contract costs

If the carrying value of the above assets related to the contract cost is higher than the difference between the remaining consideration that the company is expected to obtain due to the transfer of the commodities related to the asset and the estimated cost to be incurred for the transfer of the commodities related to the asset, the excess part shall be set aside for impairment and recognized as the asset impairment loss.

After the provision for impairment is made, if the factors of impairment in previous periods change so that the difference between the above two items is higher than the carrying value of the asset, the original provision for impairment of the asset shall be reversed and recorded into the profit and loss of the current period, provided that the carrying value of the asset after the reversal shall not exceed the carrying value of the asset on the reversal date under the assumption that no provision for impairment is made.

33.Government grants

i. Categories

Government grants are transfers of monetary and non-monetary assets from the government to the Company. Government grants are classified into grants related to assets and grants related to income according to the assistance object stipulated by the relevant government document.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets.Grants related to income are government grants other than those related to assets.

ii. Recognition

A government grant is not recognized until there is a reasonable assurance that the entity will comply with the conditions attaching to it, and that grant will be received. Otherwise, government grants are recognized at the actual receipt.



For a government grant in the form of transfer of monetary assets, the grant is measured at the amount received or receivable. For a government grant in the form of transfer of non-monetary assets, it is measured at fair value; if the fair value is not reliably determinable, the grant is measured at nominal amount (RMB 1yuan). The government grant measured at nominal amount is recognized into profit or loss of the current period directly.

iii. Accounting treatment

According to the essence of economic business, the company determines whether a certain type of government subsidy business should adopt the gross method or the net method for accounting treatment. Under normal circumstances, the Company chooses only one method for the same or similar government subsidy business and consistently applies this method for that business.

Items	Content of accounting
Categories of government subsidies calculated using the aggregate method	All government subsidies except discount interest on loans
Categories of government subsidies accounted for using the netting method	Government subsidies related to loan discount interest

Government grants related to assets will be recorded as deferred income and recognized evenly in profit or loss over the useful lives of the related assets by the use of a rational and systematic method;

Government grants related to income will be recorded as deferred income and recognized in profit or loss in the period in which the related expenses are recognized if the grants are intended to compensate for future expenses or losses, and otherwise recognized in profit or loss for the current period if the grants are used to compensate for expenses or losses that have been incurred.

Government grants related to daily activities of the Company are recorded into other income; grants unrelated to daily activities are recorded into non-operating income or expenses.

Government grants related with discount of policy-related concessional loans are deducted in the relevant borrowing costs. For the loan offered by the lending bank in a policy-related prime rate, the loan is measured at the actual amount received and the relevant borrowing costs are calculated by the loan principal and the policy-related prime rate.

If a grant becomes repayable, where there is a balance of the related deferred income, the book value of the deferred income is offset and the excess comes to the profit or loss of the current period; where there is no related deferred income, the repayment is recorded into profit or loss of the current period.

34. Deferred income tax assets / deferred income tax liabilities



Deferred income tax assets and deferred income tax liabilities are calculated and recognized based on the difference arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). On the balance sheet date, deferred income tax assets and deferred income tax liabilities shall be measured according to the applicable tax rate during the period when the assets are expected to be recovered or the liabilities are paid off.

i. Recognition criteria of deferred tax assets

A deferred tax asset is recognized for deductible temporary differences, deductible losses and tax credits to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, deductible losses and tax credits can be utilized. The deferred tax asset arises from the initial recognition of an asset or liability is not recognized in a transaction that:(1) It is not a business combination;(2) At the time of the transaction, it affects neither accounting profit nor taxable profit (tax loss).

For the deductible temporary difference associated with investments in associates, to the extent that, and only to the extent that:(1) The temporary difference will reverse in the foreseeable future;(2) The taxable profit will be available against which the temporary difference can be utilized.

ii. Recognition criteria of deferred tax liabilities

A deferred tax liability is recognized for all taxable temporary differences payable of the current and previous period, excluding:

- (1) Temporary differences arising from the initial recognition of goodwill;
- (2) Temporary differences arising from the initial recognition of an asset/liability other than in a business combination which, at the time of the transaction, does not affect either the accounting or the taxable profit (tax loss);
- (3) Taxable temporary differences associated with investment in subsidiaries or associated, but only to the extent that the entity is able to control the timing of reversal of the differences and it is probable that the reversal will not occur in the foreseeable future.

35.Leases

On the commencement date of the contract, the Company assesses whether the contract is, or contains, a lease.The contract is a lease or contains a lease if a party in the contract conveys the right to use one or more identified assets for a period of time in exchange for consideration.

i. Separating components of a lease contract



When the contract contains a number of separate leases, the company will divide the contract and each separate lease will be accounted for separately.

If the contract contains both the leased part and the non-leased part, the Company will divide the leased part and the non-leased part into two parts. The leased part shall be treated in accordance with the leasing standards, while the non-leased part shall be treated in accordance with other applicable accounting standards.

ii. Consolidation of lease contracts

Two or more contracts including leases concluded by the Company and the same transaction party or its affiliates at the same time or at similar time shall be combined into one contract for accounting treatment if one of the following conditions is met:

(1) The two or more contracts are entered into and constitute a package deal for an overall commercial purpose which cannot be understood without being considered as a whole.

(2) The amount of consideration for one of the two or more contracts depends on the pricing or performance of the other contracts.

(3) The right to use the assets transferred by the two or more contracts together constitute a separate lease.

iii. The Company as Lessee

On the commencement date of the lease term, except for the short-term lease and the lease of low-value assets with simplified treatment, the Company recognises the right-of-use assets and lease liabilities.

(1) The short-term lease and the lease of low-value assets

Short-term leases refer to leases with a lease term of less than 12 months from the commencement date, except for those with a purchase option. Low-value asset lease refers to the lease with a lower value when the single leased asset is a brand new asset.

The Company does not recognize the use right assets and lease liabilities for short-term leases and low-value asset leases, and the relevant lease payments are included in the cost of the relevant assets or current profit or loss in accordance with the straight-line method during each period of the lease term.

(2) Right-of-use asset

On the start date of the lease term, the right-of-use assets is initially measured at cost. The cost includes:



- 1) the initial measurement amount of lease liabilities;
- 2) The lease payment amount issued on or before the start date of the lease term, where if there is a lease incentive, the amount related to the entitled lease incentive shall be deducted;
- 3) The initial direct expenses incurred by the Company as the lessee;
- 4) The cost expected to be incurred by the Company as the lessee to dismantle and remove the leased assets, restore the site where the leased assets are located or restore the leased assets to the state agreed in the lease terms(Excludes costs incurred to produce inventory).

After the commencement of the lease term, the company shall use the cost model to make subsequent measurement of the right-of-use assets.

If the Company, as the lessee, can reasonably determine that the ownership of the leased assets is acquired at the expiration of the lease term, depreciation shall be accrued within the remaining service life of the leased assets. If it cannot be reasonably determined that the ownership of the leased assets can be obtained at the expiration of the lease term, depreciation shall be accrued during the lease term or the remaining service life of the leased assets, whichever is shorter. For the right-of-use assets for which provision has been made for impairment, the company shall depreciate in future periods at book value after deduction of impairment provisions with reference to the above principles.

The Company shall, in accordance with the provisions of Accounting Standards for Business Enterprises No. 8 - Asset Impairment, determine whether the assets of the right of use have been impaired and conduct accounting treatment for the identified impairment losses. For details in this note III/24- Impairment of long-term assets.

(3) Lease liabilities

At the commencement date of the lease, the Company measures the lease liabilities at the present value of the lease payments that are not paid at that date. When calculating the present value of the lease payments, the Company adopts the interest rate implicit in the lease as the discount rate. If the interest rate implicit in the lease cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. The lease payments comprise the following payments:

- 1) Fixed payment amount and substantial fixed payment amount after deducting the relevant amount of lease incentive;
- 2) Variable lease payments that depend on an index or a rate;
- 3) The exercise price of a purchase option if the Company is reasonably certain to exercise that option;



- 4) Payments for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease;
- 5) Amounts expected to be payable by the Company under residual value guarantees.

The Company calculates the interest on the lease liabilities in each period during the lease term by a fixed interest rate and records it into the current profit or loss, or the cost of relevant assets.

Variable lease payments not included in the measurement of the lease liabilities, are recorded in profit or loss, or in the cost of relevant assets, in the period of those payments.

iv. The Company as lessor

(1) Classification of leases

The Company divides the lease into finance lease and operating lease on the commencement date of the lease term. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership. Ownership of the leased asset may or may not eventually be transferred. All other leases are classified as operating leases.

The Company generally classifies a lease as a finance lease if one or more of the following conditions exist:

- 1) At the end of the lease term, ownership of the leased asset is transferred to the lessee.
- 2) The lessee has an option to purchase the leased asset and the purchase price established is sufficiently low compared to the fair value of the leased asset at the time the option is expected to be exercised. The lessee can therefore be reasonably certain that the option will be exercised on the commencement date of the lease.
- 3) Although the ownership of the asset is not transferred, the lease term accounts for the majority of the service life of the leased asset.
- 4) On the commencement date of the lease, the present value of the lease receipts is almost equal to the fair value of the leased asset.
- 5) The leased assets are special in nature and can only be used by the lessee if major alterations are not made.

The Company may also classify a lease as a finance lease if it has one or more of the following indications:

- 1) If the lessee cancels the lease, the lessee shall bear any loss caused to the lessor.
- 2) Gains or losses arising from changes in the fair value of the balance of assets belong to the lessee.



3)The lessee has the ability to continue the lease for the next period at rents well below the market level.

(2) Accounting treatment of financial leases

On the commencement date of the lease, the Company recognizes the finance lease receivables and terminates the recognition of finance lease assets.

When the financial lease receivables are initially measured, the sum of the unguaranteed residual value and the amount of lease receipts not received on the commencement date of the lease shall be taken as the recorded value of the financial lease receivables according to the present value of the discounted interest rate of the lease. Lease receipts include:

- 1)Fixed payment and substantial fixed payment after deducting the relevant amount of lease incentive;
- 2)Variable rental payments depending on an index or ratio;
- 3)Where it is reasonably certain that the lessee will exercise the purchase option, the lease receipts include the exercise price of the purchase option;
- 4)In the case that the lease term reflects the exercise of the lessee's option to terminate the lease, the lease receipts include the amount payable by the lessee to exercise the option to terminate the lease;
- 5)The residual value of the security provided to the lessor by the lessee and the party related to the lessee or an independent third party financially capable of fulfilling the security obligations;

The Company calculates and recognizes the interest income of each period of the lease term according to the fixed embedded interest rate of the lease and the variable lease payments obtained which are not included in the net lease investment measurement are included in the current profit and loss when actually incurred.

(3) Accounting treatment of operating leases

During each period of the lease term, the Company shall adopt the straight line method or other systematic and reasonable methods to recognize the rental receipts from the operating lease as rental income.The capitalization of the initial direct expenses incurred in connection with the operating lease shall be apportion on the same basis as the recognition of rental income during the lease term and recorded into the current profit or loss by stages.Variable lease payments obtained in relation to operating leases and not included in lease receipts shall be included in current profits or losses when actually incurred.

36.Accounting for hedge



According to the hedging relationship, the company divides hedging into fair value hedging, cash flow hedging and net overseas investment hedging.

i. For hedging instruments that simultaneously meet the following conditions, the hedge accounting method shall be used to deal with them

- (1) The hedging relationship only consists of qualified hedging instruments and hedged items.
- (2) At the commencement of the hedging, the Company formally designated the hedging instrument and the hedged item, and prepared written documents on the hedging relationship and the risk management strategy and risk management objectives engaged in the hedging.
- (3) The hedging relationship meets the requirements of hedging effectiveness.

If the hedging simultaneously satisfies the following conditions, the hedging relationship shall be determined to meet the requirements of hedging effectiveness:

- 1) There is an economic relationship between the hedged item and the hedging instrument. This economic relationship causes the value of the hedging instrument and the hedged item to change in opposite directions because they face the same hedged risk.
- 2) In the value changes generated by the economic relationship between the hedged item and the hedging instrument, the influence of credit risk does not dominate.
- 3) The hedge ratio of the hedging relationship, which is equal to the ratio of the number of the hedged items actually hedged by the Company to the actual number of the hedging instruments that hedge them, but does not reflect the imbalance in the relative weights of the hedged items and the hedging instruments, which will lead to ineffective hedging and may produce accounting results inconsistent with the hedging accounting objectives.

ii. Fair value hedge accounting treatment

- (1) Gains or losses arising from hedging instruments are included in current profits and losses. If the hedging instrument is used to hedge a non-tradable equity instrument investment (or a component thereof) that is selected to be measured at fair value and whose change is included in other comprehensive income, the gain or loss arising from the hedging instrument is included in other comprehensive income.
- (2) The gain or loss of the hedged item due to the hedged risk exposure is recorded into the current profit and loss, and the book value of the recognized hedged item not measured at fair value is adjusted at the same time. If the hedged item is a financial asset (or its component) measured at fair value and its change is included in other comprehensive income, the gain or loss caused by the hedged risk exposure is included in the current profit and loss, and its book value



has been measured at fair value and does not need to be adjusted; If the hedged item is a non-tradable equity instrument investment (or its component) that the company chooses to measure at fair value and its change is included in other comprehensive income, the gain or loss caused by the hedged risk exposure is included in other comprehensive income, and its book value has been measured at fair value and does not need to be adjusted.

If the hedged item is a firm commitment (or part thereof) that has not yet been recognized, the accumulated change in fair value caused by the hedged risk after the hedging relationship is designated shall be recognized as an asset or liability, and the related gains or losses shall be recorded into the profits and losses of each relevant period. When an asset is acquired or a liability is assumed as a result of the performance of a firm commitment, the initial recognition amount of the asset or liability is adjusted to include the cumulative change in the fair value of the hedged item that has been recognized.

(3) If the hedged item is a financial instrument (or a component thereof) measured at amortized cost, any adjustment made to the carrying amount of the hedged item is amortized at the effective interest rate recalculated on the date of commencement of amortization and included in the current profit or loss. Such amortization may commence on the adjustment date, but no later than the point at which the adjustment of hedging gains and losses is made for the termination of the hedged item. If the hedged item is a financial asset (or its components) measured at fair value and its change is included in other comprehensive income, the accumulated recognized hedging gain or loss shall be amortized in the same way and recorded into the current profit and loss, but the carrying value of the financial asset (or its components) shall not be adjusted.

iii. Cash flow hedge accounting treatment

(1) The part of the gain or loss generated by the hedging instrument that is the effective hedging shall be regarded as the cash flow hedging reserve and recorded into other comprehensive income. The amount of the cash flow hedging reserve shall be determined according to the lower of the following two absolute amounts:

- 1) Accumulated gains or losses on the hedging instrument since the commencement of the hedging;
- 2) The cumulative change in the present value of the estimated future cash flows of the hedged item since the beginning of the hedging. The amount of cash flow hedge reserve included in other comprehensive income in each period is the change in cash flow hedge reserve in the current period.



(2) The part of the gain or loss generated by the hedging instrument that is invalid for the hedging (i.e., other gains or losses after deducting other comprehensive income) shall be included in the current profit and loss.

(3) The amount of cash flow hedging reserve shall be handled in accordance with the following provisions:

1) If the hedged item is an anticipated transaction and the anticipated transaction results in the subsequent recognition of a non-financial asset or non-financial liability by the Company, or the anticipated transaction of a non-financial asset or non-financial liability forms a firm commitment applicable to fair value hedge accounting, the amount of cash flow hedge reserve originally recognized in other comprehensive income shall be transferred out, The initial recognition amount included in the asset or liability.

2) For cash flow hedges not covered in the previous article, during the same period in which the expected cash flow hedged affects the profit and loss, the amount of cash flow hedge reserve originally recognized in other comprehensive income shall be transferred out and recorded into the profit and loss of the current period.

3) If the amount of cash flow hedge reserve recognized in other comprehensive income is a loss and the loss is not expected to be made up in whole or in part in future accounting periods, when the loss is not expected to be made up, the part that is not expected to be made up is transferred from other comprehensive income and included in the profit or loss of the current period.

iv. Net investment hedging of overseas operations

Hedging of net investment in overseas operations, including hedging of monetary items that are accounted for as part of the net investment, is treated by the Company in accordance with provisions similar to cash flow hedge accounting:

(1) The part of the gain or loss arising from the hedging instrument that is the effective hedging shall be included in other comprehensive income.

When disposing the overseas operation in whole or in part, the above gains or losses on hedging instruments included in other comprehensive income shall be transferred out accordingly and included in current profits and losses.

(2) The portion of the gain or loss arising from the hedging instrument that is invalid shall be included in the current profit and loss.

v. Terminate the use of hedge accounting

Under any of the following circumstances, the use of hedge accounting shall be terminated:



(1) Due to the change of risk management objectives, the hedging relationship no longer meets the risk management objectives.

(2) The hedging instrument has expired, been sold, the contract has been terminated or exercised.

(3) There is no longer an economic relationship between the hedged item and the hedging instrument, or in the value change generated by the economic relationship between the hedged item and the hedging instrument, the influence of credit risk begins to dominate.

(4) The hedging relationship no longer meets other conditions for the application of hedge accounting methods stipulated in these Standards. If the hedging relationship rebalancing is applicable, the enterprise shall first consider the hedging relationship rebalancing and then evaluate whether the hedging relationship meets the conditions for applying the hedge accounting method stipulated in the Standards.

Termination of hedge accounting may affect the whole or part of the hedging relationship. When only part of the hedging relationship is affected, the remaining part that is not affected is still subject to hedge accounting.

vi. Fair value selection of credit risk exposure

When a credit derivative instrument measured at fair value and whose change is recorded in current profit and loss is used to manage the credit risk exposure of a financial instrument (or its components), it may be designated as a financial instrument measured at fair value and whose change is recorded in current profit and loss when the financial instrument (or its components) is initially recognized, in subsequent measurement or when it is not yet recognized. And make a written record at the same time, provided that the following conditions are met:

(1) The subjects of credit risk exposure of financial instruments (such as borrowers or loan commitment holders) are consistent with the subjects involved in credit derivatives;

(2) The solvency level of the financial instrument is consistent with the solvency level of the instrument to be delivered under the terms of the credit derivative instrument.

37.Safety production fee

Safety production fees drawn by the company in accordance with national regulations shall be included in the cost of related products or current profits and losses, and shall be recorded in the account of "special reserve". If the time spent on production safety is expensed, the special reserve shall be directly offset. Where fixed assets are formed, the expenditure incurred shall be collected through the item of "construction under construction", which shall be recognized as fixed assets when the safety project is completed and ready for use; At the same time, special reserves shall be written down according to the cost of forming fixed assets, and the accumulated depreciation of



the same amount shall be recognized. The fixed asset shall not be depreciated in future periods.

38. Debt restructuring

i. Record debt restructuring obligations as a debtor

Where debt restructuring is carried out by means of asset repayment of debts, the Company shall terminate the recognition when the relevant assets and the debts repaid meet the conditions for termination of recognition, and the difference between the carrying value of the debts repaid and the carrying value of the transferred assets is recorded in the current profit or loss.

Where the debt is restructured by means of equity instruments, the Company shall terminate the recognition when the repayment of the debt meets the conditions for the termination of recognition. When the Company initially recognizes equity instruments, it measures them according to the fair value of equity instruments. If the fair value of equity instruments cannot be measured reliably, it measures them according to the fair value of debts repaid. The difference between the carrying value of the debts repaid and the amount recognized by the equity instruments is included in the current profit or loss.

If the debt restructuring is carried out by modifying other terms, the Company recognizes and measures the restructured debt in accordance with the provisions of Accounting Standard for Enterprises No. 22 - Recognition and Measurement of Financial Instruments and Accounting Standard for Enterprises No. 37 - Presentation of Financial Instruments.

If the debt is restructured by means of multiple asset repayment or combination, the Company recognizes and measures the equity instruments and restructured debts in accordance with the above-mentioned methods, and the difference between the carrying value of the debt repaid and the carrying value of the transferred assets and the sum of the recognized amounts of the equity instruments and restructured debts is recorded in the profit or loss of the current period.

ii. Record debt restructuring obligations as a creditor

In the case of debt restructuring by means of asset repayment, the Company shall, when initially recognizing assets other than the financial assets transferred, measure them at cost, including the cost of inventory, including the fair value of the relinquished claim and other costs directly attributable to the asset such as taxes, transportation charges, handling charges, insurance fees and other costs incurred in bringing the asset to its current position and condition. The cost of an investment in an associate or joint venture, including other costs such as the fair value of abandoned claims and taxes directly attributable to the asset. The cost of investment real estate, including the fair value of abandoned claims and other costs that can be directly attributed to the asset, such as taxes. The cost of a fixed asset includes the fair value of the waiver of claims and



other costs directly attributable to the asset, such as taxes, transportation fees, handling fees, installation fees, professional service fees, etc. incurred before the asset reaches the intended usable state. The cost of intangible assets, including the fair value of abandoned claims and other costs that are directly attributable to taxes incurred in bringing the asset to its intended use. The difference between the fair value of abandoned claims and the carrying value is included in the current profit or loss.

Where a debt restructuring by converting debt into equity instruments results in the Company converting the claim into an equity investment in an associate or joint venture, the Company measures its initial investment cost at the fair value of the abandoned claim and other costs that can be directly attributable to the asset, such as taxes. The difference between the fair value of abandoned claims and the carrying value is included in the current profit or loss.

If the debt restructuring is carried out by modifying other terms, the Company shall recognize and measure the restructured claims in accordance with the provisions of Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments.

If multiple assets are used for debt restructuring or debt restructuring, the transferred financial assets and restructured claims shall be recognized and measured first in accordance with the provisions of Accounting Standards for Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and then the fair value ratio of the assets other than the transferred financial assets shall be adopted. The fair value of the abandoned claims shall be allocated after deducting the recognized amounts of the transferred financial assets and the restructured claims, and on this basis the cost of each asset shall be determined separately in accordance with the foregoing method. The difference between the fair value of abandoned claims and the carrying value is included in the current profit or loss.

39.Changes in significant accounting policies and estimates

i. Changes in accounting policies

Contents and reasons for changes in accounting policies	Remarks
As of January 1, 2023, the Company implemented the Accounting Standards Interpretation for Business Enterprises No. 16 issued by the Ministry of Finance in 2022, "Accounting treatment that deferred income tax related to assets and liabilities arising from single transactions is not applicable to the initial recognition exemption".	(1)

(1) The impact of the implementation of accounting Standards for Business Enterprises interpretation No. 16 on the Company

On December 13, 2022, the Ministry of Finance issued Interpretation of Accounting Standards for Business Enterprises No. 16 (Finance and Accounting [2022] No. 31, hereinafter referred to as



"Interpretation No. 16"), interpretation No. 16 "Accounting treatment of deferred income tax related to assets and liabilities arising from single transactions not applicable to initial recognition exemption", effective from January 1, 2023. Allows enterprises to execute ahead of the release year. The Company implemented the accounting treatment related to this matter during the current year.

Where deductible temporary differences and taxable temporary differences arise in respect of lease liabilities and use rights assets recognized as a result of the application of individual transactions under Interpretation 16 at the beginning of the earliest period for the presentation of the financial statements under Interpretation 16 for the first time (i.e., January 1, 2022), as well as recognized anticipated liabilities related to disposal obligations and corresponding related assets, The Company adjusts the cumulative impact to retained earnings and other related financial statement items at the beginning of the earliest period for which the financial statements are presented (i.e. January 1, 2022) in accordance with Interpretation 16 and Accounting Standard for Business Enterprises No. 18 - Income Tax.

In accordance with the relevant provisions of Interpretation No. 16, the Company has adjusted the cumulative impact of the relevant items in the financial statements as follows:

Items	1 January 2022 Amount originally stated	Cumulative impact amount	1 January 2022 Adjusted amounts presented
Deferred tax assets	1,459,916,391.26	648,045.64	1,460,564,436.90
Deferred tax liabilities	162,481,964.50	683,132.16	163,165,096.66
Surplus reserve	2,948,919,632.11	-3,508.65	2,948,916,123.46
Unappropriated profit	7,802,754,907.06	-31,577.87	7,802,723,329.19

For lease liabilities and use rights assets recognized for individual transactions under Interpretation 16 that occurred between the beginning of the earliest period for the presentation of the financial statements for which this interpretation is first applied (i.e., January 1, 2022) and the date of implementation of the interpretation (January 1, 2023), as well as recognized anticipated liabilities related to the disposal obligation and corresponding related assets, The Company shall proceed in accordance with the provisions of Interpretation No. 16.

In accordance with the provisions of Interpretation No. 16, the Company has adjusted the relevant items of the balance sheet as follows:

Balance sheet item	31 December 2022		
	Before change	Cumulative impact amount	After the change
Deferred tax assets	1,655,045,627.71	790,703.82	1,655,836,331.53
Deferred tax liabilities	158,331,067.00	827,756.19	159,158,823.19



Balance sheet item	31 December 2022		
	Before change	Cumulative impact amount	After the change
Surplus reserve	3,038,155,711.33	-3,705.24	3,038,152,006.09
Unappropriated profit	7,466,625,137.40	-33,347.13	7,466,591,790.27

According to the provisions of Interpretation No. 16, the Company has adjusted the relevant items in the income statement as follows:

Income statement items	Year 2022		
	Before change	Cumulative impact amount	After the change
Income tax expenses	-60,047,058.23	1,965.85	-60,045,092.38

ii. Changes in accounting estimates

There has been no change in major accounting estimates during the reporting period.

IV.Taxation

1. Categories of tax and tax rates

Category of taxes	Tax basis/type of income	Tax rate	Note
Value added tax	Income from sales of goods and provision of processing, repair and repair services	13%	
	Sale of real estate	9%	
	Warehousing and logistics revenue	6%	
	Taxable service income	6%	
	The balance of the transfer price of financial commodities after deducting the purchase price	3%、6%	
	Small scale and simple tax method	1%、3%、5%	
Consumption tax	Revenue from buses with 10-23 seats within 7 meters (including 23 seats)	5%	
City maintenance and construction tax	Turnover tax paid	7%、5%	
Educational surcharge	Turnover tax paid	3%	
Local educational surcharge	Turnover tax paid	2%	
Property tax	Tax is based on 70% of the original value of the property (or rental income)	1.2%、12%	

Explanation of income tax rates of different taxpayers:

Serial number	Name of taxpayer	Income tax rate
1	Yutong Bus CO.,LTD.	15%
2	Zhengzhou Jingyida Auto Parts Co., Ltd.	15%
3	Zhengzhou Kelin Motor Vehicle Air Conditioning Co.,Ltd.	15%
4	ZHENGZHOU JINGYIDA ENVIRONMENTAL PROTECTION	25%



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Serial number	Name of taxpayer	Income tax rate
	TECHNOLOGY CO.,LTD.	
5	Yutong Hongkong Limited	16.50%
6	YUTONG RUSSIA LIMITED	20%
7	AUTOBUSES YUTONG DE VENEZUELA, S.A.	34%
8	CATHAYA INTERNATIONAL LIMITED	0.00%
9	SINOYUTONG INTERNATIONAL LTD	16.50%
10	YUTONG MIDDLE EAST FZE	0.00%
11	YUTONG LUXENBOURG S.A.R.L.	26.01%
12	YUTONG FRANCE SAS	26%
13	YUTONG TANZANIA	30%
14	INSTANT ACCESS LIMITED	20%
15	YUTONG WORLDWIDE FZE	0.00%
16	YUTONG INTERNATIONAL TRADE PTE.LTD.	17.00%
17	YUTONG HOLDCO PTE.LTD.	17.00%
18	YUTONG AUSTRALIA PTY LTD	30%
19	YUTONG PHILIPPINES CORPORATION	The highest value is taken between 25% of corporate profits and 1% of overall revenue
20	YUTONG KAZAKHSTAN LIMITED	20%
21	YUTONG SPAIN HOLDCO S.L.	25%
22	YUTONG PANAMA S.A.	25%
23	YUTONG DE MEXICO S.A. DE C.V.	30%
24	YUTONG COLOMBIA SAS	31%
25	YUTONG CHILE SPA	27%
26	YUTONG CHILE IQUIQUE SPA	27%
27	YUTONG-ECUADOR S.A.	25%
28	YUTONG PERU S.A.C.	30%
29	YUTONG (HK) INTERNATIONAL LIMITED	16.50%
30	Hainan Yaoxing Transportation Group Co., Ltd.	15%
31	Haikou Jinlun Transportation Service Co., Ltd.	15%
32	Hainan Yaoxing Group Haikou Wuyue Industrial Co., Ltd.	20%
33	Hainan Yuxing Road Transportation Co., Ltd.	15%
34	Haikou Yuxing Road Transportation Co., Ltd.	15%
35	Xizang Kangrui Yingshi Industrial Co., Ltd.	25%
36	Zhengzhou Yucheng Mold Co., Ltd.	15%
37	Zhengzhou Saichuan Electronic Technology Co., Ltd.	15%
38	Zhengzhou Chongxin Real Estate Co., Ltd.	25%



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Serial number	Name of taxpayer	Income tax rate
39	Zhengzhou Tongrun Real Estate Co., Ltd.	25%
40	Zhengzhou Tongzhou Real Estate Co., Ltd.	25%
41	Zhengzhou Fengyu Real Estate Co., Ltd.	25%
42	Changsha Economic and Technological Development Zone Sannong Yutong Technology Co., Ltd.	25%
43	Wuhan Yutong Shunjie BUS Industry Co., Ltd.	25%
44	Nanning Yutong Shunjie Bus Co., Ltd.	25%
45	Chengdu Yutong Bus Technology Development Co., Ltd.	20%
46	Zaozhuang Lvxin Ruikong Automobile sales and service Co., Ltd.	20%
47	Shenyang Yutong Shunjie Bus Service Co., Ltd.	25%
48	Guangzhou Zhilan Automobile Sales and Service Co., Ltd.	25%
49	Shenzhen Zhilan Automobile Sales Co., Ltd.	25%
50	Shenzhen Yutong Zhilian Technology Co., Ltd.	25%
51	Changchun Ruiteng Automobile Sales and Service Co., Ltd.	20%
52	Shanghai Yutong Qingpu Automobile Technology Service Co., Ltd.	25%
53	Chongqing Lvxin Ruikong Automobile Sales and Service Co., Ltd.	20%
54	Qingdao Lvxin Ruikong New Energy Technology Co., Ltd.	25%
55	Shanxi Lvxin Ruikong Automobile Sales Co., Ltd.	20%
56	Harbin Lvxin Automobile Sales Co., Ltd.	20%
57	Inner Mongolia Lvxin Ruikong Automobile Sales Co., Ltd.	25%
58	Tianjin Lvxin Ruikong Intelligent Transportation Development Co., Ltd.	25%
59	Lhasa Yutong Shunjie Automobile Sales Co., Ltd.	25%
60	Zhengzhou Tonghe Property Service Co., Ltd.	20%
61	Zhengzhou Tongji Intelligent Technology Co., Ltd.	20%
62	Suzhou Wanhao Automobile Sales and Service Co., Ltd.	20%
63	Zhengzhou Ruitu Industrial Co., Ltd.	20%
64	Zhengzhou Ruitan Industrial Co., Ltd.	20%
65	Zhengzhou Yutong RV Co., Ltd.	20%
66	Beijing Changlv Automobile sales service Co., Ltd.	20%
67	Shanghai Pengke Automobile sales service Co., Ltd.	20%
68	Jinan Changlv Automobile sales service Co., Ltd.	20%
69	Shanxi Tuyou Automobile sales service Co., Ltd.	20%
70	Guangzhou Changlv Automobile sales service Co., Ltd.	20%
71	Xizang Debai Industrial Co., Ltd.	20%
72	Shenzhen Yuxin Automobile sales service Co., Ltd.	20%
73	Xizang Deyou Industrial Co., Ltd.	20%



Serial number	Name of taxpayer	Income tax rate
74	Jiangsu Lvxin Transportation Industry Co., Ltd.	25%
75	Hangzhou Lvxin Ruikong Automobile Sales and Service Co., Ltd.	20%
76	Hebei Xiongan Lvxin Ruikong New Energy Technology Co., Ltd.	20%

2. Preferential tax and approval documents

On December 13, 2023, the Office of the Leading Group for the Identification and Management of National high-tech Enterprises in accordance with the relevant provisions of the Measures for the Identification and Management of High-tech Enterprises (GuoKefei [2016] 32) and the Guidelines for the Identification and Management of High-tech Enterprises (GuoKefei [2016] 195), Announcement on the filing of the first batch of high-tech enterprises certified and reported by the Henan Provincial certification Agency in 2023, The Company, its subsidiary Zhengzhou Jinda Auto Parts Co., LTD., its holding subsidiary Zhengzhou Collin Automotive Air Conditioning Co., LTD., its holding subsidiary Xizang Kangrui Yingshi Industrial Co., LTD. Zhengzhou Saichuan Electronic Technology Co., LTD., the holding subsidiary of the company, passed the identification of high-tech enterprises, and the certificate number is: GR202341001314, GR202341002846, GR202341001356, GR202341001705, valid for three years (2023, 2024, 2025); According to the relevant provisions, the company will enjoy the relevant preferential policies of the state on high-tech enterprises, and pay enterprise income tax at a tax rate of 15%.

On December 30, 2022, according to the relevant provisions of the Measures for the Identification and Management of High-tech Enterprises (Guoke Fafo (2016) No. 32) and the Guidelines for the Identification and Management of High-tech Enterprises (Guoke Fafo (2016) No. 195), the first batch of high-tech enterprises identified by Henan Provincial accreditation institutions in 2022 were announced for filing. Zhengzhou Yucheng Mold Co.,Ltd., the holding subsidiary of Xizang Kangrui Yingshi Industrial Co.,Ltd., has been identified as a high-tech enterprise, the certificate number is GR202241001194, and the validity period is three years (2022, 2023, 2024). According to relevant regulations, the company will enjoy the relevant preferential policies of the state on high-tech enterprises, and pay corporate income tax at the tax rate of 15%.

According to the Notice on Printing and Distributing Several Policies to Further Encourage the Development of Software Industry and Integrated Circuit Industry (Guo Fa (2011) No. 4) and the Notice on Value-added Tax Policies for Software Products (Finance and Taxation (2011) No. 100), after general VAT taxpayers sell software products developed and produced by themselves, VAT is levied at the rate of 13%. The policy is implemented for the part of their actual VAT tax burden exceeding 3%, and the VAT of subsidiaries Shenzhen Yutong Zhilian Technology Co., Ltd. and Zhengzhou Jingyida Auto Parts Co., Ltd. is applicable to this policy.



According to the Announcement of the Ministry of Finance and the State Administration of Taxation on the Further Implementation of Preferential Income Tax Policies for Small and micro Enterprises (Announcement No. 13 of 2022), from January 1, 2022 to December 31, 2024, the annual taxable income of small and micro profit enterprises exceeding 1 million yuan but not exceeding 3 million yuan shall be included in the taxable income at a reduced rate of 25%. Pay corporate income tax at a rate of 20%. According to the Announcement of the Ministry of Finance and the State Administration of Taxation on Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households (No. 6 of 2023), from January 1, 2023 to December 31, 2024, the annual taxable income of small and micro profit enterprises does not exceed 1 million yuan, reduced by 25%, shall be included in the taxable income. Pay corporate income tax at a rate of 20%. According to the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Enterprises (No. 12 of 2023), from January 1, 2023 to December 31, 2027, Resource tax (non-water-containing resource tax), urban maintenance and construction tax, real estate tax, urban land use tax, stamp tax (excluding stamp tax on securities transactions), cultivated land occupation tax, education fee surcharge and local education surcharge shall be levied by half on small-scale taxpayers, small micro-profit enterprises and individual industrial and commercial households, and the taxable income amount shall be reduced by 25% for small micro-profit enterprises. The policy of paying corporate income tax at a rate of 20% will be continued until December 31, 2027.

V. Notes to consolidated financial statements

(The following units of amounts are all RMB yuan unless otherwise specified, and the end of the period refers to December 31, 2023, the beginning of the period refers to January 1, 2023, and the end of the previous period refers to December 31, 2022)

1. Cash and Cash equivalents

Item	Closing balance	Opening balance
Cash on hand	219,477.34	1,115,868.17
Bank deposits	4,244,018,032.49	4,201,142,808.31
Other cash balances	142,157,013.28	6,556,058.86
Amount of funds deposited in finance company	2,047,414,127.48	2,825,809,209.61
Total	6,433,808,650.59	7,034,623,944.95
Including: Total amount deposited in foreign countries	304,609,216.55	672,979,974.10

As of 31 December 2023, details of restricted funds:



Item	Closing balance	Opening balance
Security deposit for mortgage	10,885.00	807,921.26
Bank acceptance margin	6,874,245.12	6,556,058.86
Funds in transit	127,617,367.29	
Letter of credit deposit	4,740,000.00	
Deposit money for investment	2,641,997.58	
Letter of guarantee	65,149.96	
Total	141,949,644.95	7,363,980.12

2. Financial assets held for trading

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	100,121,315.07	22,110.96
Forward foreign exchange contract		22,110.96
Wealth management products	100,121,315.07	
Total	100,121,315.07	22,110.96

Description of trading financial assets:

The significant increase in the balance of trading financial assets at the end of the period compared with the beginning of the period was mainly caused by the increase in financial products held at the end of the period.

3. Notes receivable

i. Categories of notes receivable

Item	Closing balance	Opening balance
Bank acceptances	245,723,606.09	254,522,810.92
Commercial acceptances	930,201.68	12,113,397.75
Total	246,653,807.77	266,636,208.67

ii. Notes receivable disclosed by provision of bad debts

Category	Closing balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually					
Bad debt provision assessed by groups	246,702,765.75	100.00	48,957.98	0.02	246,653,807.77
Including: Bank acceptances	245,723,606.09	99.60			245,723,606.09



Category	Closing balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Commercial acceptances	979,159.66	0.40	48,957.98	5.00	930,201.68
Total	246,702,765.75	100.00	48,957.98	0.02	246,653,807.77

Continued:

Category	Opening balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually					
Bad debt provision assessed by groups	267,273,755.92	100.00	637,547.25	0.24	266,636,208.67
Including:Bank acceptances	254,522,810.92	95.23			254,522,810.92
Commercial acceptances	12,750,945.00	4.77	637,547.25	5.00	12,113,397.75
Total	267,273,755.92	100.00	637,547.25	0.24	266,636,208.67

iii. Provision, recovery or reversal of bad debt provision during the year

Category	Opening balance	Changes in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other changes	
Bad debt provision assessed individually						
Bad debt provision assessed by groups	637,547.25	-588,589.27				48,957.98
Including:Bank acceptances						
Commercial acceptances	637,547.25	-588,589.27				48,957.98
Total	637,547.25	-588,589.27				48,957.98

iv. Endorsed or discounted notes receivable that is not yet matured as at the end of the reporting period

Item	Amount derecognized as at the end of the reporting period	Amount not derecognized as at the end of the reporting period
Bank acceptances		73,213,569.91
Total		73,213,569.91

4.Accounts receivable

i. Accounts receivable disclosed by aging

Aging	Closing balance	Opening balance
Within 1 year	2,498,308,727.73	3,131,530,093.58



Aging	Closing balance	Opening balance
1—2 years	1,099,670,542.39	628,991,908.46
2—3 years	495,093,072.26	401,230,838.86
3—4 years	268,297,625.95	175,269,638.15
4—5 years	147,189,357.74	384,536,627.47
More than 5 years	1,174,962,082.55	864,643,103.17
Subtotal	5,683,521,408.62	5,586,202,209.69
Less: bad debt provision	1,714,728,514.36	1,496,524,274.42
Total	3,968,792,894.26	4,089,677,935.27

ii. Accounts receivable disclosed by provision of bad debts

Category	Closing balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually	50,429,451.81	0.89	25,163,248.91	49.90	25,266,202.90
Bad debt provision assessed by groups	5,633,091,956.81	99.11	1,689,565,265.45	29.99	3,943,526,691.36
Including:Aging portfolio	5,611,308,491.98	98.73	1,672,391,691.50	29.80	3,938,916,800.48
High risk portfolio	21,783,464.83	0.38	17,173,573.95	78.84	4,609,890.88
Total	5,683,521,408.62	100.00	1,714,728,514.36	30.17	3,968,792,894.26

Continued:

Category	Opening balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually	62,485,081.51	1.12	39,752,411.11	63.62	22,732,670.40
Bad debt provision assessed by groups	5,523,717,128.18	98.88	1,456,771,863.31	26.37	4,066,945,264.87
Including:Aging portfolio	5,503,094,664.47	98.51	1,440,377,489.43	26.17	4,062,717,175.04
High risk portfolio	20,622,463.71	0.37	16,394,373.88	79.50	4,228,089.83
Total	5,586,202,209.69	100.00	1,496,524,274.42	26.79	4,089,677,935.27

Bad debt provision assessed individually

Company name	Closing balance			Reason
	Book balance	Bad debt provision	Proportion (%)	
Customer 1	17,993,002.42	899,650.12	5.00	Expected unrecoverable
Customer 2	17,172,495.14	17,172,495.14	100.00	Expected unrecoverable
Customer 3	10,216,063.25	2,043,212.65	20.00	Expected unrecoverable



Company name	Closing balance			
	Book balance	Bad debt provision	Proportion (%)	Reason
Customer 4	5,047,891.00	5,047,891.00	100.00	Expected unrecoverable
Total	50,429,451.81	25,163,248.91		

Bad debt provision assessed by groups

(1) Aging portfolio

Aging portfolio	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Within 1 year	2,494,262,350.16	124,713,117.64	5.00
1—2 years	1,099,432,252.39	109,943,225.24	10.00
2—3 years	457,290,251.74	91,458,050.34	20.00
3—4 years	265,943,555.89	106,377,422.35	40.00
4—5 years	136,200,514.68	81,720,308.81	60.00
More than 5 years	1,158,179,567.12	1,158,179,567.12	100.00
Total	5,611,308,491.98	1,672,391,691.50	

(2) High risk portfolio

High risk portfolio	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Within 1 year	1,884,697.60	1,884,697.60	100.00
1—2 years	238,290.00	238,290.00	100.00
2—3 years	2,083,144.56	2,083,144.56	100.00
3—4 years	2,191,172.09	2,191,172.09	100.00
4—5 years	4,577,604.45	4,544,947.25	99.29
More than 5 years	10,808,556.13	6,231,322.45	57.65
Total	21,783,464.83	17,173,573.95	

iii. Provision, recovery or reversal of bad debt provision during the year

Category	Opening balance	Changes in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other changes	
Bad debt provision assessed individually	39,752,411.11	3,721,873.38	18,311,035.58			25,163,248.91
Bad debt provision assessed by groups	1,456,771,863.31	233,317,463.16		524,061.02		1,689,565,265.45
Including: Aging portfolio	1,440,377,489.43	232,532,864.29		518,662.22		1,672,391,691.50
High risk portfolio	16,394,373.88	784,598.87		5,398.80		17,173,573.95
Total	1,496,524,274.42	237,039,336.54	18,311,035.58	524,061.02		1,714,728,514.36



iv. Accounts receivable written off as at the end of the reporting period

Item	Amount of write-off
Actual write-off of accounts receivable	524,061.02

v. Top five accounts receivable based on debtors

Company name	Accounts receivable Closing balance	Contract assets Closing balance	Accounts receivable and Contract assets Closing balance	Proportion of total balance(%)	Bad debt provision
Number 1	966,723,147.12	37,535,674.00	1,004,258,821.12	17.23	165,082,248.27
Number 2	975,967,874.26		975,967,874.26	16.74	952,002,459.21
Number 3	589,413,169.64		589,413,169.64	10.11	45,647,214.98
Number 4	151,294,194.72		151,294,194.72	2.60	143,429,067.80
Number 5	138,531,400.00		138,531,400.00	2.38	6,926,570.00
Total	2,821,929,785.74	37,535,674.00	2,859,465,459.74	49.06	1,313,087,560.26

5.Financing receivables

i. Financing receivables situation

Item	Closing balance	Opening balance
Bank acceptances	211,076,691.04	62,257,015.37
Total	211,076,691.04	62,257,015.37

ii. Changes in receivables financing and fair value changes during the current period

Item	Opening balance		Amount of changes in the current period		Closing balance	
	Cost	Fair value change	Cost	Fair value change	Cost	Fair value change
Bank acceptances	62,257,015.37		148,819,675.67		211,076,691.04	
合计	62,257,015.37		148,819,675.67		211,076,691.04	

The Company believes that the fair value of the financing of receivables measured at fair value and whose changes are included in other comprehensive income is consistent with the carrying value because the remaining term is not long.

iii. Endorsed or discounted notes receivable that is not yet matured as at the end of the reporting period

Item	Amount derecognized as at the end of the reporting period	Amount not derecognized as at the end of the reporting period
Bank acceptances	344,825,653.67	
Total	344,825,653.67	



iv. Other instructions on financing receivables

The ending balance of receivables financing increased by 239.04% from the beginning of the period, mainly due to the increase of customers' settlement of payments with bank acceptance bills during the period.

6.Prepayments

i. Aging analysis of prepayments

Aging	Closing balance		Opening balance	
	Amount	Proportion(%)	Amount	Proportion(%)
Within 1 year	644,378,655.91	87.52	657,525,198.95	97.64
1-2 years	88,521,846.03	12.02	15,840,719.96	2.35
2-3 years	3,421,877.76	0.46	33,920.00	0.01
More than 3 years	3,000.00	0.00	22,942.81	0.00
Total	736,325,379.70	100.00	673,422,781.72	100.00

ii. Explanation of reasons why significant prepayments older than one year have not been settled in time

Company name	Closing balance	Aging	Reasons for non-settlement
Supplier 1	64,603,767.45	1-2 years	Not delivered
Supplier 2	14,591,496.00	1-2 years	Not delivered
Total	79,195,263.45		

iii. Top five prepayments based on the payers

Company name	Closing balance	Proportion of total balance (%)	Time of advance payment	Reasons for non-settlement
Number 1	203,255,323.05	27.60	Within 1 year、1-2 years	Not delivered
Number 2	58,246,619.75	7.91	Within 1 year	Not delivered
Number 3	49,096,682.75	6.67	Within 1 year、1-2 years	Not delivered
Number 4	37,899,000.00	5.15	Within 1 year、1-2 years	Not delivered
Number 5	37,164,074.43	5.05	Within 1 year	Not delivered
Total	385,661,699.98	52.38		

7.Other receivables

Item	Closing balance	Opening balance
Dividends receivable		4,504,187.49
Other receivables	1,020,759,936.91	911,664,434.07



Item	Closing balance	Opening balance
Total	1,020,759,936.91	916,168,621.56

Note: Other receivables listed in the form listed above refers to other receivables excluding interests receivable and dividends receivable.

i. Dividends receivable

Investee	Closing balance	Opening balance
Suzhou Qianji Zekang Investment Center (limited partnership)		4,504,187.49
Total		4,504,187.49

ii. Other receivables

(1) Aging analysis

Aging	Closing balance	Opening balance
Within 1 year	417,959,620.12	311,925,126.68
1—2 years	208,857,431.25	285,632,863.34
2—3 years	266,011,797.91	312,896,775.09
3—4 years	257,671,099.66	177,631,491.74
4—5 years	170,786,278.99	3,424,178.98
More than 5 years	9,631,149.75	31,670,647.61
Subtotal	1,330,917,377.68	1,123,181,083.44
Less: bad debt provision	310,157,440.77	211,516,649.37
Total	1,020,759,936.91	911,664,434.07

(2) Details of classification by nature

Nature	Closing balance	Opening balance
Employee loans	18,402,670.02	39,491,679.85
Temporary payment	105,844,391.60	102,474,861.47
Security deposit	1,206,670,316.06	960,214,542.12
Equity transfer fee		21,000,000.00
Subtotal	1,330,917,377.68	1,123,181,083.44
Less: bad debt provision	310,157,440.77	211,516,649.37
Total	1,020,759,936.91	911,664,434.07

(3) Disclosed by bad debt provision methods

Category	Closing balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	



Category	Closing balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually	41,436.60	0.00	41,436.60	100.00	
Bad debt provision assessed by groups	1,330,875,941.08	100.00	310,116,004.17	23.30	1,020,759,936.91
Including:Aging portfolio	1,330,875,941.08	100.00	310,116,004.17	23.30	1,020,759,936.91
Total	1,330,917,377.68	100.00	310,157,440.77	23.30	1,020,759,936.91

Continued:

Category	Opening balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually	23,176,841.44	2.06	23,176,841.44	100.00	
Bad debt provision assessed by groups	1,100,004,242.00	97.94	188,339,807.93	17.12	911,664,434.07
Including:Aging portfolio	1,100,004,242.00	97.94	188,339,807.93	17.12	911,664,434.07
Total	1,123,181,083.44	100.00	211,516,649.37	18.83	911,664,434.07

Bad debt provision assessed individually

Company name	Closing balance			Reason
	Book balance	Bad debt provision	Proportion (%)	
Customer 1	41,436.60	41,436.60	100.00	Expected unrecoverable
Total	41,436.60	41,436.60	100.00	

Bad debt provision assessed by groups

1) Aging portfolio

Aging portfolio	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Within 1 year	417,959,620.12	20,897,981.03	5.00
1--2 years	208,857,431.25	20,885,743.14	10.00
2--3 years	266,011,797.91	53,202,359.59	20.00
3--4 years	257,671,099.66	103,068,439.86	40.00
4--5 years	170,786,278.99	102,471,767.40	60.00
More than 5 years	9,589,713.15	9,589,713.15	100.00
Total	1,330,875,941.08	310,116,004.17	

Provision for bad debts is based on the general model of expected credit losses

Bad debt provision	Stage I	Stage II	Stage III	Total



	12-month ECL	Lifetime ECL (not impaired)	Lifetime ECL (impaired)	
Opening balance	188,339,807.93	23,176,841.44		211,516,649.37
Opening balance in the current period	—	—	—	—
—Transfer to Stage II				
—Transfer to Stage III				
—Reverse to Stage II				
—Reverse to Stage I				
Provision	121,776,196.24			121,776,196.24
Reversal				
Elimination				
Write-off		23,135,404.84		23,135,404.84
Other changes				
Closing balance	310,116,004.17	41,436.60		310,157,440.77

(4) Provision, recovery or reversal of bad debt provision during the year

Category	Opening balance	Changes in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other changes	
Bad debt provision assessed individually	23,176,841.44			23,135,404.84		41,436.60
Bad debt provision assessed by groups	188,339,807.93	121,776,196.24				310,116,004.17
Including: Aging portfolio	188,339,807.93	121,776,196.24				310,116,004.17
Total	211,516,649.37	121,776,196.24		23,135,404.84		310,157,440.77

(5) Other receivables written off as at the end of the current period

Item	Amount of write-off
Actual write-off of other receivables	23,135,404.84

Significant write-off of other receivables:

Company name	Nature of other receivables	Amount of write-off	Reason for write-off	Procedures performed	Is it arising from related party transactions?
Customer 1	Temporary payment	23,135,404.84	Not recoverable	Approved by management	No
Total		23,135,404.84			

(6) Top five other receivables based on debtors

Company name	Nature	Closing balance	Aging	Proportion to the total closing balance of other receivables (%)	Closing balance of bad debt provision
Number 1	Security deposit	1,060,528,439.41	Within 1 year, 1—2 years, 2—3 years, 3—4 years, 4—5 years	79.68	268,527,930.83
Number 2	Security deposit	130,980,661.86	Within 1 year, 1—2 years	9.84	7,325,867.30



Company name	Nature	Closing balance	Aging	Proportion to the total closing balance of other receivables (%)	Closing balance of bad debt provision
Number 3	Temporary payment	25,859,562.21	3—4 years	1.94	10,343,824.88
Number 4	Temporary payment	8,636,764.50	Within 1 year	0.65	431,838.23
Number 5	Temporary payment	7,980,000.00	Within 1 year	0.60	399,000.00
Total		1,233,985,427.98		92.71	287,028,461.24

8. Inventories

i. Categories

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Raw materials	1,309,024,780.98	153,294,512.57	1,155,730,268.41	1,406,156,983.52	112,069,167.73	1,294,087,815.79
Work in process	400,755,032.69	42,968.21	400,712,064.48	416,577,505.00	696,406.58	415,881,098.42
Homemade semi-finished products	142,447,688.58	5,282,803.27	137,164,885.31	34,551,577.14	4,527,841.27	30,023,735.87
Finish goods	696,320,398.86	9,602,860.05	686,717,538.81	287,545,525.20	8,465,059.23	279,080,465.97
Development costs	1,146,113,946.23		1,146,113,946.23	1,908,881,699.66		1,908,881,699.66
Development products	878,675,736.06	15,398,551.18	863,277,184.88	978,418,396.77	25,711,371.70	952,707,025.07
Contract performance costs	123,572,109.16		123,572,109.16	12,889,426.77		12,889,426.77
Total	4,696,909,692.56	183,621,695.28	4,513,287,997.28	5,045,021,114.06	151,469,846.51	4,893,551,267.55

ii. Provision for inventory depreciation and provision for contract performance cost impairment

Item	Opening balance	Increase in the current period		Decrease in the current period			Closing balance
		Provision	Others	Reversal	Elimination	Others	
Raw materials	112,069,167.73	112,005,107.24	-36,154.03		70,743,608.37		153,294,512.57
Work in process	696,406.58	42,968.21			696,406.58		42,968.21
Homemade semi-finished products	4,527,841.27	2,132,649.92			1,377,687.92		5,282,803.27
Finish goods	8,465,059.23	9,386,668.36			8,248,867.54		9,602,860.05
Development products	25,711,371.70	-5,095,401.34			5,217,419.18		15,398,551.18
Total	151,469,846.51	118,471,992.39	-36,154.03		86,283,989.59		183,621,695.28



iii. Development costs

Item	Time of commencement	Estimated time of completion	Estimated total investment (ten thousand yuan)	Opening balance	Increase in the current period	This period turns to the development of products
Jinqujiayuan	November 2017	September 2024	306,649.00	268,567,187.14	110,260,946.47	-7,349,592.07
ZhongGong C land	July 2019	November 2025	287,904.00	611,053,536.06	-377,976.97	
Yutong.Fenghuangyuefu	November 2020	February 2024	197,610.00	1,029,260,976.46	170,127,503.62	1,050,127,818.62
Total				1,908,881,699.66	280,010,473.12	1,042,778,226.55

Continued:

Item	Other decreases for the current period	Closing balance	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Source of funds
Jinqujiayuan		386,177,725.68			Other
ZhongGong C land		610,675,559.09			Other
Yutong.Fenghuangyuefu		149,260,661.46			Other
Total		1,146,113,946.23			

iv. Development products

Item	Time of completion	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period
Yutong Dingxinjiayuan	June 2019	903,451,555.38		261,199,702.51	642,251,852.87		
Jinqujiayuan	June 2021	65,374,896.73	-7,349,592.07	16,234,216.94	41,791,087.72		
Yutong.Fenghuangyuefu	March 2023		1,050,127,818.62	906,458,555.13	143,669,263.49		
Second hand house		9,591,944.66	86,277,301.85	44,905,714.53	50,963,531.98		
Total		978,418,396.77	1,129,055,528.40	1,228,798,189.11	878,675,736.06		

9.Contract assets

i. Contract assets

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Unexpired warranty	48,696,191.65	6,559,360.09	42,136,831.56	71,650,215.57	5,835,949.39	65,814,266.18
State financial subsidies for new energy	37,535,674.00	3,097,050.00	34,438,624.00	434,894,474.20	23,598,440.58	411,296,033.62
Local financial subsidies for new	21,753,600.00	1,087,680.00	20,665,920.00	20,305,987.50	1,015,299.38	19,290,688.12



Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
energy						
Completed but unsettled construction contracts	37,552,380.29	7,277,619.01	30,274,761.28	36,000,000.00	3,600,000.00	32,400,000.00
Total	145,537,845.94	18,021,709.10	127,516,136.84	562,850,677.27	34,049,689.35	528,800,987.92

ii. Provision for impairment of contract assets in the current period

Item	Opening balance	Changes in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other changes	
Unexpired warranty	5,835,949.39	723,410.70				6,559,360.09
State financial subsidies for new energy	23,598,440.58	-20,501,390.58				3,097,050.00
Local financial subsidies for new energy	1,015,299.38	72,380.62				1,087,680.00
Completed but unsettled construction contracts	3,600,000.00	3,677,619.01				7,277,619.01
Total	34,049,689.35	-16,027,980.25				18,021,709.10

iii. Other description of the contract assets

The balance of contract assets at the end of the period decreased by 75.89% compared with the beginning of the period, mainly due to the transfer of national financial subsidies for new energy that reached the standard at the end of the period.

10. Current portion of non-current assets

Item	Closing balance	Opening balance
Long-term receivables due within one year	123,806,153.89	216,593,336.86
Debt investments due within one year	406,341,732.64	151,010,625.00
Total	530,147,886.53	367,603,961.86

Description of non-current assets maturing within one year:

The ending balance of non-current assets maturing within one year increased by 44.22% from the beginning of the period, mainly due to the increase in the amount of certificates of deposit purchased by the company maturing within one year.

i. Long-term receivables due within one year are detailed in Note V/13.

ii. Debt investments due within one year:



Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Certificates of deposit	406,341,732.64		406,341,732.64	151,010,625.00		151,010,625.00
Total	406,341,732.64		406,341,732.64	151,010,625.00		151,010,625.00

11. Other current assets

i. Other current assets shall be listed by item

Item	Closing balance	Opening balance
VAT retained	182,678,796.58	116,695,413.67
Input tax to be certified	4,248,052.97	206,396.55
Deferred expenses	30,424,461.36	37,670,717.38
Pay taxes in advance	33,925,323.37	8,961,865.71
The hedged item	21,731,139.40	1,882,729.07
Certificates of deposit	110,737,222.21	
Government bond reverse repurchase	1,041,180,000.00	
Wealth management products	300,876,164.38	
Total	1,725,801,160.27	165,417,122.38

Description of other current assets:

The ending balance of other current assets increased 943.30% from the beginning of the period, mainly due to the addition of short-term financial products during the period.

12. Debt investments

i. Details of debt investments

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Certificates of deposit	540,593,732.66		540,593,732.66	542,837,270.82		542,837,270.82
Subtotal	540,593,732.66		540,593,732.66	542,837,270.82		542,837,270.82
Less: Debt investments due within one year	406,341,732.64		406,341,732.64	151,010,625.00		151,010,625.00
Total	134,252,000.02		134,252,000.02	391,826,645.82		391,826,645.82

Description of Debt investments:

The ending balance of debt investment decreased by 65.74% compared with the beginning, which



was mainly caused by the reclassification of the amount of the large CDS purchased by the company that matured within one year.

13.Long-term receivables

i. Details of long-term receivables

Item	Closing balance			Opening balance			Discounted rate interval
	Book balance	Bad debt provision	Carrying amount	Book balance	Bad debt provision	Carrying amount	
Collection by installments – sale of goods	172,226,220.83	22,666,090.46	149,560,130.37	341,070,734.62	29,020,691.27	312,050,043.35	3.5%-4.75%
Less: Unrealized financing income	3,863,581.92		3,863,581.92	14,170,493.81		14,170,493.81	
Less: Long-term receivables due within one year	143,211,287.85	19,405,133.96	123,806,153.89	237,917,299.15	21,323,962.29	216,593,336.86	
Total	25,151,351.06	3,260,956.50	21,890,394.56	88,982,941.66	7,696,728.98	81,286,212.68	

ii. Details of bad debt provision

Item	Opening balance	Changes in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other changes	
Collection by installments – sale of goods	29,020,691.27	-6,354,600.81				22,666,090.46
Less: Long-term receivables due within one year	21,323,962.29	-1,918,828.33				19,405,133.96
Total	7,696,728.98	-4,435,772.48				3,260,956.50

iii. Long-term receivables Other description

The ending balance of long-term receivables decreased by 73.07% from the beginning of the period, mainly due to a decrease in the Company's contracts with a significant financing component during the current period.

14.Long-term equity investments

Investee	Opening balance	Opening balance of provision for impairment	Changes for the current period			
			Additional investment	Decrease in investment	Investment income or losses recognised under equity method	Adjustment to other comprehensive income
I. Joint ventures						
TOO "QazTehna"			776.00		43,460,038.57	1,407,858.11
Subtotal			776.00		43,460,038.57	1,407,858.11
II.Associates						



Investee	Opening balance	Opening balance of provision for impairment	Changes for the current period			
			Additional investment	Decrease in investment	Investment income or losses recognised under equity method	Adjustment to other comprehensive income
Henan Jiuding Financial Leasing Co.,Ltd.	994,451,984.91				50,207,723.59	
Guangzhou Yuhao Automobile Sales Co.,Ltd.	2,488,178.79				25,421.64	
Ningbo Zhequan Trading Co.,Ltd.			800,000.00		12,647.39	
Subtotal	996,940,163.70		800,000.00		50,245,792.62	
Total	996,940,163.70		800,776.00		93,705,831.19	1,407,858.11

Continued:

Investee	Changes for the current period				Closing balance	Closing balance of provision for impairment
	Other equity changes	Declared cash dividend or profit	Provision for impairment	Others		
I. Joint ventures						
TOO "QazTehna"	11,350,203.63				56,218,876.31	
Subtotal	11,350,203.63				56,218,876.31	
II. Associates						
Henan Jiuding Financial Leasing Co.,Ltd.			454,659,708.50		1,044,659,708.50	454,659,708.50
Guangzhou Yuhao Automobile Sales Co.,Ltd.					2,513,600.43	
Ningbo Zhequan Trading Co.,Ltd.					812,647.39	
Subtotal			454,659,708.50		1,047,985,956.32	454,659,708.50
Total	11,350,203.63		454,659,708.50		1,104,204,832.63	454,659,708.50

Long-term Equity Investment note:

The increase in the ending balance of long-term equity investment impairment reserve compared with the beginning of the period is mainly due to the company's judgment that there are signs of equity impairment in Henan Jiuding Financial Leasing Co., Ltd. based on the changes in the macro environment of the financial leasing industry, the securities market conditions of financial institutions in the same industry and the company's transfer quotation. Therefore, according to the provisions of Accounting Standards for Enterprises No. 8 - Asset Impairment, Estimate the recoverable amount of long-term equity investments and make a corresponding provision for asset impairment in accordance with the portion of the recoverable amount of the asset that is lower than its carrying value.

15. Other equity instruments investments

i. Details of other equity instruments investments



Yutong Bus CO.,LTD.
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Notes to the financial statements
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Item	Opening balance	Changes for the current period					Closing balance
		Additional investment	Decrease in investment	Gains recognized as other comprehensive income in the current period	Loss recognized in other comprehensive income in the current period	Others	
Beijing Sinohytec Co.,Ltd.	290,015,546.00				39,050,183.06		250,965,362.94
Zhengzhou Yutong Group Finance Co.,Ltd.	150,000,000.00			42,150,000.00			192,150,000.00
Chinese Culture II(Shanghai)Equity Investment Center(L.P.)	252,491,804.50		7,810,031.53		54,453,372.97		190,228,400.00
Suzhou Qianji Zekang Investment Center (L.P.)	239,914,614.92		6,174,398.82		55,717,616.10		178,022,600.00
Herun Linghang harvest investment preferred cornerstone investment fund	180,283,194.92				5,376,394.92		174,906,800.00
Shanghai Refire Group Limited	199,545,335.00				31,725,335.00		167,820,000.00
Suzhou Industrial Park Huizhen Equity Investment Center (L.P.)	82,710,801.39				9,737,801.39		72,973,000.00
Harvest Pioneer Fund L.P.	110,844,234.60				52,071,234.60		58,773,000.00
Herun Linghang Harvest investment new technology investment fund No.3	38,492,909.77			8,027,690.23			46,520,600.00
Beijing Zhidu Depu Equity Investment Center (L.P.)	52,163,998.30		16,968,800.72	10,842,402.42			46,037,600.00
Guoqi (Beijing) Intelligent and Connected Vehicle Research Institute Co.,Ltd.	48,079,642.00				15,579,642.00		32,500,000.00
Zhengzhou Anchi Guarantee Co.,Ltd.	13,340,000.00			11,601,700.00			24,941,700.00
Guolian Automotive Power Battery Research Institute Co.,Ltd.	25,015,008.59				2,563,408.59		22,451,600.00
Millennium New Horizons I, L.P.	30,080,955.13	4,328,343.75	3,456,538.20		9,478,660.68		21,474,100.00
Yutong Venezuela passenger train plant	2,612,400.00				2,612,400.00		
Total	1,715,590,445.12	4,328,343.75	34,409,769.27	72,621,792.65	278,366,049.31		1,479,764,762.94

Continued:

Item	Dividends income recognized in the current period	Accumulated income	Accumulated loss	Reason for designation as at FVTOCI
Beijing Sinohytec Co.,Ltd.		223,965,362.94		Non-tradable
Zhengzhou Yutong Group Finance Co.,Ltd.	8,250,000.00	42,150,000.00		Non-tradable
Chinese Culture II(Shanghai)Equity Investment Center(L.P.)		11,362,250.48		Non-tradable
Suzhou Qianji Zekang Investment Center (L.P.)			3,207,963.54	Non-tradable
Herun Linghang harvest investment preferred cornerstone investment fund			14,864,984.13	Non-tradable



Item	Dividends income recognized in the current period	Accumulated income	Accumulated loss	Reason for designation as at FVTOCI
Shanghai Refire Group Limited			31,725,335.00	Non-tradable
Suzhou Industrial Park Huizhen Equity Investment Center (L.P.)		15,182,050.29		Non-tradable
Harvest Pioneer Fund L.P.			95,214,202.54	Non-tradable
Herun Linghang Harvest investment new technology investment fund No.3			17,634,249.61	Non-tradable
Beijing Zhidu Depu Equity Investment Center (L.P.)			3,407,910.32	Non-tradable
Guoqi (Beijing) Intelligent and Connected Vehicle Research Institute Co.,Ltd.			17,500,000.00	Non-tradable
Zhengzhou Anchi Guarantee Co.,Ltd.		11,601,700.00		Non-tradable
Guolian Automotive Power Battery Research Institute Co.,Ltd.			20,548,400.00	Non-tradable
Millennium New Horizons I, L.P.			4,148,712.53	Non-tradable
Yutong Venezuela passenger train plant			2,612,400.00	Non-tradable
Total	8,250,000.00	304,261,363.71	210,864,157.67	

Fact sheet for termination of confirmation exists in this period:

项目	Cumulative gains transferred to retained earnings	Cumulative losses transferred to retained earnings	Reasons for termination of confirmation
Millennium New Horizons I, L.P.	4,848,986.01		Transfer in part
Beijing Zhidu Depu Equity Investment Center (L.P.)	886,773.19		Transfer in part
Suzhou Qianji Zekang Investment Center (L.P.)	883,597.07		Transfer in part
Chinese Culture II(Shanghai)Equity Investment Center(L.P.)		1,453,400.49	Transfer in part
Total	6,619,356.27	1,453,400.49	

16.Other non-current financial assets

Item	Closing balance	Opening balance
Investment in debt instruments		132,500,000.00
Investment in equity instruments	598,803,277.44	
Total	598,803,277.44	132,500,000.00

Description of other non-current financial assets:

The ending balance of other non-current financial assets increased by 351.93% from the beginning of the period, mainly due to increased investment in equity instruments during the current period.

17.Fixed assets

Item	Closing balance	Opening balance
Fixed assets	4,170,579,928.57	4,155,874,234.96
Disposal of fixed assets	1,037,892.09	5,498,738.83



Item	Closing balance	Opening balance
Total	4,171,617,820.66	4,161,372,973.79

Note: The fixed assets in the above table refer to the fixed assets after deducting the liquidation of fixed assets.

i. Fixed assets

(1)Details of fixed assets

Item	Buildings	Machinery and equipment	Vehicles	Other equipments	Total
I. Cost:					
1. Opening balance	5,968,620,780.68	3,693,652,761.25	254,112,944.67	1,578,215,760.83	11,494,602,247.43
2. Increase in the current period	115,434,215.32	491,578,779.30	28,933,927.14	97,399,630.15	733,346,551.91
Additions	31,699,063.02	23,425,406.85	20,130,523.59	36,486,946.78	111,741,940.24
Transfer from construction in progress	83,735,152.30	468,153,372.45	8,803,403.55	60,912,683.37	621,604,611.67
3. Decrease in the current period	88,684,034.96	37,532,496.42	12,467,162.49	15,846,662.36	154,530,356.23
Disposal or retirement	88,684,034.96	37,532,496.42	12,467,162.49	15,846,662.36	154,530,356.23
4. Closing balance	5,995,370,961.04	4,147,699,044.13	270,579,709.32	1,659,768,728.62	12,073,418,443.11
II. Accumulated depreciation					
1. Opening balance	3,216,986,229.98	2,671,277,660.78	220,827,078.22	1,225,977,341.64	7,335,068,310.62
2. Increase in the current period	295,747,309.74	221,764,007.54	19,298,112.55	136,784,209.01	673,593,638.84
Charge for the current period	295,747,309.74	221,764,007.54	19,298,112.55	136,784,209.01	673,593,638.84
3. Decrease in the current period	52,085,523.85	34,055,277.93	7,956,019.98	15,305,736.88	109,402,558.64
Disposal or retirement	52,085,523.85	34,055,277.93	7,956,019.98	15,305,736.88	109,402,558.64
4. Closing balance	3,460,648,015.87	2,858,986,390.39	232,169,170.79	1,347,455,813.77	7,899,259,390.82
III. Provision for impairment					
1. Opening balance	2,677,620.86	653,312.51		328,768.48	3,659,701.85
2. Increase in the current period					
3. Decrease in the current period	8,922.03	71,307.15		348.95	80,578.13
4. Closing balance	2,668,698.83	582,005.36		328,419.53	3,579,123.72
IV. Carrying amount					
1. Carrying amount at the end of the reporting period	2,532,054,246.34	1,288,130,648.38	38,410,538.53	311,984,495.32	4,170,579,928.57
2. Carrying amount at the beginning of the period	2,748,956,929.84	1,021,721,787.96	33,285,866.45	351,909,650.71	4,155,874,234.96



(2)Fixed assets of which certificates of title have not been obtained

Item	Carrying amount	Reasons why certificates of title have not been obtained
Buildings	1,091,219,848.02	In process
Jingyida Dining room	863,052.00	Legacy of history
Total	1,092,082,900.02	

ii. Disposal of fixed assets

Item	Closing balance	Opening balance
Disposal of fixed assets	1,037,892.09	5,498,738.83
Total	1,037,892.09	5,498,738.83

18.Construction in progress

Item	Closing balance	Opening balance
Construction in progress	189,997,999.56	276,431,436.65
Total	189,997,999.56	276,431,436.65

Note: Construction in progress in the above table refers to construction in progress after deducting construction materials.

i. Construction in progress

(1)Details of construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Production base and supporting projects in the development zone				45,078,503.04		45,078,503.04
Equipment to be installed	82,090,734.72		82,090,734.72	121,802,394.93		121,802,394.93
Sporadic works	107,907,264.84		107,907,264.84	107,707,730.53		107,707,730.53
New energy base sales center project, research and development project and storage center project				1,842,808.15		1,842,808.15
Total	189,997,999.56		189,997,999.56	276,431,436.65		276,431,436.65

(2)Changes in significant construction in progress

Item	Opening balance	Increase in the current period	Transfer to fixed assets	Other decreases	Closing balance
Production base and supporting projects in the development zone	45,078,503.04	4,489,086.09	49,567,589.13		
Equipment to be installed	121,802,394.93	474,956,596.22	510,780,071.13	3,888,185.30	82,090,734.72
Sporadic works	107,707,730.53	58,685,926.63	58,486,392.32		107,907,264.84
New energy base sales center project, research and development project and storage	1,842,808.15	927,750.94	2,770,559.09		



Item	Opening balance	Increase in the current period	Transfer to fixed assets	Other decreases	Closing balance
center project					
Total	276,431,436.65	539,059,359.88	621,604,611.67	3,888,185.30	189,997,999.56

Continued:

Item	Budget(Ten thousand yuan)	Amount injected as a proportion of budget amount(%)	Construction progress (%)	Amount of accumulated capitalized interest	Including: capitalized interest for the current period	Interest capitalization rate for the current period(%)	Source of funds
Production base and supporting projects in the development zone	67,899.00	99.50	100.00				Own funds
Equipment to be installed							Own funds
Sporadic works							Own funds
New energy base sales center project, research and development project and storage center project	152,580.96	99.00	100.00				Own funds
Total	220,479.96						

(3)Other description of construction in progress

The ending balance of construction in progress decreased by 31.27% compared with the beginning of the period, mainly due to the completion of some construction in progress during the current period.

19.Right-of-use assets

Item	Buildings	Machinery and equipment	Total
I. Cost			
1. Opening balance	22,095,798.85	113,311.12	22,209,109.97
2. Increase in the current period	14,837,390.90		14,837,390.90
Lease	14,837,390.90		14,837,390.90
3. Decrease in the current period	1,759,402.46		1,759,402.46
Expiration of lease	1,547,782.26		1,547,782.26
Other decrease	211,620.20		211,620.20
4. Closing balance	35,173,787.29	113,311.12	35,287,098.41
II. Accumulated depreciation			
1. Opening balance	8,360,991.43	78,624.04	8,439,615.47
2. Increase in the current period	7,254,873.30	17,343.54	7,272,216.84
Charge for the current period	7,254,873.30	17,343.54	7,272,216.84
3. Decrease in the current period	1,547,782.26		1,547,782.26
Expiration of lease	1,547,782.26		1,547,782.26



Item	Buildings	Machinery and equipment	Total
Other decrease			
4. Closing balance	14,068,082.47	95,967.58	14,164,050.05
III. Provision for impairment			
1. Opening balance			
2. Increase in the current period			
3. Decrease in the current period			
4. Closing balance			
IV. Carrying amount			
1. Carrying amount at the end of the reporting period	21,105,704.82	17,343.54	21,123,048.36
2. Carrying amount at the beginning of the reporting period	13,734,807.42	34,687.08	13,769,494.50

20.Intangible assets

i. Details of intangible assets

Item	Land use rights	Registered trademark	Vehicle management rights	purchased software systems	Total
I. Cost					
1. Opening balance	1,786,554,029.97	500,000.00	6,153,392.70	169,215,282.35	1,962,422,705.02
2. Increase in the current period	14,995,011.66			14,538,788.11	29,533,799.77
Additions	14,995,011.66			10,650,602.81	25,645,614.47
Transfer from construction in progress				3,888,185.30	3,888,185.30
3. Decrease in the current period					
4. Closing balance	1,801,549,041.63	500,000.00	6,153,392.70	183,754,070.46	1,991,956,504.79
II.Accumulated amortization					
1. Opening balance	299,747,531.46	500,000.00	6,153,392.70	91,157,666.87	397,558,591.03
2. Increase in the current period	37,496,298.75			13,310,441.36	50,806,740.11
Charge for the current period	37,496,298.75			13,310,441.36	50,806,740.11
3. Decrease in the current period					
4. Closing balance	337,243,830.21	500,000.00	6,153,392.70	104,468,108.23	448,365,331.14
III.Provision for impairment					
1. Opening balance					
2. Increase in the current period					
3. Decrease in the current period					
4. Closing balance					



Item	Land use rights	Registered trademark	Vehicle management rights	purchased software systems	Total
IV.Carrying amount					
1. Carrying amount at the end of the reporting period	1,464,305,211.42			79,285,962.23	1,543,591,173.65
2. Carrying amount at the beginning of the reporting period	1,486,806,498.51			78,057,615.48	1,564,864,113.99

21.Goodwill

i. Cost of goodwill

Name of the investee and item resulting in goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Formation of business combination	Others	Disposal	Others	
Hainan Yaoxing Transportation Group Co., Ltd.	103,203.85					103,203.85
Total	103,203.85					103,203.85

ii. Explanations on impairment testing process of goodwill, key parameters and recognition method of impairment losses

The present value of the expected future cash flow of the entire asset group of Hainan Yaoxing Transportation Group Co., Ltd. is estimated by income method. Firstly, the future profitability and net cash flow of the company's assets are estimated according to the company's previous profitability and working capital situation. Secondly, combined with the macro situation, the overall asset value of the company as of December 31, 2023 is estimated, and then the total equity value of shareholders is calculated. The total equity value of shareholders = overall asset value - interest-bearing debt. Thirdly, compare the recoverable amount of the entire asset group containing goodwill with its carrying value. The recoverable amount is recognized by the higher fair value minus disposal expenses and the present value of future cash flow. Since fair value minus disposal expenses cannot be obtained, we take the present value of future cash flow, namely the value of all shareholders' equity, as the recoverable amount of the entire asset group containing goodwill. The recoverable amount of the entire asset group is greater than the carrying value, so no provision for impairment of goodwill is made.

22.Long-term deferred expenses

Item	Opening balance	Increase in the current period	Amortization for the current period	Other reductions	Closing balance
Right of authentication	184,814.34		168,284.15		16,530.19



Item	Opening balance	Increase in the current period	Amortization for the current period	Other reductions	Closing balance
The cost of building repairs		1,164,016.70	291,004.17		873,012.53
Total	184,814.34	1,164,016.70	459,288.32		889,542.72

Description of long-term deferred expenses:

The ending balance of long-term amortized expenses increased 381.32% from the beginning of the period, mainly due to the additional amortized repair expenses during the period.

23.Deferred tax assets/deferred tax liabilities

i. Deferred tax assets before offset

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Receivables - provision for bad debts	1,909,254,695.99	287,543,407.25	1,622,851,441.39	245,247,370.25
Inventory - Provision for impairment	157,532,490.59	25,289,652.85	126,139,380.11	21,586,157.73
Contract assets-Provision for impairment	10,742,590.09	1,611,388.52	30,449,689.35	4,567,453.40
Fixed assets-Provision for impairment	3,579,123.72	536,868.56	3,659,701.85	548,955.28
Fixed assets-Accumulated depreciation	9,918,236.41	1,495,066.57	11,649,199.31	1,755,000.96
Intangible assets-Accumulated amortization	573,092.32	85,963.85	1,247,721.14	187,158.17
Financial liabilities held for trading	31,499,727.83	4,724,959.17	21,331,454.77	3,199,718.22
Other equity instruments investments	473,536,052.16	72,042,268.58	426,540,464.81	63,981,069.73
Long-term receivables-Unrealized financing income	3,863,581.92	579,537.29	14,170,493.81	2,125,574.07
Payroll and employee benefits payable	1,102,983,426.63	166,291,576.31	831,755,483.06	124,972,202.65
Accrued expenses	1,702,868,059.30	284,620,772.15	1,782,340,047.07	293,777,618.01
Provisions	2,270,630,917.50	357,903,711.01	1,734,339,937.39	260,163,054.75
Deferred income	500,599,879.13	75,089,981.87	669,163,678.81	100,374,551.82
Deductible losses	491,786,650.18	77,511,452.14	2,323,310,626.27	354,720,946.43
Contract liabilities	326,197,896.81	48,929,684.52	279,064,185.07	41,859,627.76
Unrealized profit of internal transactions	763,852,811.35	116,349,520.73	867,912,726.91	130,699,669.43
Pre-sale housing expected profit	19,140,957.38	4,785,239.35	8,682,101.17	2,170,525.29
Advertising and publicity expenses			2,688,020.73	672,005.18
Public welfare donations	20,264,306.96	5,066,076.74	9,747,874.31	2,436,968.58
Long-term equity investments - Provision for impairment	454,659,708.50	68,198,956.28		
Lease liabilities	3,707,570.57	556,135.59	5,271,358.82	790,703.82
Total	10,257,191,775.34	1,599,212,219.33	10,772,315,586.15	1,655,836,331.53



ii. Deferred tax liabilities before offset

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Financial assets held for trading-Wealth management products	121,315.07	18,197.26		
Other equity instruments investments	567,839,831.22	85,175,974.68	662,426,205.28	108,822,568.20
Fixed assets-Accumulated depreciation	298,464,253.60	44,799,090.64	281,312,009.75	42,233,617.20
Debt investments	39,342,343.77	5,901,351.57	22,837,270.82	3,425,590.62
Unrealized loss of internal transactions	25,661,939.84	3,849,290.98	25,661,939.84	3,849,290.98
Right-of-use assets	3,484,722.78	522,708.42	5,518,374.62	827,756.19
Long-term equity investments - Profit and loss adjustment	464,659,708.50	69,698,956.28		
Other non-current assets - Time deposit	17,866,805.56	2,680,020.83		
Other current assets - Hedged instrument	14,806,162.86	2,220,924.43		
Other current assets - Wealth management products	876,164.38	131,424.66		
Pre-sale housing expected profit	3,537,849.71	884,462.43		
Total	1,436,661,097.29	215,882,402.18	997,755,800.31	159,158,823.19

iii. Unrecognized deferred tax assets

Item	Closing balance	Opening balance
Provision for impairment	106,599,804.14	143,778,187.32
Deductible losses	40,292,053.50	88,875,117.32
Provisions	11,473,381.54	255,833,293.87
Accrued expenses	7,485,903.82	105,691,611.21
Fixed assets-Accumulated depreciation	17,053.47	5,859,738.40
Financial liabilities held for trading	14,058,582.52	24,559,153.75
Total	179,926,778.99	624,597,101.87

iv. Deductible losses for which deferred tax assets are not recognised will be expired in the following year

Year	Closing balance	Opening balance	Remarks
2023 Year		10,611,502.63	
2024 Year	7,607,056.70	12,747,445.99	
2025 Year	6,020,446.67	12,681,610.91	
2026 Year	4,399,330.32	31,328,355.38	
2027 Year	14,228,077.10	21,506,202.41	



Year	Closing balance	Opening balance	Remarks
2028 Year	8,037,142.71		
Total	40,292,053.50	88,875,117.32	

24.Other non-current assets

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Prepayment for equipment engineering	14,006,744.38		14,006,744.38	9,495,239.37		9,495,239.37
Time deposits and interest	817,866,805.56		817,866,805.56			
Total	831,873,549.94		831,873,549.94	9,495,239.37		9,495,239.37

Description of other non-current assets:

The significant increase in the balance of other non-current assets at the end of the period compared with the beginning of the period was mainly due to the addition of time deposits with a maturity of more than one year during the current period.

25.Financial liabilities held for trading

Item	Opening balance	Closing balance
Financial liabilities at fair value through profit or loss	45,558,310.35	45,890,608.52
Including: Forward foreign exchange contract	45,558,310.35	45,890,608.52
Total	45,558,310.35	45,890,608.52

26.Notes payable

种类	Closing balance	Opening balance
Bank acceptances	3,305,579,159.12	2,197,634,289.61
Commercial acceptances		106,134,512.15
Total	3,305,579,159.12	2,303,768,801.76

Description of notes Payable:

The balance of notes payable at the end of the period increased by 43.49% compared to the beginning of the period, mainly due to the increase in the volume of purchases during the period and the subsequent increase in the payment for goods settled by acceptance.

27.Accounts payable

Item	Closing balance	Opening balance
Material payable	3,031,527,594.22	4,537,632,374.14



Item	Closing balance	Opening balance
Payable for engineering equipment	806,166,264.55	659,542,666.45
Total	3,837,693,858.77	5,197,175,040.59

i. Significant accounts payable aged over 1 year

Item	Closing balance	Reasons for not been repaid or transferred
Supplier 1	53,548,975.47	The settlement period has not reached
Total	53,548,975.47	

28.Receipts in advance

i. Receipts in advance

Item	Closing balance	Opening balance
Rent and house receipts in advance	4,157,974.12	10,389,583.54
Total	4,157,974.12	10,389,583.54

ii. Description of receipts in advance

The balance of receipts in advance at the end of the period increased by 59.98% compared with the beginning, which was mainly caused by the reduction of the advance rent in this period.

29.Contract liabilities

i. Contract liabilities

Item	Closing balance	Opening balance
Extended warranty for products and services	351,336,000.56	288,924,196.71
Contract liabilities	2,121,330,720.32	1,020,645,099.70
Total	2,472,666,720.88	1,309,569,296.41

ii. Description of contract liabilities

The balance of contract liabilities at the end of the period increased by 89.09% compared with the beginning of the period, mainly due to the increase in advance vehicle payments received during the period.

30.Payroll and employee benefits payable

i. Payroll and employee benefits payable

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
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Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Short-term benefits	814,449,679.74	2,428,432,020.41	2,158,638,838.06	1,084,242,862.09
Post-employment benefits – Defined contribution plan	38,115.31	213,078,976.76	213,003,151.68	113,940.39
Termination benefits	21,893,108.08	36,760,462.06	34,367,220.64	24,286,349.50
Total	836,380,903.13	2,678,271,459.23	2,406,009,210.38	1,108,643,151.98

ii. Short-term benefits

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Wages or salaries, bonuses, allowances and subsidies	811,820,845.48	2,042,491,188.84	1,775,175,699.41	1,079,136,334.91
Staff welfare		146,203,487.25	146,203,487.25	
Social security contributions	1,012.24	113,420,895.77	113,389,303.39	32,604.62
Including: Medical insurance	1,012.24	95,506,004.82	95,476,085.32	30,931.74
Work injury insurance		5,370,908.01	5,370,119.61	788.40
Maternity insurance		12,543,982.94	12,543,098.46	884.48
Housing funds		65,773,179.70	65,744,811.22	28,368.48
Labor union and employee education costs	2,627,822.02	60,543,268.85	58,125,536.79	5,045,554.08
Total	814,449,679.74	2,428,432,020.41	2,158,638,838.06	1,084,242,862.09

iii. Defined contribution plan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Basic pension insurance	38,115.31	204,186,234.21	204,113,460.76	110,888.76
Unemployment insurance		8,892,742.55	8,889,690.92	3,051.63
Total	38,115.31	213,078,976.76	213,003,151.68	113,940.39

31. Taxes payable

Item	Closing balance	Opening balance
Value added tax	83,477,468.06	122,490,521.19
Consumption tax	2,185,658.03	535,946.90
Enterprise income tax	14,389,819.49	40,841,355.67
Individual income tax	6,103,084.70	7,729,166.61
City maintenance and construction tax	43,919,447.61	5,094,306.35
Property tax	12,304,313.22	11,333,460.74
Land use tax	9,895,900.01	9,721,706.20
Withholding taxes and fees	9,276,986.57	1,031,356.95
Educational surcharge	17,002,676.56	2,359,513.44
Local educational surcharge	11,335,118.05	1,538,410.54



Item	Closing balance	Opening balance
Stamp tax	5,444,560.22	2,207,858.81
Water conservancy Construction Fund	2,591.47	3,869.31
Environmental protection tax	1,927.45	11.06
Land value added tax	3,657,092.21	
Customer retention income tax	48,502.98	
Total	219,045,146.63	204,887,483.77

32.Other payables

Item	Closing balance	Opening balance
Other payables	2,280,463,542.26	2,179,223,900.29
Total	2,280,463,542.26	2,179,223,900.29

Note: Other payables in the above table refer to other payables after deducting interest payable and dividends payable.

i. Other payables

(1)Other payables presented by nature

Item	Closing balance	Opening balance
Guarantee of quality	192,953,585.54	199,060,218.13
Expense payables	165,465,604.25	255,061,871.22
Withholding costs and expenses	1,922,044,352.47	1,725,101,810.94
Total	2,280,463,542.26	2,179,223,900.29

(2)There are no significant other payables older than one year or overdue at the end of the period.

33.Current portion of non-current liabilities

Item	Closing balance	Opening balance
Lease liabilities due within one year	4,110,702.05	6,762,907.04
Total	4,110,702.05	6,762,907.04

Description of Current portion of non-current liabilities:

The ending balance of non-current liabilities maturing within one year decreased by 39.22% from the beginning of the period, mainly due to the decrease in lease operations maturing within one year.



34.Other current liabilities

Item	Closing balance	Opening balance
Tax on items to be transferred	197,926,277.63	118,457,399.04
Other taxes	135,152,034.46	237,438,547.71
An instrument that has been endorsed or discounted and has not terminated recognition	73,213,569.91	121,048,684.68
The hedged item		9,189,630.12
Total	406,291,882.00	486,134,261.55

35.Lease liabilities

Item	Closing balance	Opening balance
Buildings	17,635,754.68	10,418,873.76
Less:Lease liabilities due within one year	4,110,702.05	6,762,907.04
Total	13,525,052.63	3,655,966.72

Description of lease liabilities:

The ending balance of lease liabilities increased 269.94% from the beginning of the period, mainly due to new leases in the current period.

36.Provisions

Item	Closing balance	Opening balance	Reasons of the existence
Products quality warranty	2,363,876,546.60	1,968,632,638.90	Withholding on income
Rebate on sales	22,241,983.17	21,540,592.36	Rebate on sales
Total	2,386,118,529.77	1,990,173,231.26	

37.Deferred income

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reasons of the existence
Government subsidies related to assets	495,577,150.48	915,000.00	155,909,340.77	340,582,809.71	Financial appropriation
Government subsidies related to income	173,586,528.33	6,756,593.00	20,326,051.91	160,017,069.42	Financial appropriation
Total	669,163,678.81	7,671,593.00	176,235,392.68	500,599,879.13	

i. Deferred income related to government subsidies

The Company's government subsidies are detailed in Note 9. Government Subsidies (1)

Liabilities involving government subsidies.

38.Share capital

Item	Opening balance	Changes in the current period (+, -)	Closing balance
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		New shares issued	Share donation	Capitalization of capital reserve	Others	Subtotal	
Number of shares	2,213,939,223.00						2,213,939,223.00

39.Capital reserves

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Share premium	1,102,360,879.03			1,102,360,879.03
Other capital reserves	392,091,307.06	11,350,203.63		403,441,510.69
Total	1,494,452,186.09	11,350,203.63		1,505,802,389.72

Description of capital reserve:

The Company's new equity investment in joint venture TOO "QazTehna" in the current period, the shareholding ratio of all shareholders is not calculated according to the proportion of shareholders' contribution and the total registered capital, and the shareholding ratio of the Company is 15% according to the agreement. The Company regards the actual contribution amount of other shareholders as higher than the share calculated according to the shareholding ratio as the capital input accepted by the investee. According to the provisions of the Standard, the Company calculates the share to be enjoyed according to the shareholding ratio, adjusts the book value of long-term equity investment, and includes the capital reserves - other capital reserves.



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40. Other comprehensive income

Item	Opening balance	Amount incurred in the current period							Closing balance		
		Amount incurred before income tax in the current period	Less: Amount included in other comprehensive income in the prior periods that is transferred to profit or loss for the current period	Less: Financial assets that are included in other comprehensive income and transferred to amortized cost in the current period	Less: Hedging reserves are transferred to related assets or liabilities	Less: Income tax expenses	Attributable to the Company after tax	Attributable to minority interests after tax		Less: Carry forward and re-measure changes in defined benefit plans	Less: Amount included in other comprehensive income in the prior periods that is transferred to retained earnings for the current period
I. Other comprehensive income that cannot be reclassified to profit or loss	254,299,964.23	-200,578,300.88				-31,707,792.37	-168,870,508.51			5,165,955.78	80,263,499.94
1. Remeasurement of changes in defined benefit plan											
2. Other comprehensive income that cannot be transferred to profit or loss under equity method											
3. Changes in fair value of investments in other equity instruments	254,299,964.23	-200,578,300.88				-31,707,792.37	-168,870,508.51			5,165,955.78	80,263,499.94
4. Changes in fair value of the Company's own credit risk											
II. Other comprehensive income to be reclassified to profit or loss		1,519,635.29					1,519,635.29				1,519,635.29
1. Other comprehensive income that may be transferred to profit or loss under equity method											
2. Changes in fair value of other debt investments											
3. Amount of financial assets reclassified to other comprehensive income											



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Item	Opening balance	Amount incurred in the current period								Closing balance				
		Amount incurred before income tax in the current period	Less: Amount included in other comprehensive income in the prior periods that is transferred to profit or loss for the current period	Less: Financial assets that are included in other comprehensive income and transferred to amortized cost in the current period	Less: Hedging reserves are transferred to related assets or liabilities	Less: Income tax expenses	Attributable to the Company after tax	Attributable to minority interests after tax	Less: Carry forward and re-measure changes in defined benefit plans		Less: Amount included in other comprehensive income in the prior periods that is transferred to retained earnings for the current period			
4.Provision for credit impairment of other debt investments														
5.Effective portion of gains or losses on cash flow hedging														
6.Translation differences of financial statements denominated in foreign currencies		1,519,635.29								1,519,635.29				1,519,635.29
7.Package disposal proceeds generated by the disposal of a subsidiary prior to loss of control														
8.Other assets are converted into investment real estate measured by the fair value model														
Total other comprehensive income	254,299,964.23	-199,058,665.59						-31,707,792.37	-167,350,873.22				5,165,955.78	81,783,135.23



41.Special reserves

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Safety fund	5,153,780.54	15,350,328.89	16,112,805.52	4,391,303.91
Total	5,153,780.54	15,350,328.89	16,112,805.52	4,391,303.91

Description of special reserves:

The Company shall, in accordance with the provisions of the "Measures for the Administration of the Withdrawal and Use of Enterprise Production Safety Expenses" (caizi [2022] No. 136), calculate the withdrawal of production safety expenses according to the prescribed standards based on the operating income of the previous year. The extracted safety production fees are mainly used for maintenance, testing, safety training and other expenses.

42.Surplus reserve

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserve	3,038,152,006.09	198,095,948.95		3,236,247,955.04
Total	3,038,152,006.09	198,095,948.95		3,236,247,955.04

Description of surplus reserve:

The increase of legal surplus reserve during this period is: according to the provisions of the Company Law and the articles of Association, the company shall withdraw the legal surplus reserve at 10% of the net profit.

43.Unappropriated profit

Item	Current period	Prior period
Before adjustment: retained earnings of the prior period	7,466,625,137.40	7,802,754,907.06
Adjustment: Total retained earnings at the beginning of the reporting period (increase "+", decrease "-")	-33,347.13	-31,577.87
After adjustment: retained earnings at the beginning of the reporting period	7,466,591,790.27	7,802,723,329.19
Add: Net profit attributable to owners of the Company for the current period	1,817,084,152.22	759,140,760.22
Less: Transfer to statutory surplus reserve	198,095,948.95	89,235,882.63
Declaration of dividends on ordinary shares	2,213,939,223.00	1,106,969,611.50
Others		429,479.82
Add: Other comprehensive income transferred to retained earnings	5,165,955.78	102,032,030.12
Others		-669,355.31
Unappropriated profit at the end of the reporting period	6,876,806,726.32	7,466,591,790.27



i. Details of the adjustments to retained earnings at the beginning of the reporting period:

As a result of the change in accounting policies, the cumulative impact is adjusted to retained earnings and other related financial statement items at the beginning of the earliest period for which the financial statements are presented (i.e. January 1, 2022), affecting undistributed profit at the beginning of the prior period -31,577.87, as detailed in note III (39).

ii. Other descriptions of unappropriated profit

(1) According to the articles of association of the Company, the parent company shall set aside the statutory surplus reserve of 198,095,948.95 yuan;

(2) According to the profit distribution plan reviewed at the 2022 Annual General Meeting of shareholders, the company will pay cash dividend of 10.00 yuan (tax included) for every 10 shares based on the total shares of 2,213,939,223 shares at the end of 2022.

(3) Investments in other equity instruments were partially transferred in the current period, resulting in changes in fair value transferred from other comprehensive income to retained earnings of 5,165,955.78 yuan.

44. Operating revenue and costs of sales

i. Operating revenue and costs of sales

Item	Amount incurred in the current period		Amount incurred in the prior period	
	Revenue	Cost	Revenue	Cost
Principal operating activities	24,102,422,756.85	17,662,996,725.01	19,530,146,921.49	15,006,754,012.29
Others	2,939,566,737.72	2,442,994,765.17	2,268,813,683.18	1,816,368,573.37
Total	27,041,989,494.57	20,105,991,490.18	21,798,960,604.67	16,823,122,585.66

ii. Main business (by contract type)

contract type	Revenue
Vehicle sales contract	22,633,951,455.65
Services and other contracts	1,468,471,301.20
Total	24,102,422,756.85

iii. Main Business (by region)

region	Amount incurred in the current period		Amount incurred in the prior period	
	Revenue	Cost	Revenue	Cost
Domestic sales	13,696,807,890.33	10,551,483,553.20	13,935,063,493.78	11,091,763,994.51
Overseas sales	10,405,614,866.52	7,111,513,171.81	5,595,083,427.71	3,914,990,017.78
Total	24,102,422,756.85	17,662,996,725.01	19,530,146,921.49	15,006,754,012.29



45.Taxes and surcharges

Item	Amount incurred in the current period	Amount incurred in the prior period
Consumption tax	16,016,586.27	10,897,109.20
City maintenance and construction tax	99,308,085.29	31,936,063.70
Educational surcharge	40,940,413.27	13,686,537.71
Local educational surcharge	27,294,323.17	9,124,358.47
Property tax	50,313,738.03	48,661,817.88
Land use tax	40,714,027.16	37,386,661.98
Vehicle and vessel usage tax	146,520.68	183,610.70
Stamp tax	12,456,768.39	6,968,815.88
Environmental protection tax	276,891.71	212,986.82
Land value added tax	39,859,428.11	65,492,928.20
Water conservancy Construction Fund	36,338.90	87,084.27
Others	280,919.08	
Total	327,644,040.06	224,637,974.81

46.Selling expenses

Item	Amount incurred in the current period	Amount incurred in the prior period
Compensation for employees	513,445,701.14	482,320,441.80
After-sales service fee	727,316,489.50	551,578,989.64
Travel expenses	174,798,126.29	116,334,178.37
Advertising and publicity expenses	57,987,275.16	75,938,678.23
Consulting and agency fees	41,005,872.79	24,194,577.09
Business entertainment expenses	81,660,907.15	77,877,864.55
Office expenses	9,809,421.39	10,555,362.84
Rental expenses	16,767,219.69	13,375,619.38
Consumption of materials	9,409,835.87	11,694,289.24
Insurance premium	592,218.09	730,585.19
Others	322,150,268.38	274,399,931.23
Total	1,954,943,335.45	1,639,000,517.56

47.Administrative expenses

Item	Amount incurred in the current period	Amount incurred in the prior period
Compensation for employees	274,654,087.79	371,615,645.91
Travel expenses	11,945,941.06	3,168,346.41
Advisory agency fee	56,783,984.99	40,884,749.57
Office expenses	13,992,601.05	7,481,718.70



Item	Amount incurred in the current period	Amount incurred in the prior period
Cost of services	134,569,706.09	124,134,861.15
Business entertainment expenses	25,682,385.53	9,931,492.25
Depreciation expense	65,645,974.98	82,475,323.04
Rental expenses	4,422,594.40	4,685,349.83
Material consumption charge	19,502,647.39	31,765,814.83
Cost of repair	4,579,092.30	12,954,031.85
Amortization of intangible assets	28,212,936.09	26,543,691.21
Others	79,321,500.03	130,608,419.82
Total	719,313,451.70	846,249,444.57

48. Research and development expenses

Item	Amount incurred in the current period	Amount incurred in the prior period
Compensation for employees	814,504,523.59	1,029,261,818.67
Mold and testing fees	237,946,989.44	220,286,413.78
Advisory agency fee	52,022,159.25	70,344,043.03
Research and development material costs	124,135,020.41	59,617,961.26
Depreciation and amortization	123,094,622.09	148,444,058.11
Others	215,938,404.67	166,359,722.27
Total	1,567,641,719.45	1,694,314,017.12

49. Finance expenses

Item	Amount incurred in the current period	Amount incurred in the prior period
Interest expenses	1,870,787.06	234,535.01
Less: Interest income	146,521,974.16	61,999,128.31
Add: Exchanges gains or losses	45,184,539.68	-16,688,220.37
Add: Unrealized financing income	-9,874,067.32	-16,784,952.97
Add: Other fees	23,537,756.62	16,994,760.83
Total	-85,802,958.12	-78,243,005.81

50. Other income

i. Other income details

Item	Amount incurred in the current period	Amount incurred in the prior period
Government grants	300,717,687.51	415,418,500.13
Refund of tax handling fee	2,165,083.38	1,622,338.70
Tax reduction and exemption	26,892,248.69	16,413,460.83



Item	Amount incurred in the current period	Amount incurred in the prior period
Total	329,775,019.58	433,454,299.66

ii. Government subsidies included in other income

The Company's government subsidies are detailed in Note 9. Government Subsidies (2) Government subsidies recognized in profit or loss for the current period.

51.Income from investments

i. Income from investments details

Item	Amount incurred in the current period	Amount incurred in the prior period
Income from long-term equity investments under equity method	98,966,718.81	100,415,500.59
Investment income on disposal of long-term equity investments		73,559,688.89
Investment income from disposal of held-for-trading financial assets	7,451,466.00	-8,471,589.95
Interest income from holding debt investments	19,392,572.95	19,782,771.69
Dividend income from holding investments in other equity instruments	8,250,000.00	13,682,100.00
Investment income from holding financial assets at amortized cost	25,055,805.82	
Others	-60,080,845.70	-45,713,689.40
Total	99,035,717.88	153,254,781.82

ii. Description of income from investments

Income from other investments for the period -60,080,845.70 yuan, including income from factoring business -54,170,176.39 yuan, interest from acceptance discount -669.31 yuan and proceeds from debt restructuring - 5,910,000.00 yuan. Income from other investments in the previous period was -45,713,689.40 yuan, including income from factoring business -44,687,511.20 yuan and interest from acceptance discount -1,026,178.20 yuan.

52.Gains from changes in fair values

Item	Amount incurred in the current period	Amount incurred in the prior period
Financial assets held for trading	32,457,617.27	-17,245,208.93
Other non-current financial assets	-33,696,722.56	
Total	-1,239,105.29	-17,245,208.93

Description of gains from changes in fair value:

The amount of fair value change income in the current period increased by 92.81% compared with the beginning of the period, mainly due to the increase in fair value change income



generated during the period of purchase and holding of financial products.

53.Credit impairment losses

Item	Amount incurred in the current period	Amount incurred in the prior period
Losses on bad debts	-333,561,307.12	-441,440,832.56
Total	-333,561,307.12	-441,440,832.56

In the above table, losses are indicated with "-".

54.Assets impairment losses

Item	Amount incurred in the current period	Amount incurred in the prior period
Inventory price decline loss and contract performance cost impairment loss	-118,471,992.39	-108,882,520.40
Impairment loss of contract assets	16,027,980.25	-17,205,817.85
Impairment loss on long-term equity investments	-454,659,708.50	
Total	-557,103,720.64	-126,088,338.25

In the above table, losses are indicated with "-".

Description of asset impairment losses:

The amount of asset impairment loss in the current period increased by 341.84% compared with the previous period, mainly due to the provision of long-term equity investment impairment losses in the current period.

55.Gains from asset disposals

Item	Amount incurred in the current period	Amount incurred in the prior period
Gains or losses on disposal of fixed assets	46,722,820.36	53,992,660.32
Total	46,722,820.36	53,992,660.32

56.Non-operating income

Item	Amount incurred in the current period	Amount incurred in the prior period	Amount included in non-recurring profit or loss in the current period
Total gains on disposal of non-current assets	2,457,529.87	1,822,325.07	2,457,529.87
Income from claims	33,234,826.23	23,688,627.08	33,234,826.23
Others	30,006,111.36	7,352,969.83	30,006,111.36
Total	65,698,467.46	32,863,921.98	65,698,467.46

Description of non-operating income:

The amount of non-operating income in the current period increased by 99.91% compared with



the previous period, mainly due to the increase in the amount of long-term prepaid money transferred to non-operating income and the increase in the income of quality services and compensation for contract breach.

57.Non-operating expenses

Item	Amount incurred in the current period	Amount incurred in the prior period	Amount included in non-recurring profit or loss for the current period
Total losses on disposal of non-current assets	1,167,010.89	1,359,027.94	1,167,010.89
Compensation, liquidated damages and fines	2,432,313.95	1,481,894.90	2,432,313.95
Donations to third parties	15,329,000.00	27,822,000.00	15,329,000.00
Others	4,644,713.27	247,832.71	4,644,713.27
Total	23,573,038.11	30,910,755.55	23,573,038.11

58.Income tax expenses

i. Income tax expenses

Item	Amount incurred in the current period	Amount incurred in the prior period
Current tax expenses	93,454,483.07	62,025,678.38
Deferred tax expenses	145,055,483.56	-122,070,770.76
Total	238,509,966.63	-60,045,092.38

ii. Reconciliation of income tax expenses to the accounting profit

Item	Amount incurred in the current period
Total profit	2,078,013,269.97
Income tax expenses calculated at statutory/applicable tax rate	311,701,990.50
Effect of different tax rates applicable to subsidiaries	-8,342,596.70
Effect of adjustment to income tax of prior periods	76,864,797.56
Effect of non-taxable income	-15,818,283.48
Effect of non-deductible costs, expenses and losses	25,412,792.75
Effect of using deductible losses for which deferred tax assets were previously not recognised	-1,716,637.16
The impact of additional deductions for R&D expenses	-203,353,339.07
Effect of deductible temporary differences or deductible losses unrecognized in the current period	53,144,112.94
The wages of the disabled shall be deducted	-178,114.73
Internal unrealized impact	795,244.02
Income tax expenses	238,509,966.63

iii. Income tax expense other description



The amount of income tax expense in the current period increased by 497.22% compared with the previous period, mainly due to the increase in demand for the bus industry in the current period, the rise in sales, and the corresponding increase in total profits.

59.Items of the cash flow statement

i. Cash related to operating activities

(1)Other cash receipts related to operating activities

Item	Amount incurred in the current period	Amount incurred in the prior period
Government subsidies and tax refunds	138,413,639.29	281,238,357.75
Interest income	146,616,589.37	61,782,841.64
Non-operating income	29,209,939.89	4,686,718.31
Other transactions	401,762,743.34	743,833,966.23
Total	716,002,911.89	1,091,541,883.93

(2)Other cash payments related to operating activities

Item	Amount incurred in the current period	Amount incurred in the prior period
Selling expenses shall be paid in cash	971,544,419.30	1,075,924,739.25
Administrative expenses be paid in cash	242,008,982.87	365,729,534.48
Research and development expenses shall be paid in cash	593,323,774.63	484,563,507.95
Finance expenses be paid in cash	23,611,363.27	16,766,234.54
Non-operating expenses be paid in cash	7,165,022.11	23,317,425.23
Deferred income be paid in cash	7,941,102.19	9,075,400.00
Other transactions	830,939,691.51	537,710,067.01
Total	2,676,534,355.88	2,513,086,908.46

ii. Cash related to financing activities

(1)Other cash payments related to financing activities

Item	Amount incurred in the current period	Amount incurred in the prior period
Dividend payment commission	1,221,149.22	
Cash paid to repay principal and interest on lease liabilities	8,061,350.60	9,008,693.77
Return shareholders' capital contributions		311,393,425.28
Total	9,282,499.82	320,402,119.05

60.Supplementary information to the cash flow statement

i. Supplementary information to the cash flow statement



Item	Current period	Prior period
1. Reconciliation of net profit to cash flow from operating activities		
Net profit	1,839,503,303.34	767,804,691.63
Add: Credit impairment losses	333,561,307.12	441,440,832.56
Assets impairment losses	557,103,720.64	126,088,338.25
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	673,593,638.84	824,240,811.43
Amortization of right-of-use assets	7,272,216.84	7,441,160.94
Amortization of intangible assets	50,806,740.11	43,186,387.55
Amortization of long-term prepaid expenses	459,288.32	519,848.81
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by "—")	-46,722,820.36	-53,992,660.32
Losses on retirement of fixed assets (gains are indicated by "—")	-1,290,518.98	-463,297.13
Losses on changes in fair values (gains are indicated by "—")	1,239,105.29	17,245,208.93
Financial expenses (income is indicated by "—")	28,591,010.29	68,552,942.08
Losses arising from investments (gains are indicated by "—")	-153,206,563.58	-198,968,471.22
Decrease in deferred tax assets (increase is indicated by "—")	153,710,576.71	-131,290,824.90
Increase in deferred tax liabilities (decrease is indicated by "—")	-8,655,093.15	9,220,054.14
Decrease in inventories (increase is indicated by "—")	261,885,261.49	1,106,114,685.85
Decrease in receivables from operating activities (increase is indicated by "—")	-200,055,181.15	1,201,856,840.07
Increase in payables from operating activities (decrease is indicated by "—")	1,218,901,736.40	-975,391,745.13
Others		
Net cash flow from operating activities	4,716,697,728.17	3,253,604,803.54
2. Significant investing and financing activities that do not involve cash receipts and payments		
Conversion of debt into capital		
Convertible bonds due within one year		
New right-of-use assets in the current period		
3. Net changes in cash and cash equivalents		
Closing balance of cash	6,291,859,005.64	7,027,259,964.83
Less: Opening balance of cash	7,027,259,964.83	5,619,180,482.76
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-735,400,959.19	1,408,079,482.07

ii. Net cash received for disposal of subsidiaries in the current period

Item	Current period
Cash or cash equivalents received in the current period for disposal of subsidiaries in the current period	



Item	Current period
Less: Cash and cash equivalents held by subsidiaries at the date of loss of control	
Plus: Previous periods dispose of cash or cash equivalents received by subsidiaries in the current period	15,090,000.00
Including: Shanghai Qianyong Industrial Co., Ltd.	15,090,000.00
Net cash received for disposal of subsidiaries	15,090,000.00

iii. Total cash outflow related to leases

The total cash outflow related to leases in the current period was RMB 8,061,350.60 yuan (previous period: RMB 9,008,693.77 yuan).

iv. Composition of cash and cash equivalents

Item	Closing balance	Opening balance
I. Cash	6,291,859,005.64	7,027,259,964.83
Including: Cash on hand	219,477.34	1,115,868.17
Bank deposits	6,291,421,274.97	7,026,144,096.66
Other monetary funds	218,253.33	
II. Cash equivalents		
Including: Investments in debt securities due within three months		
III. Closing balance of cash and cash equivalents	6,291,859,005.64	7,027,259,964.83
Including: Restricted cash and cash equivalents of the Company and subsidiaries within the Group		

v. Monetary funds other than cash and cash equivalents

Item	Closing balance	Opening balance	Reason
Security deposit for mortgage	10,885.00	807,921.26	Use restricted
Bank acceptance margin	6,874,245.12	6,556,058.86	Use restricted
Funds in transit	127,617,367.29		Funds in transit
Letter of credit deposit	4,740,000.00		Use restricted
Deposit money for investment	2,641,997.58		Use restricted
Letter of guarantee	65,149.96		Use restricted
Total	141,949,644.95	7,363,980.12	

61.Assets with restricted ownership or right-of-use

Item	Ending book balance	Ending book value	Reasons of restriction
Cash and Cash equivalents	10,885.00	10,885.00	Security deposit for mortgage
Cash and Cash equivalents	6,874,245.12	6,874,245.12	Bank acceptance margin
Cash and Cash equivalents	127,617,367.29	127,617,367.29	Funds in transit



Item	Ending book balance	Ending book value	Reasons of restriction
Cash and Cash equivalents	4,740,000.00	4,740,000.00	Letter of credit deposit
Cash and Cash equivalents	2,641,997.58	2,641,997.58	Deposit money for investment
Cash and Cash equivalents	65,149.96	65,149.96	Letter of guarantee
Total	141,949,644.95	141,949,644.95	Security deposit for mortgage

62.Foreign currency monetary items

i. Foreign currency monetary items

Item	Closing balances of foreign currencies	Exchange rates for translation	Closing balance of RMB
Cash and Cash equivalents			
Including: USD	26,802,601.01	7.08270	189,834,782.22
EUR	57,217,265.88	7.85920	449,681,936.00
HKD	443,487.78	0.90622	401,897.50
AUD	24,283,006.61	4.84840	117,733,729.25
SGD	5,840.73	5.37720	31,406.77
RUB	332,434,830.64	0.08027	26,684,543.86
ZAR	500.00	0.38193	190.97
AED	671,060.36	1.93255	1,296,857.70
DKK	48,353.09	1.05363	50,946.27
MXN	154,736,856.23	0.41815	64,703,216.43
THB	0.56	0.20736	0.12
KZT	80,580,977.19	0.01573	1,267,538.77
CLP	507,913,758.00	0.00805	4,088,705.75
PHP	73,282,970.58	0.12783	9,367,762.13
QAR	6,493,932.26	1.95450	12,692,390.60
VES	726,791.55	0.19897	144,609.71
CUP	9,306.62	0.29546	2,749.73
COP	405,062,105.00	0.00184	745,314.27
TZS	170,135,518.72	0.00283	481,483.52
SAR	3,167,852.49	1.89265	5,995,636.02
Accounts receivable			
Including: USD	231,561,200.65	7.0827 0	1,640,078,515.84
EUR	2,504,674.83	7.85920	19,684,740.42
AED	11,428.67	1.93255	22,086.48
MXN	6,455,877.68	0.41815	2,699,525.25



Yutong Bus CO.,LTD.
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English translation for reference only

Item	Closing balances of foreign currencies	Exchange rates for translation	Closing balance of RMB
QAR	2,273,732.76	1.95450	4,444,010.68
COP	-4,782,207.00	0.00184	-8,799.26
PHP	11,004,800.00	0.12783	1,406,743.58
Other receivables			
Including: USD	34,062,190.76	7.08270	241,252,278.50
HKD	32,045.00	0.90622	29,039.82
CUP	20,996.00	0.29546	6,203.48
AUD	777,706.50	4.84840	3,770,632.19
VES	2,991,983.76	0.19897	595,315.01
RUB	3,017,000.00	0.08027	242,174.59
AED	165,138.60	1.93255	319,138.60
KZT	1,950,127.33	0.01573	30,675.50
COP	111,142,000.00	0.00184	204,167.85
MXN	353,547.40	0.41815	147,835.85
Accounts payable			
Including: USD	4,489,043.57	7.08270	31,794,548.89
EUR	374,668.58	7.85920	2,944,595.30
Other payables			
Including: USD	26,978,354.62	7.08270	191,079,592.27
EUR	713,654.78	7.85920	5,608,755.65
HKD	324,045.00	0.90622	293,656.06
RUB	2,969,500.00	0.08027	238,361.77
VES	68.64	0.19897	13.66
KZT	282,290.00	0.01573	4,440.42
AUD	38,035.60	4.84840	184,411.80
COP	9,556,718.00	0.00184	17,555.69
MXN	5,455,467.96	0.41815	2,281,203.93
CLP	31,767.00	0.00805	255.72
QAR	867.03	1.95450	1,694.61
AED	100,000.00	1.93255	193,255.00
TZS	2,510,502.49	0.00283	7,107.23
JPY	21,896.35	5.02130	109,948.14



ii. Description of overseas business entities

Name of subsidiary	Major business location	Standard currency of account	Reason
Yutong Hongkong Limited	HongKong	CNY	Extension of the company's business activities
YUTONG RUSSIA LIMITED	Russia	CNY	Extension of the company's business activities
AUTOBUSES YUTONG DE VENEZUELA, S.A.	Venezuela	CNY	Extension of the company's business activities
CATHAYA INTERNATIONAL LIMITED	British Virgin Islands (BVI)	CNY	Extension of the company's business activities
SINOYUTONG INTERNATIONAL LTD	HongKong	CNY	Extension of the company's business activities
YUTONG MIDDLE EAST FZE	Dubai	CNY	Extension of the company's business activities
YUTONG LUXENBOURG S.A.R.L.	Luxembourg	CNY	Extension of the company's business activities
YUTONG FRANCE SAS	Paris, France	CNY	Extension of the company's business activities
YUTONG TANZANIA	Tanzania	TZS	Extension of the company's business activities
INSTANT ACCESS LIMITED	Kingdom of Saudi Arabia	CNY	Extension of the company's business activities
YUTONG WORLDWIDE FZE	United Arab Emirates	CNY	Extension of the company's business activities
YUTONG INTERNATIONAL TRADE PTE.LTD.	Singapore	CNY	Extension of the company's business activities
YUTONG HOLDCO PTE.LTD.	Singapore	CNY	Extension of the company's business activities
YUTONG AUSTRALIA PTY LTD	Australia	CNY	Extension of the company's business activities
YUTONG PHILIPPINES CORPORATION	Philippines	CNY	Extension of the company's business activities
YUTONG KAZAKHSTAN LIMITED	Kazakhstan	CNY	Extension of the company's business activities
YUTONG SPAIN HOLDCO S.L.	Spain	CNY	Extension of the company's business activities
YUTONG PANAMA S.A.	Panama	CNY	Extension of the company's business activities
YUTONG DE MEXICO S.A. DE C.V.	Mexico	CNY	Extension of the company's business activities
YUTONG COLOMBIA SAS	Colombia	CNY	Extension of the company's business activities
YUTONG CHILE SPA	Chile	CNY	Extension of the company's business activities
YUTONG CHILE IQUIQUE SPA	Chile	CNY	Extension of the company's business activities
YUTONG-ECUADOR S.A.	Ecuador	CNY	Extension of the company's business activities
YUTONG PERU S.A.C.	Peru	CNY	Extension of the company's business activities
YUTONG (HK) INTERNATIONAL LIMITED	HongKong	CNY	Extension of the company's business activities

VI. R&d expenditure

i. List by the nature of the fees



Item	Amount incurred in the current period	Amount incurred in the prior period
Compensation for employees	814,504,523.59	1,029,261,818.67
Mold and testing fees	221,896,508.73	220,286,413.78
Advisory agency fee	52,022,159.25	70,344,043.03
Cost of services	47,399,841.90	20,630,119.73
Research and development material costs	124,135,020.41	59,617,961.26
Depreciation and amortization	110,155,085.75	148,444,058.11
Others	197,528,579.82	145,729,602.54
Total	1,567,641,719.45	1,694,314,017.12
Including: Expensed R&D expenditure	1,567,641,719.45	1,694,314,017.12
Capitalized R&D expenditure		

VII.Changes of the scope of consolidation

1.Subsidiaries acquired through investment and establishment

Subsidiary	Reasons for change
INSTANT ACCESS LIMITED	Newly established subsidiaries
Zhengzhou Xuhua Enterprise Management Center (Limited Partnership)	Newly established subsidiaries
Zhengzhou Xubiao Enterprise Management Center (Limited Partnership)	Newly established subsidiaries
Zhengzhou Xuxin Enterprise Management Center (Limited Partnership)	Newly established subsidiaries
Zhengzhou Xurong Enterprise Management Center (Limited Partnership)	Newly established subsidiaries
Zhengzhou Xuzhou Enterprise Management Center (Limited Partnership)	Newly established subsidiaries
Beijing Changlv Automobile sales service Co., Ltd.	Newly established subsidiaries
Shanghai Pengke Automobile sales service Co., Ltd.	Newly established subsidiaries
Jinan Changlv Automobile sales service Co., Ltd.	Newly established subsidiaries
Shanxi Tuyou Automobile sales service Co., Ltd.	Newly established subsidiaries
Guangzhou Changlv Automobile sales service Co., Ltd.	Newly established subsidiaries
Zhengzhou Ruibiao Enterprise Management Center (Limited Partnership)	Newly established subsidiaries
Shenzhen Yuxin Automobile sales service Co., Ltd.	Newly established subsidiaries
Hangzhou Lvxin Ruikong Automobile Sales and Service Co., Ltd.	Newly established subsidiaries
Hebei Xiongan Lvxin Ruikong New Energy Technology Co., Ltd.	Newly established subsidiaries

2.Changes of consolidation scope for other reasons

Subsidiary	Reasons for change
Zhengzhou Ruixing Automobile Technology Co., Ltd.	Write off



VIII.Equity in other entities

1.Equity in subsidiaries

i. Composition of the Group

Serial number	Subsidiary	Registered capital (ten thousand yuan)	Main place of business	Place of registration	Business nature	Shareholding ratio(%)		Acquisition method
						Directly	Indirectly	
1	Zhengzhou Jingyida Auto Parts Co., Ltd,	52,733.00	Zhengzhou	Zhengzhou	Auto parts production and sales	100.00		Business combination under the same control
2	Zhengzhou Kelin Motor Vehicle Air Conditioning Co.,Ltd.	2,000.00	Zhengzhou	Zhengzhou	Vehicle air conditioning production and sales		70.00	Business combination under the same control
3	ZHENGZHOU JINGYIDA ENVIRONMENTAL PROTECTION TECHNOLOGY CO.,LTD.	5,000.00	Zhengzhou	Zhengzhou	Auto parts production and sales		100.00	Set up by investment
4	Yutong Hongkong Limited	HKD 1.00	Hongkong	Hongkong	Import and export trade	100.00		Business combination under the same control
5	YUTONG RUSSIA LIMITED	USD 2.00	Russia	Russia	Import and export trade		99.00	Business combination not under the same control
6	AUTOBUSES YUTONG DE VENEZUELA, S.A.	VES 30.00	Venezuela	Venezuela	Import and export trade		90.02	Set up by investment
7	CATHAYA INTERNATIONAL LIMITED	USD 5.00	British Virgin Islands (BVI)	British Virgin Islands (BVI)	Import and export trade		100.00	Set up by investment
8	SINOYUTONG INTERNATIONAL LTD	USD 100.00	Hongkong	Hongkong	Import and export trade	100.00		Set up by investment
9	YUTONG MIDDLE EAST FZE	AED 100.00	Dubai	Dubai	Import and export trade		100.00	Set up by investment
10	YUTONG LUXENBOURG S.A.R.L.	EUR 1.20	Luxembourg	Luxembourg	Import and export trade		100.00	Set up by investment
11	YUTONG FRANCE SAS	EUR 10.00	Paris, France	Paris, France	Import and export trade		100.00	Set up by investment
12	YUTONG TANZANIA	USD 5.00	Tanzania	Dar-es-Salaam	Import and export trade		100.00	Set up by investment
13	INSTANT ACCESS LIMITED	SAR 100.00	Kingdom of Saudi Arabia	Riyadh	Import and export trade		100.00	Set up by investment
14	YUTONG WORLDWIDE FZE	AED 10.00	United Arab Emirates	Dubai	Import and export trade		100.00	Set up by investment
15	YUTONG INTERNATIONAL TRADE PTE.LTD.	SGD 300.00	Singapore	Singapore	Import and export trade	100.00		Set up by investment
16	YUTONG HOLDCO PTE.LTD.	SGD 1.00	Singapore	Singapore	Import and export trade		100.00	Set up by investment



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						Directly	Indirectly	
17	YUTONG AUSTRALIA PTY LTD	AUD 1.00	Australia	Australia	Import and export trade		100.00	Set up by investment
18	YUTONG PHILIPPINES CORPORATION	USD 20.00	Philippines	Mandaluyong	Import and export trade		100.00	Set up by investment
19	YUTONG KAZAKHSTAN LIMITED	USD 3.00	Kazakhstan	Alma-Ata	Import and export trade		100.00	Set up by investment
20	YUTONG SPAIN HOLDCO S.L.	EUR 0.30	Spain	Spain	Import and export trade		100.00	Set up by investment
21	YUTONG PANAMA S.A.	USD 1.00	Panama	Panama	Import and export trade		100.00	Set up by investment
22	YUTONG DE MEXICO S.A. DE C.V.	MXN 20.00	Mexico	Mexico	Import and export trade		100.00	Set up by investment
23	YUTONG COLOMBIA SAS	USD 5.00	Colombia	Colombia	Import and export trade		100.00	Set up by investment
24	YUTONG CHILE SPA	USD 5.00	Chile	Chile	Import and export trade		100.00	Set up by investment
25	YUTONG CHILE IQUIQUE SPA	USD 5.00	Chile	Iquique	Import and export trade		100.00	Set up by investment
26	YUTONG-ECUADOR S.A.	USD 10.00	Ecuador	Quito, Ecuador	Import and export trade		100.00	Set up by investment
27	YUTONG PERU S.A.C.	USD 5.00	Peru	Lima, Peru	Import and export trade		100.00	Set up by investment
28	YUTONG (HK) INTERNATIONAL LIMITED	HKD 1.00	Hongkong	Hongkong	Import and export trade	100.00		Set up by investment
29	Hainan Yaoxing Transportation Group Co., Ltd.	10,000.00	Haikou	Haikou	Car, taxi, bus passenger transport	100.00		Business combination not under the same control
30	Haikou Jinlun Transportation Service Co., Ltd.	50.00	Haikou	Haikou	Tourist passenger transport		100.00	Business combination not under the same control
31	Hainan Yaoxing Group Haikou Wuyue Industrial Co., Ltd.	100.00	Haikou	Haikou	Service industry		100.00	Business combination under the same control
32	Hainan Yuxing Road Transportation Co., Ltd.	3,000.00	Haikou	Haikou	Transportation and storage	100.00		Set up by investment
33	Haikou Yuxing Road Transportation Co., Ltd.	1,000.00	Haikou	Haikou	Transportation and storage		100.00	Set up by investment
34	Xizang Kangrui Yingshi Industrial Co., Ltd.	70,000.00	Lhasa	Lhasa	Asset operation and investment management	100.00		Set up by investment
35	Zhongzheng Jiaotong Yutong (Lankao) Poverty Alleviation Industry Fund (L.P.)	10,010.00	Lankao	Lankao	Investment		99.90	Set up by investment
36	Zhengzhou Yucheng Mold Co., Ltd.	5,000.00	Zhengzhou	Zhengzhou	Mold and auto parts manufacturing		51.00	Business combination under the same control
37	Zhengzhou Saichuan Electronic	5,000.00	Zhengzhou	Zhengzhou	Technology development,		51.00	Business combination under



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						Directly	Indirectly	
	Technology Co., Ltd.				consulting, services			the same control
38	Zhengzhou Chongxin Real Estate Co., Ltd.	80,000.00	Zhengzhou	Zhengzhou	Real estate development and management	100.00		Set up by investment
39	Zhengzhou Tongrun Real Estate Co., Ltd.	60,050.00	Zhengzhou	Zhengzhou	Real estate development and management		100.00	Set up by investment
40	Zhengzhou Tongzhou Real Estate Co., Ltd.	5,050.00	Zhengzhou	Zhengzhou	Real estate development and management		100.00	Set up by investment
41	Zhengzhou Fengyu Real Estate Co., Ltd.	9,900.00	Zhengzhou	Zhengzhou	Real estate development and management	100.00		Set up by investment
42	Changsha Economic and Technological Development Zone Sannong Yutong Technology Co., Ltd.	4,000.00	Changsha	Changsha	Automobile and parts sales, service	100.00		Set up by investment
43	Wuhan Yutong Shunjie BUS Industry Co., Ltd.	4,000.00	Wuhan	Wuhan	Automobile and parts sales, service	100.00		Set up by investment
44	Nanning Yutong Shunjie Bus Co., Ltd.	4,000.00	Nanning	Nanning	Automobile and parts sales, service	100.00		Set up by investment
45	Chengdu Yutong Bus Technology Development Co., Ltd.	4,000.00	Chengdu	Chengdu	Automobile and parts sales, service	100.00		Set up by investment
46	Zaozhuang Lvxin Ruikong Automobile sales and service Co., Ltd.	1,000.00	Zaozhuang	Zaozhuang	Sales of automobiles	100.00		Set up by investment
47	Shenyang Yutong Shunjie Bus Service Co., Ltd.	4,000.00	Shenyang	Shenyang	Automobile and parts sales, service	100.00		Set up by investment
48	Guangzhou Zhilan Automobile Sales and Service Co., Ltd.	35,000.00	Guangzhou	Guangzhou	Automobile and parts sales, service	100.00		Set up by investment
49	Shenzhen Zhilan Automobile Sales Co., Ltd.	5,000.00	Shenzhen	Shenzhen	Automobile and parts sales, service	100.00		Set up by investment
50	Shenzhen Yutong Zhilian Technology Co., Ltd.	2,000.00	Shenzhen	Shenzhen	Software development and sales	100.00		Set up by investment
51	Changchun Ruiteng Automobile Sales and Service Co., Ltd.	500.00	Changchun	Changchun	Automobile and parts sales, service	100.00		Set up by investment
52	Shanghai Yutong Qingpu Automobile Technology Service Co., Ltd.	4,000.00	Shanghai	Shanghai	Automobile and parts sales, service	100.00		Set up by investment



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						Directly	Indirectly	
53	Chongqing Lvxin Ruikong Automobile Sales and Service Co., Ltd.	1,000.00	Chongqing	Chongqing	Automobile and parts sales, service	100.00		Set up by investment
54	Qingdao Lvxin Ruikong New Energy Technology Co., Ltd.	10,000.00	Qingdao	Qingdao	Automobile and parts sales, service	100.00		Set up by investment
55	Shanxi Lvxin Ruikong Automobile Sales Co., Ltd.	500.00	Taiyuan	Taiyuan	Automobile and parts sales, service	100.00		Set up by investment
56	Harbin Lvxin Automobile Sales Co., Ltd.	500.00	Harbin	Harbin	Automobile and parts sales, service	100.00		Set up by investment
57	Inner Mongolia Lvxin Ruikong Automobile Sales Co., Ltd.	1,000.00	Hohhot	Hohhot	Automobile and parts sales, service	100.00		Set up by investment
58	Tianjin Lvxin Ruikong Intelligent Transportation Development Co., Ltd.	10,000.00	Tianjin	Tianjin	Automobile and parts sales, service	100.00		Set up by investment
59	Lhasa Yutong Shunjie Automobile Sales Co., Ltd.	5,000.00	Lhasa	Lhasa	Automobile and parts sales, service	100.00		Set up by investment
60	Zhengzhou Tonghe Property Service Co., Ltd.	1,000.00	Zhengzhou	Zhengzhou	Property Services	100.00		Set up by investment
61	Zhengzhou Tongji Intelligent Technology Co., Ltd.	3,000.00	Zhengzhou	Zhengzhou	Technology development, consulting, services	100.00		Set up by investment
62	Suzhou Wanhao Automobile Sales and Service Co., Ltd.	1,001.00	Suzhou	Suzhou	Automobile and parts sales, service	100.00		Business combination not under the same control
63	Zhengzhou Ruitu Industrial Co., Ltd.	50.00	Zhengzhou	Zhengzhou	Leasing and service	100.00		Set up by investment
64	Zhengzhou Ruitan Industrial Co., Ltd.	50.00	Zhengzhou	Zhengzhou	Leasing and service	100.00		Set up by investment
65	Zhengzhou Yutong RV Co., Ltd.	5,000.00	Zhengzhou	Zhengzhou	Automobile and parts sales, service	100.00		Set up by investment
66	Zhengzhou Xuhua Enterprise Management Center (Limited Partnership)	49.00	Zhengzhou	Zhengzhou	Enterprise management services		1.00	Set up by investment
67	Zhengzhou Xubiao Enterprise Management Center (Limited Partnership)	49.00	Zhengzhou	Zhengzhou	Enterprise management services		1.00	Set up by investment
68	Zhengzhou Xuxin Enterprise Management Center (Limited Partnership)	49.00	Zhengzhou	Zhengzhou	Enterprise management services		1.00	Set up by investment



Serial number	Subsidiary	Registered capital (ten thousand yuan)	Main place of business	Place of registration	Business nature	Shareholding ratio(%)		Acquisition method
						Directly	Indirectly	
69	Zhengzhou Xurong Enterprise Management Center (Limited Partnership)	49.00	Zhengzhou	Zhengzhou	Enterprise management services		1.00	Set up by investment
70	Zhengzhou Xuzhou Enterprise Management Center (Limited Partnership)	49.00	Zhengzhou	Zhengzhou	Enterprise management services		1.00	Set up by investment
71	Beijing Changlv Automobile sales service Co., Ltd.	100.00	Beijing	Beijing	Automobile and parts sales, service		51.49	Set up by investment
72	Shanghai Pengke Automobile sales service Co., Ltd.	100.00	Shanghai	Shanghai	Automobile and parts sales, service		51.49	Set up by investment
73	Jinan Changlv Automobile sales service Co., Ltd.	100.00	Jinan	Jinan	Automobile and parts sales, service		51.49	Set up by investment
74	Shanxi Tuyou Automobile sales service Co., Ltd.	100.00	Shanxi	Shanxi	Automobile and parts sales, service		51.49	Set up by investment
75	Guangzhou Changlv Automobile sales service Co., Ltd.	100.00	Guangzhou	Guangzhou	Automobile and parts sales, service		51.49	Set up by investment
76	Xizang Debai Industrial Co., Ltd.	10,000.00	Lhasa	Lhasa	Enterprise management services	100.00		Set up by investment
77	Zhengzhou Ruibiao Enterprise Management Center (Limited Partnership)	180.00	Zhengzhou	Zhengzhou	Enterprise management services		1.00	Set up by investment
78	Shenzhen Yuxin Automobile sales service Co., Ltd.	400.00	Shenzhen	Shenzhen	Automobile and parts sales, service		55.45	Set up by investment
79	Xizang Deyou Industrial Co., Ltd.	10,000.00	Lhasa	Lhasa	Enterprise management services	100.00		Set up by investment
80	Jiangsu Lvxin Transportation Industry Co., Ltd.	50,000.00	Nanjing	Nanjing	Automobile and parts sales, service		100.00	Set up by investment
81	Hangzhou Lvxin Ruikong Automobile Sales and Service Co., Ltd.	2,000.00	Hangzhou	Hangzhou	Automobile and parts sales, service		100.00	Set up by investment
82	Hebei Xiongan Lvxin Ruikong New Energy Technology Co., Ltd.	500.00	Hebei Xiongan	Hebei Xiongan	Automobile and parts sales, service		100.00	Set up by investment

Note: The registered capital unit is 10,000 yuan, the currency of overseas subsidiaries is shown in the table above, and the currency of domestic subsidiaries is RMB.

(1)The basis for holding half or less voting rights but still controlling the investee

The company's subsidiaries, Zhengzhou Yutong RV Co., Ltd., Xizang Debai Industrial Co., Ltd.(hereinafter referred to as the Company), newly added the Zhengzhou Xuhua Enterprise



Management Center (limited partnership), Zhengzhou Xubiao Enterprise Management Center (limited partnership), Zhengzhou Xuxin Enterprise Management Center (limited partnership), Zhengzhou Xurong Enterprise Management Center (limited partnership), Zhengzhou Xuzhou Enterprise Management Center (limited partnership), Zhengzhou RuiBiao Enterprise Management Center (limited partnership) investment, the shareholding ratio of 1%, according to the articles of association, the company as a general partner, has the actual control of the invested units, so included in the scope of the merger.

2. Equity in joint-ventures or associates

i. Significant joint ventures and associates

Joint-ventures /associates	Main place of business	Place of registration	Business nature	Shareholding ratio(%)		Accounting treatment
				Directly	Indirectly	
Henan Jiuding Financial Leasing Co.,Ltd.	Zhengzhou	Zhengzhou	Financial Services	29.00		Equity method

ii. Main financial information of significant associates

Item	Closing balance/current period
	Henan Jiuding Financial Leasing Co.,Ltd.
Current assets	34,201,849,413.80
Non-current assets	808,596,971.53
Total assets	35,010,446,385.33
Current liabilities	31,231,698,247.82
Non-current liabilities	
Total liabilities	31,231,698,247.82
Minority interests	1,851,586,587.38
Attributable to shareholders of parent company	1,927,161,550.13
Shares of net assets in proportion	1,095,836,959.88
Adjustments	
—Goodwill	
—Unrealized profits from internal transactions	
—Others	-505,836,959.88
Book value of equity investment in joint ventures	590,000,000.00
Fair value of equity investments with public offer	
Revenue	1,295,548,238.44
Net profit	349,648,203.62
Net profit from discontinued operations	
Other comprehensive income	



Item	Closing balance/current period
	Henan Jiuding Financial Leasing Co.,Ltd.
Total comprehensive income	349,648,203.62
Dividends received from joint ventures of the current year	

Continued:

Item	Opening balance/ prior period
	Henan Jiuding Financial Leasing Co.,Ltd.
Current assets	32,373,325,717.56
Non-current assets	358,613,127.58
Total assets	32,731,938,845.14
Current liabilities	26,997,740,703.38
Non-current liabilities	2,305,053,366.20
Total liabilities	29,302,794,069.58
Minority interests	1,680,280,940.02
Attributable to shareholders of parent company	1,748,863,835.54
Shares of net assets in proportion	994,451,984.91
Adjustments	
—Goodwill	
—Unrealized profits from internal transactions	
—Others	
Book value of equity investment in joint ventures	994,451,984.91
Fair value of equity investments with public offer	
Revenue	1,064,266,157.28
Financial expenses	347,732,783.49
Income tax expenses	
Net profit	
Net profit from discontinued operations	347,732,783.49
Other comprehensive income	

Other notes:

Based on the changes in the macro environment of the financial leasing industry, the securities market conditions of financial institutions in the same industry and the company's transfer quotation, the company judges that there are signs of impairment in the equity of Henan Jiuding Financial Leasing Co., LTD., and estimates the recoverable amount of long-term equity investment in accordance with the provisions of Accounting Standards for Enterprises No. 8 - Asset Impairment. The book value of the equity investment in the associated enterprise after the adjustment of the Company's share of net assets based on shareholding ratio is 59000.00 ten



thousand yuan.

iii. Summary financial information of nonsignificant joint ventures and associates

Item	Closing balance/ current period	Opening balance/ prior period
Joint ventures:		
Total book value of investment	56,218,876.31	
Items calculated according to shareholding ratio	—	—
Net profit	48,720,926.19	
Other comprehensive income		
Total comprehensive income	48,720,926.19	
Associates:		
Total book value of investment	3,326,247.82	2,488,178.79
Items calculated according to shareholding ratio	—	—
Net profit	38,069.03	-272,517.78
Other comprehensive income		
Total comprehensive income	38,069.03	-272,517.78

IX. Government grants

1. Liabilities involving government subsidies

Accounting account	Opening balance	Increase in subsidies in the current period	Amount included in other income in the current period	Other changes (note 1)	Closing balance	Asset-related/ income-related
Deferred income	495,577,150.48	915,000.00	154,654,238.58	1,255,102.19	340,582,809.71	Asset-related
Deferred income	173,586,528.33	6,756,593.00	12,740,051.91	7,586,000.00	160,017,069.42	Income-related
Total	669,163,678.81	7,671,593.00	167,394,290.49	8,841,102.19	500,599,879.13	

Note 1: Among other changes, RMB 7,941,102.19 is paid to the project partner and RMB 900,000.00 is adjusted as part of the consideration received in advance in connection with the services provided by the company.

2. Government subsidies recognized in profit or loss for the current period

Subsidy project	Accounting account	Amount incurred in the current period	Amount incurred in the prior period	Asset-related/ income-related
Amortization of deferred earnings	Other income	167,394,290.49	228,449,098.41	Asset-related/ income-related
Industrial support and reward	Other income	107,713,185.00	126,435,594.00	Income-related
Market development subsidies	Other income		9,688,800.00	Income-related
Reward for talents	Other income	5,000,000.00	10,950,000.00	Income-related
Research and development subsidies	Other income	7,114,000.00	14,856,400.00	Income-related



VAT is refunded as soon as it is collected	Other income	4,876,339.11	8,322,058.80	Income-related
Others	Other income	8,619,872.91	16,716,548.92	Income-related
Total		300,717,687.51	415,418,500.13	

X.Risks relevant to financial instruments

Major financial instruments of the Company including cash and cash equivalents, equity investments, debt investments, loans, accounts receivable and accounts payable, etc. Operating activities of the Company are exposed to various financial risks: credit risk, liquidity risk and market risk. Risks related to these financial instruments and the risk management policies the Company adopted for lowering these risks are listed as below:

The Board of Directors is responsible for planning and establishing the Company's risk management structure, formulating the Company's risk management policies and related guidelines and overseeing the implementation of risk management measures. The Company has developed risk management policies to identify and analyze the risks to which the Company is exposed. These risk management policies clearly define specific risks and cover many aspects such as market risk, credit risk and liquidity risk management. The Company periodically evaluates changes in the market environment and the Company's business activities to determine whether to update its risk management policies and systems. The Company's risk management is carried out by the relevant departments in accordance with the policies approved by the Board of Directors. The Company's internal audit department conducts periodic reviews of risk management controls and procedures and reports the results to the Company's audit Committee. The Company diversifies its financial instrument risk through appropriate diversification of its investments and business portfolio, and reduces the risk of concentration in a single industry, a specific region or a specific counterparty by developing appropriate risk management policies.

1.Various types of risks arising from financial instruments

i. Credit risk

Credit risk refers to the risk that will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties. Appropriate credit policies are made by the management of the Company to constantly observe the exposure of these credit risks.

The Company only has trade with recognized third party with good credit standing as result of adoption of relevant policies. Credit-worthiness of the customers are evaluated based on financial position of the customer, possibility to guaranteed by a third party, credit record and other factors (i.e., present market condition), thus relevant credit periods are set. The Company monitors the



debtors' credit records regularly and ensures its overall credit risk within controllable range by written reminders, shorten or cancel credit periods to the debtors with bad credit history, in order to ensure that the Company will not be exposed to significant risk of bad debts. In addition, the Company reviews the recoverability of financial assets at the end of the reporting period to ensure that the adequate impairment losses are made for relevant financial assets.

Other financial assets of the Company comprise of cash and cash equivalents, other receivables, debt investments, Long-term receivables, etc. Credit risk from such financial assets is from default of counterparties, and its maximum risk exposure is equivalent to the carrying amount of such instruments. There is no external guarantee provided by the Company that may expose the Company to credit risk.

For cash and cash equivalents held by the Company are mainly saved at national banks and other large and medium-sized commercial bank, which are considered to have high prestige and good condition of assets by the management, thus it is considered to be no significant credit risk or no significant loss due to default of the opposite party. Deposits are manipulated after consideration of market reputation, scale of operation and financial background of each financial institution known, in order to restrict the credit risk amount of each single financial institution.

As part of credit risk management of the Company, impairment loss of accounts receivable and other receivables are assessed by means of aging analysis. For many clients are involved in accounts receivable and other receivables, aging can reflect the solvency and bad debt risk of these clients. Expected loss rate is determined on the basis of historical credit loss experience, after adjustment with the consideration of current conditions and future economic forecasts (i.e. national GDP growth, total capital investment, national monetary policy). For long-term receivables, the Company comprehensively considers the settlement period, the payment period agreed in the contract, the financial status of the debtor and the economic situation of the industry in which the debtor operates, and makes a reasonable assessment of the expected credit losses after taking into account the forward-looking information mentioned above.

As at 31 December 2023, book balance and ECL impairment of relevant assets are listed as below:

Item	Book balance	Provision for impairment
Notes receivable	246,702,765.75	48,957.98
Accounts receivable	5,683,521,408.62	1,714,728,514.36
Bank acceptances	211,076,691.04	
Other receivables	1,330,917,377.68	310,157,440.77
Debt investments	134,252,000.02	
Long-term receivables (Including amounts due within one year)	172,226,220.83	22,666,090.46



Item	Book balance	Provision for impairment
Total	7,778,696,463.94	2,047,601,003.57

The Company's main customers are large bus companies, etc. These customers are reliable and good standing, and therefore, the Company considers that these customers do not have significant credit risk. Due to the Company's broad customer base, there is no significant credit concentration risk.

As the Company's accounts receivable risk points are distributed among multiple partners and multiple customers, 49.07% of the Company's accounts receivable as of December 31, 2023 (December 31, 2022:41.19%) originated from the top five customers with balances, and the Company does not have significant credit concentration risk.

The Company's maximum credit exposure is the carrying value of each financial asset on its balance sheet.

For the bank financial products invested by the Company, the credit rating of the counterparty shall be higher than or the same as that of the Company. In view of the counterparty's good credit rating, the Company's management does not expect that the counterparty will be unable to meet its obligations.

ii. Liquidity risk

Liquidity risk is the risk that there is a shortage of capital when the Company repay the duty of delivering cash or other financial assets. The Company and its subsidiaries are responsible for self-cash flow forecasting. The management of the Company monitors rolling forecasts of the Company's short-term and long-term liquidity requirements to ensure it has sufficient cash and securities that are readily convertible to cash to meet operational needs, while maintaining sufficient headroom on its undrawn committed borrowing facilities from major financial institution so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities to meet the short-term and long-term liquidity requirements.

As at 31 December 2023, the undiscounted contractual cash flows of financial liabilities and guarantees off-balance sheet of the Company are listed as below by maturity date:

Item	Closing balance							Total
	Immediate payment	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Non-derivative financial liabilities								
Notes payable	3,305,579,159.12							3,305,579,159.12
Accounts payable	3,837,693,858.77							3,837,693,858.77



Item	Closing balance							Total
	Immediate payment	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Other payables	2,280,463,542.26							2,280,463,542.26
Other current liabilities	73,213,569.91							73,213,569.91
Current portion of non-current liabilities		4,110,702.05						4,110,702.05
Lease liabilities			3,563,828.13	3,663,718.42	3,073,575.48	2,003,445.87	1,220,484.73	13,525,052.63
Total	9,496,950,130.06	4,110,702.05	3,563,828.13	3,663,718.42	3,073,575.48	2,003,445.87	1,220,484.73	9,514,585,884.74

iii. Market risk

(1) Exchange rate risk

The main business of the company is located in China and the main business is settled in RMB. The company has a certain scale of export sales, export to many countries, transaction currencies, foreign exchange risks mainly include the following aspects:

Foreign exchange risk mainly comes from the volatility and unpredictability of exchange rate, resulting in the risk of loss of the company's foreign exchange assets or liabilities; The fluctuation of exchange rate will cause the company's export cost to increase or the customer's purchase cost to increase, reducing the customer's purchasing power.

1) The situation of forward foreign exchange contracts or currency swap contracts signed by the Company this year is as follows:

In order to reduce the impact of receivables on exchange rate fluctuations, the company has established a sound management mechanism and process, and signed full forward foreign exchange contracts with banks according to the receivables contract to avoid foreign exchange risks. The forward foreign exchange contracts performed by the Company during the year are as follows:

Unit: ten thousand yuan

Item	USD	EUR	AUD	GBP	MXN	DKK	AMD	QAR
Sign a contract	62,124.88	41,952.41	6,691.03	1,518.56	218,274.32	1,400.43	139,980.24	26,788.47
Complete the delivery	44,606.93	17,199.45	4,465.36	1,518.56	215,329.10	1,400.43	139,980.24	26,788.47
Not yet due	17,517.95	24,752.96	2,225.67		2,945.22			
Revenue	-1,472.17	-1,746.16	146.31	-84.66	-9,578.77	-22.51	-144.56	-71.36

2) As at 31 December 2023, the foreign currency financial assets and foreign currency liabilities held by the Company are converted into RMB and listed as below:



Item	Closing balance				
	USD	EUR	AUD	Others	Total
Foreign currency financial assets:					
Cash and Cash equivalents	189,834,782.22	449,681,936.00	117,733,729.25	127,955,250.12	885,205,697.59
Accounts receivable	1,640,078,515.84	19,684,740.42		8,563,566.73	1,668,326,822.99
Other receivables	241,252,278.50		3,770,632.19	1,574,550.70	246,597,461.39
Subtotal	2,071,165,576.56	469,366,676.42	121,504,361.44	138,093,367.55	2,800,129,981.97
Foreign currency financial liabilities:					
Accounts payable	31,794,548.89	2,944,595.30			34,739,144.19
Other payables	191,079,592.27	5,608,755.65	184,411.80	3,147,492.23	200,020,251.95
Subtotal	222,874,141.16	8,553,350.95	184,411.80	3,147,492.23	234,759,396.14

3) Sensitivity analysis:

As of December 31, 2023, for various foreign currency financial assets and financial liabilities of the Company, if RMB appreciates or depreciates by 10% against them and other factors remain unchanged, the Company will reduce or increase its net profit by approximately 256,537,058.58 yuan (approximately 241,713,377.55 yuan in 2022).

(2) Interest rate risk

The company's interest rate risk mainly arises from bank borrowings. Financial liabilities with floating interest rate expose the Company to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Company to fair value interest rate risk. The Company determines the relative proportion of fixed and floating rate contracts based on prevailing market conditions.

The company's finance department continuously monitors the company's interest rate level. An increase in interest rates will increase the cost of new interest-bearing debt and the Company's outstanding interest expense on interest-bearing debt with floating interest rates, and will have a material adverse impact on the Company's financial performance. The management will make timely adjustments based on the latest market conditions.

As of December 31, 2023, the Company has no floating rate contracts.

2.Hedging

i. The company carries out hedging business for risk management

Item	Corresponding risk management strategies	Qualitative and quantitative information on hedged risk	The economic relationship between the	Expected effective realization of risk	The impact of corresponding
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	and objectives		hedged item and the related hedging instrument	management objectives	hedging activities on risk exposure
Overseas vehicle sales collection and overseas purchase payment hedging business	In order to effectively avoid the risk of exchange rate fluctuations in the process of overseas vehicle and spare parts sales, raw materials and equipment imports, we use hedging as a means to lock the cost and income of orders in advance to avoid the impact of exchange rate fluctuations on the company's earnings	The amount of forward foreign exchange transactions conducted by the Company is based on the Company's forecast of foreign currency collection, the amount of foreign currency in forward foreign exchange contracts shall not exceed the expected amount of foreign currency collection in the future, and the delivery period of forward foreign exchange business shall match the time of foreign currency collection predicted by the Company	As the foreign exchange return ultimately needs to be settled into RMB, the spot settlement exchange rate fluctuates from time to time due to market influence. In order to avoid the risk of future exchange rate fluctuations, the settlement exchange rate is locked in advance through hedging tools according to the predicted return time and amount	The company has established a sound foreign exchange management mechanism and process, and tracks the execution of orders through information technology to ensure that the amount and time of foreign exchange payment match the locked amount and time, so as to avoid risk exposure and delivery delay	The hedging business of the company is mainly based on the forecast return of all overseas sales orders, and the foreign exchange settlement is based on the locked exchange rate after the payment is received, so as to hedge the risk of uncertain exchange rate on the payment date

ii. The company carries out qualified hedge business and applies hedge accounting

Item	Book value related to hedged items and hedging instruments	The cumulative fair value hedge adjustment of the hedged item included in the recognized carrying value of the hedged item	Hedging validity and hedging invalidity are part of the source	The impact of hedge accounting on the financial statements of the company
Type of hedging risk				
Exchange rate risk	-23,827,170.95	Inapplicability	The correlation between the hedged item and the hedged instrument	-142,717,314.55
Hedging class				
Fair value hedge	-23,827,170.95	Inapplicability	The correlation between the hedged item and the hedged instrument	-142,717,314.55

3.Financial assets

i. Transfer method classification

transfer method	The nature of the transferred financial assets	Amount of financial assets transferred	Termination recognition condition	The judgment basis of the termination of confirmation
Endorsement	Bank acceptance not yet due	344,825,653.67	Termination acknowledgement	With acceptance by a bank with a higher credit rating, the credit risk and delayed payment risk are small, and the interest rate risk related to the bill has been transferred to the bank, it can be judged that the main risks and rewards on the ownership of the bill have been transferred, so the confirmation is terminated
Endorsement	Bank acceptance not yet due	73,213,569.91	Untermiated acknowledgement	
Factoring	Accounts receivable	1,369,177,756.84	Termination acknowledgement	Transfer to a financial institution without recourse
Total		1,787,216,980.42		



ii. Financial assets whose recognition has been terminated by transfer

Item	transfer method	The amount of financial assets that have been de-recognized	Gains or losses associated with the termination of recognition
Bank acceptance not yet due	Endorsement	344,825,653.67	
Accounts receivable	Factoring	1,369,177,756.84	-35,705,554.18
Total		1,714,003,410.51	-35,705,554.18

XI.Fair value

1.Financial instruments measured at fair value

The Company presents book value of financial assets in accordance of three levels of fair value on 31 December 2023. If the inputs used to measure fair value are categorized into three different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement. Definitions of three levels are listed as below:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 2 inputs include: 1) quoted prices for similar assets or liabilities in active markets; 2) quoted prices for identical or similar assets or liabilities in markets that are not active; 3) inputs other than quoted prices that are observable for the asset or liability, for example interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads; 4) inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs').

Level 3 inputs are unobservable inputs for the asset or liability.

2.Fair value measurement at end of the period

i. Continuous fair value measurement

Item	Fair value at end of the period			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss			100,121,315.07	100,121,315.07
Wealth management products			100,121,315.07	100,121,315.07



Item	Fair value at end of the period			
	Level 1	Level 2	Level 3	Total
Financing receivables			211,076,691.04	211,076,691.04
Other equity instruments investments	250,965,362.94		1,228,799,400.00	1,479,764,762.94
Other non-current financial assets		451,773,277.44	147,030,000.00	598,803,277.44
Total assets	250,965,362.94	451,773,277.44	1,687,027,406.11	2,389,766,046.49
Financial liabilities at fair value through profit or loss		45,558,310.35		
Forward foreign exchange contract		45,558,310.35		
Total liabilities		45,558,310.35		

3.The basis for determining the market price of continuous and non-continuous level 1 fair value measurement items:

It is the unadjusted quotation of the same asset or liability available in the active market at the measurement date.

4.Qualitative and quantitative information on the valuation techniques used and important parameters for continuous and non-continuous level 2 fair value measurement items

- i. It is the directly or indirectly observable input value of the relevant asset or liability in addition to the input value of the first level;
- ii. The second level of input values include: quotations of similar assets or liabilities in active markets; Quotations of the same or similar assets or liabilities in inactive markets; Observable inputs other than quotes, including interest rates and yield curves, implied volatility and credit spreads, etc., that are observable during normal quotes intervals; Input values for market verification, etc.

5.Qualitative and quantitative information on the valuation techniques used and important parameters for continuous and non-continuous level 3 fair value measurement items

Valuation techniques are used to determine the fair value of certain items invested in other equity instruments that are not traded in active markets. The valuation model used is mainly discounted cash flow model.

For some projects invested in other equity instruments that are not traded in the active market, it is not feasible to adopt income method or market method to evaluate the equity of the invested company due to the low equity held by the company and no significant impact, and the invested company has not introduced external investors or transferred equity between shareholders in the



near future, which can be used as the reference basis for determining the fair value. In addition, from the analysis of relevant information available, the company has not found that the internal and external environment of the invested unit has changed significantly since the beginning of the year, so it is a "limited situation" in which book cost is the best estimate of fair value, so cost is taken as fair value at the end of the year.

6.Continuous fair value measurement items, if there is a conversion between various levels during the current period, the reasons for the conversion and the policy for determining the timing of the conversion

The above continuous fair value measurement items of the Company did not have conversion between levels during the year.

7.Changes in valuation technology during the current period and reasons for the changes

The fair value valuation technique of the Company's financial instruments has not changed during the year.

8.The fair value of financial assets and financial liabilities not measured at fair value

Financial assets and liabilities not measured at fair value mainly include: receivables, creditor's rights investment, short-term borrowings, payables, non-current liabilities due within one year, lease liabilities.

The difference between the carrying amount and fair value of the above financial assets and liabilities not measured at fair value is very small.

XII.Related parties and related party transactions

1.The company's parent company

Parent company	Place of registration	Business nature	Registered capital (ten thousand yuan)	Shareholding ratio of parent company to the company(%)	Proportion of voting rights of parent company to the company(%)
Zhengzhou Yutong Group Co.,Ltd.	Zhengzhou	Machinery manufacturing, finance, investment, etc	80,000.00	37.70	37.70

The ultimate controlling party of the company is Tang Yuxiang.

2.Please refer to the notes VIII-1 for details of the company's subsidiaries.



3. Joint venture and associates of the enterprise

Please refer to the notes VIII-2 for details of the company's joint venture and associates.

The situation of other joint ventures or associated enterprises which have related party transactions with the Company during the current period or the balance of related party transactions with the Company in the previous period is as follows:

Joint-ventures or associates	Relationship with the company
TOO "QazTehna"	Joint-ventures
Guangzhou Yuhao Automobile Sales Co.,Ltd.	associates

4. Other related parties

Name of other related parties	Relationship with the company
Zhengzhou Yutong Heavy Industries Co.,Ltd.	A controlling subsidiary of the parent company
Aolande Environmental Technology Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Shenlan Power Technology Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Zony Heavy Industries Co., Ltd.	A controlling subsidiary of the parent company
EWEA-TECH Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Yutong mining equipment Co., Ltd.	A controlling subsidiary of the parent company
Zhengzhou Yutong Group Finance Co.,Ltd.	A controlling subsidiary of the parent company
SINOMACHINARY INTERNATIONAL LIMITED	A controlling subsidiary of the parent company
Henan Haiwei New Energy Technology Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Zhibo Environmental Technology Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Dingju New Material Technology Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Shanxiang New Energy Technology Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Zhibo Electromechanical Equipment Co.,Ltd.	A controlling subsidiary of the parent company
Yutong Commercial Vehicle Co.,Ltd.	A controlling subsidiary of the parent company
Yutong Light Commercial Vehicle Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Yujia Auto Supplies Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Yipinju Industrial Co.,Ltd.	A controlling subsidiary of the parent company
Henan Liwei New Energy Technology Co., Ltd.	A controlling subsidiary of the parent company
Henan Kuailu Travel Service Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Huizhongzhicheng Education Technology Co.,Ltd.	A controlling subsidiary of the parent company
SAILING INTERNATIONAL LEASING LIMITED	A controlling subsidiary of the parent company
Zhengzhou Zunpin trading Co.,Ltd.	A controlling subsidiary of the parent company
Zhengzhou Yuansheng Enterprise Management Co.,Ltd.	Same actual controller
Henan Lvdu Property Service Co.,Ltd.	Same actual controller
Anhe Financial Leasing Co.,Ltd.	Same actual controller



Name of other related parties	Relationship with the company
Anying Commercial Factoring Co.,Ltd.	Same actual controller
Zhengzhou Haohan Technology Co.,Ltd.	Same actual controller
Jiangsu Haofeng Construction Engineering Co.,Ltd.	Same actual controller
Shanghai Lvlan Engineering Consulting Co.,Ltd.	Same actual controller
Tianjin Oasis Construction Technology Co.,Ltd.	Same actual controller
Shanghai Huitong Energy Co.,Ltd.	Same actual controller
Henan Maodu decoration engineering Co.,Ltd.	Same actual controller
Zhengzhou Bainian Dehua Business Management Co.,Ltd.	Same actual controller
Zhengzhou Yiren Industrial Co.,Ltd.	Same actual controller
Henan Tengdu Real Estate Marketing Planning Co.,Ltd.	Same actual controller
Zhengzhou Beiouke Safety Technology Co.,Ltd.	Other
Zhengzhou Traffic Transportation Company	Other
Zhengzhou Zhongcheng Lubrication Technology Co.,Ltd.	Other

5.Related party transaction

i. For subsidiaries that have a controlling relationship and have been included in the scope of the Company's consolidated financial statements, their mutual transactions and parent-subsidiary transactions have been offset.

ii. Purchase of goods and receiving of service

Related party	Nature of related party transactions	Amount in the current period	Amount in the prior period
Anhe Financial Leasing Co.,Ltd.	Financing services	527,645.73	15,826,416.25
Anhe Financial Leasing Co.,Ltd.	Mortgage discount interest	8,774,678.27	36,129,424.10
Anhe Financial Leasing Co.,Ltd.	Receiving of service	1,350,000.00	
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	Purchase of goods	3,052,526.44	6,040,155.79
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	Receiving of service	19,160,813.52	17,885,904.57
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	Leasing services	259,542.37	180,466.34
Zhengzhou Lvdu Real Estate Group Co.,Ltd. and its controlled subsidiaries	Purchase of goods		482,237.05
Zhengzhou Lvdu Real Estate Group Co.,Ltd. and its controlled subsidiaries	Receiving of service	17,395,313.40	46,628,781.81
Zhengzhou Yuansheng Enterprise Management Co.,Ltd. and its controlled subsidiaries	Purchase of goods	337,137.58	
Zhengzhou Yuansheng Enterprise Management Co.,Ltd. and its controlled subsidiaries	Receiving of service	1,728,334.73	
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Purchase of goods	338,697,001.96	353,773,785.59
Zhengzhou Yutong Group Co.,Ltd. and its controlled	Receiving of	27,468,509.11	47,418,002.78



Related party	Nature of related party transactions	Amount in the current period	Amount in the prior period
subsidiaries	service		
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Purchase of fixed assets	6,624,007.20	2,655,558.23
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Financing services	29,963,235.68	30,094,980.15
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Leasing services	973,612.24	
Zhengzhou Zhongcheng Lubrication Technology Co.,Ltd.	Purchase of goods	14,443,667.57	
Zhengzhou Yutong Group Finance Co.,Ltd.	Mortgage discount interest		49,429.71
Zhengzhou Shenlan Power Technology Co.,Ltd.	Purchase of goods	561,262,386.04	1,035,216,083.94
Zhengzhou Shenlan Power Technology Co.,Ltd.	Receiving of service	319,792.18	5,058,985.68
EWEA-TECH Co.,Ltd.	Purchase of goods	108,070,041.49	136,014,546.23
EWEA-TECH Co.,Ltd.	Receiving of service	183,263.20	744,278.97
Zhengzhou Shanxiang New Energy Technology Co.,Ltd.	Purchase of goods		21,708,251.40
Zhengzhou Beiouke Safety Technology Co.,Ltd.	Purchase of goods	29,814,475.95	38,629,476.34
Zhengzhou Beiouke Safety Technology Co.,Ltd.	Receiving of service	633,431.73	291,400.30
Zhengzhou Bainian Dehua Business Management Co.,Ltd.	Receiving of service	35,000.00	597,101.53
Anying Commercial Factoring Co.,Ltd.	Financing services	2,068,371.66	3,018,454.03
Anying Commercial Factoring Co.,Ltd.	Mortgage discount interest	34,457,685.35	10,540,374.81
Shanghai Huitong Energy Co.,Ltd.	Advisory services		2,674,528.30
Shanghai Huitong Energy Co.,Ltd.	Receiving of service	213,537.74	
Henan Maodu decoration engineering Co.,Ltd.	Receiving of service	677,331.10	
Total		1,208,491,342.24	1,811,658,623.90

iii. Sales of goods and rendering of service

Related party	Nature of related party transactions	Amount in the current period	Amount in the prior period
Anhe Financial Leasing Co.,Ltd.	Sale of finished vehicles		2,150,442.49
Anhe Financial Leasing Co.,Ltd.	Sales of Materials	1,106.82	1,907.08
Anhe Financial Leasing Co.,Ltd.	rendering of service	1,849,878.17	1,894,116.91
Anhe Financial Leasing Co.,Ltd.	Leasing services	572,773.25	
Anying Commercial Factoring Co.,Ltd.	rendering of service	1,052,530.42	
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	Sale of finished vehicles	76,418.58	409,734.51
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	Sales of Materials	79,579,194.36	107,070,658.49
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	rendering of service	18,781,753.62	27,623,848.49



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Related party	Nature of related party transactions	Amount in the current period	Amount in the prior period
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	Leasing services	18,316.89	
Yutong Heavy Industries Co.,Ltd. and its controlled subsidiaries	Sales of fixed assets		29,230.09
Zhengzhou Beiouke Safety Technology Co.,Ltd.	Sales of Materials	1,476,183.44	1,295,844.53
Zhengzhou Beiouke Safety Technology Co.,Ltd.	rendering of service	275,809.87	884,549.89
Zhengzhou Traffic Transportation Company	Sale of finished vehicles	1,400,353.98	
Zhengzhou Traffic Transportation Company	Sales of Materials	3,502.13	18,892.47
Zhengzhou Lvdu Real Estate Group Co.,Ltd. and its controlled subsidiaries	Sales of Materials		3,426,384.99
Zhengzhou Lvdu Real Estate Group Co.,Ltd. and its controlled subsidiaries	rendering of service	410,461.36	419,565.01
Zhengzhou Yuansheng Enterprise Management Co.,Ltd. and its controlled subsidiaries	rendering of service	1,016,066.76	
Zhengzhou Bainian Dehua Business Management Co.,Ltd.	rendering of service	49,319.34	32,924.53
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Sale of finished vehicles	17,194,939.53	16,627,224.81
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Sales of Materials	251,011,780.93	227,758,190.72
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	rendering of service	94,485,965.81	52,264,500.30
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Sales of fixed assets	1,218.10	191,232.73
Zhengzhou Yutong Group Co.,Ltd. and its controlled subsidiaries	Leasing services	5,357,106.92	
Zhengzhou Zhongcheng Lubrication Technology Co.,Ltd.	Sales of Materials	57,368.04	
Zhengzhou Zhongcheng Lubrication Technology Co.,Ltd.	rendering of service	122,234.09	
Zhengzhou Yiren Industrial Co.,Ltd.	rendering of service	19,443.40	
Zhengzhou Yutong Group Finance Co.,Ltd.	Leasing services	277,875.00	
Zhengzhou Yutong Group Finance Co.,Ltd.	rendering of service	260,402.87	
Zhengzhou Shenlan Power Technology Co.,Ltd.	Sales of Materials	519,795.99	973,835.17
Zhengzhou Shenlan Power Technology Co.,Ltd.	rendering of service	7,049,322.75	19,394,308.55
Zhengzhou Shenlan Power Technology Co.,Ltd.	Leasing services	10,943.12	
EWEA-TECH Co.,Ltd.	Sales of Materials	8,488,129.08	16,974,063.34
EWEA-TECH Co.,Ltd.	rendering of service	1,498,829.33	2,586,934.39
EWEA-TECH Co.,Ltd.	Sales of fixed assets		26,000.01
Zhengzhou Shanxiang New Energy Technology Co.,Ltd.	Sales of Materials		1,757,306.81
Zhengzhou Shanxiang New Energy Technology Co.,Ltd.	rendering of service		1,384,333.33
Shanghai Huitong Energy Co.,Ltd.	rendering of service	31,064.43	
TOO "QazTehna"(note)	Sale of finished vehicles	1,415,272,505.00	
合计		1,908,222,593.38	485,196,029.64



Note: The Company's new investment in TOO "QazTehna" in the current period, the investment agreement stipulated that the relevant rights retroactive to April 21, 2021, the Company in 2021 and 2022 to TOO "QazTehna" vehicle sales of 213,626,338.50 yuan, 325,043,908.00 yuan.

iv. Related party deposits and loans

(1) Deposit

Related party	Opening balance	Deposit in the current period	Withdraw in current period	Closing balance
Zhengzhou Yutong Group Finance Co.,Ltd.	2,825,809,209.61	51,713,330,305.77	51,691,725,387.90	2,847,414,127.48
Total	2,825,809,209.61	51,713,330,305.77	51,691,725,387.90	2,847,414,127.48

(2) Interest on deposits

Related party	Pricing method and decision-making procedure of related party transactions	Amount in the current period		Amount in the prior period	
		Amount	Proportion of similar transactions(%)	Amount	Proportion of similar transactions(%)
Zhengzhou Yutong Group Finance Co.,Ltd.	Market price	54,593,695.03	37.26	39,927,808.89	64.40
Total		54,593,695.03		39,927,808.89	

(3) Commission fees and account management fees

Related party	Related party transaction	Pricing method and decision-making procedure of related party transactions	Amount in the current period		Amount in the prior period	
			Amount	Proportion of similar transactions (%)	Amount	Proportion of similar transactions(%)
Zhengzhou Yutong Group Finance Co.,Ltd.	Commission fees and account management fees	Market price	1,538,614.18	6.49	856,237.00	5.04
Total			1,538,614.18		856,237.00	

(4) Factoring

Item	Amount in the current period	Amount in the prior period
Anying Commercial Factoring Co.,Ltd.	567,524,160.00	309,520,035.00
SAILING INTERNATIONAL LEASING LIMITED	692,772,496.82	413,008,896.86
Total	1,260,296,656.82	722,528,931.86

(5) Other businesses

As of December 31, 2023, the amount of outstanding guarantees issued by the Company and its subsidiaries in Zhengzhou Yutong Group Finance Co., Ltd. is 251,476,259.50 yuan.

v. Remuneration of key management personnel



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Item	Amount in the current period	Amount in the prior period
Remuneration of key management personnel	11,306,462.01	9,789,354.01

vi. Other related party transactions

Related party transaction	Related party	Amount in the current period	Amount in the prior period
Acquisition of equity	SINOMACHINARY INTERNATIONAL LIMITED		65,739.55
Total			65,739.55

vii. Receivables and payables of related parties

(1) Receivables from related parties

Item	Related party	Closing balance		Opening balance	
		Carrying value	Bad debts	Carrying value	Bad debts
Accounts receivable					
	Zhengzhou Yutong Group Co.,Ltd.	41,674,668.91	2,083,733.43		
	Zhengzhou Yutong Heavy Industries Co.,Ltd.	8,574,660.50	428,733.02	15,107,164.78	755,358.24
	EWEA-TECH Co.,Ltd.	5,023,413.34	251,170.67	2,946,011.17	147,300.56
	Zhengzhou Yutong mining equipment Co., Ltd.	3,499,769.35	174,988.47	4,196,257.74	209,812.89
	Guangzhou Yuhao Automobile Sales Co.,Ltd.	3,478,168.71	1,008,144.23	28,326,372.78	9,699,435.53
	Henan Haiwei New Energy Technology Co.,Ltd.	2,327,573.01	116,378.65	3,822,690.75	191,134.54
	Yutong Commercial Vehicle Co.,Ltd.	1,770,259.39	88,512.98	11,053,488.21	552,674.41
	Yutong Light Commercial Vehicle Co.,Ltd.	429,848.94	21,492.45	8,430,910.14	421,545.51
	Jiangsu Haofeng Construction Engineering Co.,Ltd.	398,185.67	38,028.53	362,385.00	18,119.25
	Zhengzhou Zony Heavy Industries Co., Ltd.	353,072.90	17,653.64	343,924.84	17,196.24
	Zhengzhou Yujia Auto Supplies Co.,Ltd.	222,248.54	11,112.43	116,128.07	5,806.40
	Zhengzhou Shenlan Power Technology Co.,Ltd.	83,791.48	4,189.57	66,902.21	3,345.11
	Zhengzhou Shanxiang New Energy Technology Co.,Ltd.	4,624.37	231.22	420,564.95	21,028.25
	Zhengzhou Haohan Technology Co.,Ltd.	2,211.26	110.56		
	Zhengzhou Traffic Transportation Company	1,068.56	53.43		
	Zhengzhou Zhibo Environmental Technology Co.,Ltd.			685,591.08	34,279.55
	Tianjin Oasis Construction Technology Co.,Ltd.			35,800.67	1,790.03
Notes receivable					
	Zhengzhou Yutong Group Co.,Ltd.	48,602,202.84			
	Yutong Commercial Vehicle Co.,Ltd.	9,750,449.62		58,703,959.83	



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Item	Related party	Closing balance		Opening balance	
		Carrying value	Bad debts	Carrying value	Bad debts
	Zhengzhou Yutong Heavy Industries Co.,Ltd.	8,077,401.38		9,231,771.71	
	Henan Haiwei New Energy Technology Co.,Ltd.	2,594,489.99		7,817,075.07	
	EWEA-TECH Co.,Ltd.	2,240,388.19		2,327,462.58	
	Zhengzhou Yutong mining equipment Co., Ltd.	1,488,457.36		2,840,463.06	
	Zhengzhou Zhibo Environmental Technology Co.,Ltd.	1,200,000.00		14,442,334.06	
	Yutong Light Commercial Vehicle Co.,Ltd.	742,008.72		2,979,887.42	
	Zhengzhou Zony Heavy Industries Co., Ltd.	122,827.83			
Financing receivables					
	Henan Haiwei New Energy Technology Co.,Ltd.	1,813,116.35		751,866.38	
	Zhengzhou Yutong Heavy Industries Co.,Ltd.	1,294,269.38		2,216,050.00	
	Yutong Light Commercial Vehicle Co.,Ltd.	553,447.20			
	Yutong Commercial Vehicle Co.,Ltd.			5,328,586.06	
	Zhengzhou Shanxiang New Energy Technology Co.,Ltd.			320,000.00	
	Zhengzhou Yutong mining equipment Co., Ltd.			160,233.74	
Prepayments					
	Zhengzhou Yipinju Industrial Co.,Ltd.	1,102,223.60		198,699.08	
Other receivables					
	Anhe Financial Leasing Co.,Ltd.	1,060,528,439.41	268,527,930.83	917,030,101.21	159,735,266.39
	Anying Commercial Factoring Co.,Ltd.	130,980,661.86	7,325,867.30	22,211,709.12	1,110,585.46
Contract assets					
	Zhengzhou Yutong Heavy Industries Co.,Ltd.	756,600.00	37,830.00		
	Henan Haiwei New Energy Technology Co.,Ltd.	441,700.00	44,170.00	441,700.00	22,085.00
	Zhengzhou Yutong mining equipment Co., Ltd.	35,100.00	1,755.00		
	Yutong Commercial Vehicle Co.,Ltd.	15,000.00	750.00		
	Yutong Light Commercial Vehicle Co.,Ltd.	15,000.00	750.00		
	Zhengzhou Zony Heavy Industries Co., Ltd.	10,587.72	1,058.77	10,587.72	529.39
	Zhengzhou Shenlan Power Technology Co.,Ltd.	7,784.89	778.49	7,784.89	389.24

(2) Payables to related parties

Item	Related party	Closing balance	Opening balance
Receipts in			



Yutong Bus CO.,LTD.
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Item	Related party	Closing balance	Opening balance
advance			
	Yutong Light Commercial Vehicle Co.,Ltd.		441,225.13
	Zhengzhou Traffic Transportation Company		372,731.55
	Zhengzhou Shenlan Power Technology Co.,Ltd.		3,813.11
Contract liabilities			
	Zhengzhou Traffic Transportation Company	336,613.89	
	Zhengzhou Huizhongzhicheng Education Technology Co.,Ltd.	8,849.56	
	TOO "QazTehna"	36,501,173.00	
Other current liabilities			
	Zhengzhou Traffic Transportation Company	43,759.81	
	Zhengzhou Huizhongzhicheng Education Technology Co.,Ltd.	1,150.44	
Notes payable			
	Henan Haiwei New Energy Technology Co.,Ltd.	212,013.47	
Accounts payable			
	Zhengzhou Yipinju Industrial Co.,Ltd.	1,634,333.87	1,653,082.73
	Zhengzhou Shenlan Power Technology Co.,Ltd.	23,623,387.61	135,367,373.23
	Zhengzhou Yujia Auto Supplies Co.,Ltd.	2,931,800.43	4,613,680.97
	Henan Liwei New Energy Technology Co., Ltd.	715,098.70	2,355,850.05
	Zhengzhou Zhibo Environmental Technology Co.,Ltd.	2,288,810.83	6,224,022.30
	EWEA-TECH Co.,Ltd.	7,343,401.23	25,743,866.06
	Zhengzhou Zhongcheng Lubrication Technology Co.,Ltd.		1,821,495.34
	Zhengzhou Beiouke Safety Technology Co.,Ltd.	1,378,105.16	8,714,020.62
	Henan Lvdu Property Service Co.,Ltd.	1,341.18	678,351.93
	Shanghai Lvlan Engineering Consulting Co.,Ltd.	285,271.79	366,204.39
	Zhengzhou Dingju New Material Technology Co.,Ltd.		73,417.16
	Zhengzhou Shanxiang New Energy Technology Co.,Ltd.	613,008.00	4,730,263.18
	Yutong Light Commercial Vehicle Co.,Ltd.	16,371,182.48	40,157,694.91
	Zhengzhou Yutong Group Co.,Ltd.		40,091.95
	Henan Haiwei New Energy Technology Co.,Ltd.	13,054,164.60	13,402,731.59
	Zhengzhou Zhibo Electromechanical Equipment Co.,Ltd.	350,085.84	288.00
	Jiangsu Haofeng Construction Engineering Co.,Ltd.	3,877,924.65	3,923,207.93
	SAILING INTERNATIONAL LEASING LIMITED		633,618.44



Item	Related party	Closing balance	Opening balance
	Yutong Commercial Vehicle Co.,Ltd.	1,404,891.74	121,140.04
	Zhengzhou Haohan Technology Co.,Ltd.	2,987,630.52	2,105,071.94
	Zhengzhou Yutong mining equipment Co., Ltd.		19,109.92
	Zhengzhou Yutong Heavy Industries Co.,Ltd.	504.21	15,179.08
	Anying Commercial Factoring Co.,Ltd.	39,550,733.05	
	Zhengzhou Zunpin trading Co.,Ltd.	530.00	
	Henan Maodu decoration engineering Co.,Ltd.	176,806.12	
Other payables			
	Aolande Environmental Technology Co.,Ltd.	538,000.00	538,000.00
	Guangzhou Yuhao Automobile Sales Co.,Ltd.	500,000.00	500,000.00
	Zhengzhou Yipinju Industrial Co.,Ltd.	280,000.00	230,000.00
	Henan Kuailu Travel Service Co.,Ltd.	200,000.00	1,000,000.00
	Henan Liwei New Energy Technology Co., Ltd.	151,000.00	
	Zhengzhou Zhibo Electromechanical Equipment Co.,Ltd.	102,855.08	102,855.08
	Jiangsu Haofeng Construction Engineering Co.,Ltd.	51,870.00	19,093.35
	Zhengzhou Huizhongzhicheng Education Technology Co.,Ltd.	25,000.00	15,000.00
	Henan Maodu decoration engineering Co.,Ltd.	6,900.30	
	Zhengzhou Haohan Technology Co.,Ltd.	192.95	192.95
	Henan Tengdu Real Estate Marketing Planning Co.,Ltd.		20,000.00
	Zhengzhou Yutong Group Co.,Ltd.		5,327,702.11
	Zhengzhou Zhibo Environmental Technology Co.,Ltd.		20,838.27
	SINOMACHINARY INTERNATIONAL LIMITED		62,219.60

XIII.Commitments and contingencies

1.Significant commitments

The Company has no material commitments that need to be disclosed.

2.Important contingent event on the balance sheet date

i. Issue letters of guarantee and letters of credit

As of December 31, 2023, the details of issued and unexpired letters of credit and letters of guarantee are as follows:

Item	USD	EUR	CNY	MNT	QAR	MXN
Letter of credit		4,981,176.00				



Item	USD	EUR	CNY	MNT	QAR	MXN
Letter of guarantee	47,949,835.27	85,360,081.09	927,414,046.48	14,164,386,765.00	2,977,729.10	2,987,830.00

ii. Other contingent liabilities (excluding contingent liabilities that are highly unlikely to result in outflow of economic benefits from the enterprise)

Customers purchase vehicles through financing by selecting appropriate financial instruments and financing parties, and the company undertakes repurchase responsibility for part of the business, by the end of the reporting period, the balance of repurchase liability borne by the company is 5.08 billion yuan, among which the mortgage loan business cooperated with Zhengzhou Anchi Guarantee Co.,Ltd. bears 2.513 billion yuan of repurchase liability.

On 1 September 2011, Zhengzhou Yutong Group Co.,Ltd., the controlling shareholder of Zhengzhou Anchi Guarantee Co.,Ltd. (the financing support party), made an undertaking that, during the period when Zhengzhou Yutong Group Co.,Ltd. directly or indirectly controls Zhengzhou Anchi Guarantee Co.,Ltd. (unless directly or indirectly controlled by the Company), Zhengzhou Yutong Group Co.,Ltd. shall bear the actual loss caused by the repurchase liability of the mortgage loan business cooperated with Zhengzhou Anchi Guarantee Co.,Ltd.

As of December 31, 2023, the balance of mortgage loan guarantee provided by the company's subsidiaries to banks for commercial housing purchasers is 613 million yuan.

In addition to the above contingencies, as of December 31, 2023, the Company has no other material contingencies that should be disclosed and not disclosed.

XIV.Subsequent events

1.Profit distribution

According to the 2023 profit distribution plan approved by the Board of Directors of the Company, the Company intends to distribute a cash dividend of 15 yuan (tax included) to all shareholders for every 10 shares. As of December 31, 2023, the company has a total share capital of 2,213,939,223.00 shares, based on which a total cash dividend of RMB 3,320,908,834.50 (including tax) is proposed to be paid. If the total share capital of the company changes before the registration date of equity allocation, the company intends to maintain the same distribution ratio per share and adjust the total distribution accordingly. The plan is subject to review by the company's 2023 annual General Meeting of shareholders.

In addition to the above post-balance sheet events, as of the approval date of the financial report, the Company has no other major post-balance sheet events that should be disclosed and not disclosed.



XV.Other significant matters

1.Division Information

i. Determination basis and accounting policies for reporting segments

The company determines its operating divisions based on its internal organizational structure, management requirements and internal reporting system. An operating segment of the Company refers to a component that simultaneously satisfies the following conditions:

- (1) The component is able to generate income and incur expenses in daily activities;
- (2) The management can regularly evaluate the operating results of the component to decide to allocate resources to it and evaluate its performance;
- (3) Able to obtain the financial position, operating results, cash flow and other relevant accounting information of the component.

The Company determines a reporting segment on the basis of an operating segment, and an operating segment that meets one of the following conditions is identified as a reporting segment:

- (1) The segment revenue of the operating segment accounts for 10% or more of the total revenue of all segments;
- (2) The absolute segment profit (loss) of the segment accounts for 10% or more of the greater of the total profit of all profitable segments or the total loss of all loss-making segments.

If the total amount of foreign transaction revenue of the operating segment of the reportable segment determined in accordance with the above accounting policies does not account for 75% of the consolidated total revenue, the number of reportable segments shall be increased, and other operating segments not treated as reportable segments shall be included in the scope of the reportable segment according to the following provisions until the proportion reaches 75% :

- (1) Identify the operating segment that the management considers useful for the users of accounting information to disclose the information of the operating segment as the reporting segment;
- (2) Combine the operating segment with one or more other operating segments that have similar economic characteristics and meet the conditions for the combination of operating segments as a reporting segment.

The transfer price between segments shall be determined with reference to the market price, and the assets and related expenses jointly used with each segment shall be distributed among different segments in proportion to the revenue.



ii. The Company determines the factors considered by the reporting segment and the types of products and services of the reporting segment

The company's reporting divisions are business units that provide different products and services. As various businesses require different technologies and marketing strategies, the Company independently manages the production and operation activities of each reporting segment and evaluates its operating results separately to decide to allocate resources to it and evaluate its performance.

The company has 4 reporting divisions: bus manufacturing division, foreign trade division, passenger transport division, other division.

iii. Report segment financial information

Unit of amount: ten thousand yuan

Item	Closing balance/ current period					
	bus manufacturing division	foreign trade division	passenger transport division	other division	Offset against	Total
(1)Operating revenue	2,431,281.00	909,685.73	4,388.08	183,645.10	824,800.96	2,704,198.95
Including: external revenue	1,612,992.64	908,761.06	4,388.08	178,057.17		2,704,198.95
Inter-segment revenue	818,288.36	924.67		5,587.93	824,800.96	
(2)Total segment operating cost	2,194,345.05	936,753.76	4,247.02	181,063.95	820,012.16	2,496,397.62
Including: depreciation expense and amortization expense	68,878.17	500.13	748.64	2,285.87	-800.39	73,213.19
(3)Investment income from joint ventures and joint ventures	5,024.58	4,872.09				9,896.67
(4)Credit impairment losses	-31,586.91	-443.85	-64.02	-1,261.35		-33,356.13
(5)Assets impairment losses	-54,504.94	-1,635.13		41.36	-388.34	-55,710.37
(6)Profit before tax	236,935.95	-27,068.03	141.06	2,581.14	4,788.79	207,801.33
(7)Income tax expenses	19,902.31	773.08		1,468.05	-1,707.55	23,851.00
(8)Net profit	217,033.64	-27,841.12	141.06	1,113.10	6,496.35	183,950.33
(9)Total assets	3,027,136.43	327,687.03	10,355.52	394,654.32	674,137.70	3,085,695.60
(10)Total liabilities	1,431,441.36	375,380.07	1,315.52	191,149.79	319,253.10	1,680,033.63

XVI. Notes to major account of the company's financial statements

1. Accounts receivable



i. Accounts receivable disclosed by aging

Aging	Closing balance	Opening balance
Within 1 year	3,595,038,274.52	4,582,013,609.99
1—2 years	1,502,565,226.23	664,737,104.82
2—3 years	584,846,448.86	285,188,502.25
3—4 years	201,558,661.28	166,071,981.16
4—5 years	139,809,672.12	378,796,340.84
More than 5 years	1,158,570,392.37	854,941,249.97
Subtotal	7,182,388,675.38	6,931,748,789.03
Less: bad debt provision	1,553,268,713.38	1,359,763,623.11
Total	5,629,119,962.00	5,571,985,165.92

ii. Accounts receivable disclosed by provision of bad debts

Category	Closing balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually					
Bad debt provision assessed by groups	7,182,388,675.38	100.00	1,553,268,713.38	21.63	5,629,119,962.00
Including:Aging portfolio	4,617,904,388.14	64.30	1,546,721,951.46	33.49	3,071,182,436.68
High risk portfolio	6,546,761.92	0.09	6,546,761.92	100.00	
Related parties portfolio	2,557,937,525.32	35.61			2,557,937,525.32
Total	7,182,388,675.38	100.00	1,553,268,713.38	21.63	5,629,119,962.00

Continued:

Category	Opening balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually					
Bad debt provision assessed by groups	6,931,748,789.03	100.00	1,359,763,623.11	19.62	5,571,985,165.92
Including:Aging portfolio	4,975,865,588.75	71.78	1,354,584,241.68	27.22	3,621,281,347.07
High risk portfolio	5,179,381.43	0.08	5,179,381.43	100.00	
Related parties portfolio	1,950,703,818.85	28.14			1,950,703,818.85
Total	6,931,748,789.03	100.00	1,359,763,623.11	19.62	5,571,985,165.92

Bad debt provision assessed by groups

(1) Aging portfolio



Aging portfolio	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Within 1 year	1,680,200,381.22	84,010,019.15	5
1—2 years	1,091,694,321.93	109,169,432.19	10
2—3 years	437,373,998.66	87,474,799.73	20
3—4 years	158,093,691.28	63,237,476.51	40
4—5 years	119,279,427.93	71,567,656.76	60
More than 5 years	1,131,262,567.12	1,131,262,567.12	100
Total	4,617,904,388.14	1,546,721,951.46	

(2) High risk portfolio

High risk portfolio	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Within 1 year	1,561,781.73	1,561,781.73	100.00
1—2 years	238,290.00	238,290.00	100.00
2—3 years	1,134,000.00	1,134,000.00	100.00
3—4 years			
4—5 years	1,528,618.94	1,528,618.94	100.00
More than 5 years	2,084,071.25	2,084,071.25	100.00
Total	6,546,761.92	6,546,761.92	

(3) Related parties portfolio

Item	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Related parties within the scope of consolidation	2,557,937,525.32		
Total	2,557,937,525.32		

iii. Provision, recovery or reversal of bad debt provision during the year

Category	Opening balance	Changes in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other changes	
Bad debt provision assessed individually						
Bad debt provision assessed by groups	1,359,763,623.11	193,505,090.27				1,553,268,713.38
Including: Aging portfolio	1,354,584,241.68	192,137,709.78				1,546,721,951.46
High risk portfolio	5,179,381.43	1,367,380.49				6,546,761.92
Total	1,359,763,623.11	193,505,090.27				1,553,268,713.38



iv. Top five accounts receivable based on debtors

Company name	Accounts receivable Closing balance	Contract assets Closing balance	Accounts receivable and Contract assets Closing balance	Proportion of total balance(%)	Bad debt provision
Number 1	1,827,770,859.96		1,827,770,859.96	25.10	
Number 2	966,723,147.12	37,535,674.00	1,004,258,821.12	13.79	165,082,248.27
Number 3	975,967,874.26		975,967,874.26	13.40	952,002,459.21
Number 4	589,413,169.64		589,413,169.64	8.09	45,647,214.98
Number 5	287,509,069.88		287,509,069.88	3.95	
Total	4,647,384,120.86	37,535,674.00	4,684,919,794.86	64.33	1,162,731,922.46

2.Other receivables

Item	Closing balance	Opening balance
Dividends receivable		16,000,000.00
Other receivables	2,091,204,447.88	2,919,469,885.42
Total	2,091,204,447.88	2,935,469,885.42

Note: Other receivables listed in the form listed above refers to other receivables excluding interests receivable and dividends receivable.

i. Dividends receivable

Investee	Closing balance	Opening balance
Lhasa Yutong Shunjie Automobile Sales Co.,Ltd		16,000,000.00
Total		16,000,000.00

ii. Other receivables

(1)Aging analysis

Aging	Closing balance	Opening balance
Within 1 year	1,059,244,138.09	1,371,515,213.84
1—2 years	638,756,488.65	789,588,452.84
2—3 years	265,639,126.83	757,245,882.20
3—4 years	255,752,320.22	176,020,580.24
4—5 years	169,175,072.24	1,837,989.57
More than 5 years	3,150,103.74	25,328,711.01
Subtotal	2,391,717,249.77	3,121,536,829.70
Less: bad debt provision	300,512,801.89	202,066,944.28
Total	2,091,204,447.88	2,919,469,885.42



(2)Details of classification by nature

Nature	Closing balance	Opening balance
Employee loans	16,270,061.43	37,170,296.52
Temporary payment	1,173,509,685.90	2,113,454,327.64
Security deposit	1,201,937,502.44	949,912,205.54
Equity transfer fee		21,000,000.00
Subtotal	2,391,717,249.77	3,121,536,829.70
Less: bad debt provision	300,512,801.89	202,066,944.28
Total	2,091,204,447.88	2,919,469,885.42

(3)Disclosed by bad debt provision methods

Category	Closing balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually					
Bad debt provision assessed by groups	2,391,717,249.77	100.00	300,512,801.89	12.56	2,091,204,447.88
Including:Aging portfolio	1,296,462,636.25	54.21	300,512,801.89	23.18	995,949,834.36
Related parties portfolio	1,095,254,613.52	45.79			1,095,254,613.52
Total	2,391,717,249.77	100.00	300,512,801.89	12.56	2,091,204,447.88

Continued:

Category	Opening balance				Carrying amount
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed individually	23,135,404.84	0.74	23,135,404.84	100.00	
Bad debt provision assessed by groups	3,098,401,424.86	99.26	178,931,539.44	5.77	2,919,469,885.42
Including:Aging portfolio	1,072,493,032.55	34.36	178,931,539.44	16.68	893,561,493.11
Related parties portfolio	2,025,908,392.31	64.90			2,025,908,392.31
Total	3,121,536,829.70	100.00	202,066,944.28	6.47	2,919,469,885.42

Bad debt provision assessed by groups

1) Aging portfolio

Aging portfolio	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Within 1 year	396,313,999.85	19,815,700.00	5.00
1--2 years	206,732,013.37	20,673,201.34	10.00



Aging portfolio	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
2—3 years	265,339,126.83	53,067,825.37	20.00
3—4 years	255,752,320.22	102,300,928.09	40.00
4—5 years	169,175,072.24	101,505,043.35	60.00
More than 5 years	3,150,103.74	3,150,103.74	100.00
Total	1,296,462,636.25	300,512,801.89	

2) Related parties portfolio

Item	Closing balance		
	Book balance	Bad debt provision	Proportion (%)
Related parties within the scope of merger	1,095,254,613.52		
Total	1,095,254,613.52		

Provision for bad debts is based on the general model of expected credit losses

Bad debt provision	Stage I	Stage II	Stage III	Total
	12-month ECL	Lifetime ECL (not impaired)	Lifetime ECL (impaired)	
Opening balance	178,931,539.44	23,135,404.84		202,066,944.28
Opening balance in the current period	—	—	—	—
—Transfer to Stage II				
—Transfer to Stage III				
—Reverse to Stage II				
—Reverse to Stage I				
Provision	121,581,262.45			121,581,262.45
Reversal				
Elimination				
Write-off		23,135,404.84		23,135,404.84
Other changes				
Closing balance	300,512,801.89			300,512,801.89

(4) Provision, recovery or reversal of bad debt provision during the year

Category	Opening balance	Changes in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other changes	
Bad debt provision assessed individually	23,135,404.84			23,135,404.84		
Bad debt provision assessed by groups	178,931,539.44	121,581,262.45			300,512,801.89	
Including: Aging portfolio	178,931,539.44	121,581,262.45			300,512,801.89	
Total	202,066,944.28	121,581,262.45		23,135,404.84	300,512,801.89	



(5)Other receivables written off as at the end of the current period

Item	Amount of write-off
Actual write-off of other receivables	23,135,404.84

Significant write-off of other receivables:

Company name	Nature of other receivables	Amount of write-off	Reason for write-off	Procedures performed	Is it arising from related party transactions?
Customer 1	Temporary payment	23,135,404.84	Not recoverable	Approved by management	No
Total		23,135,404.84			

(6)Top five other receivables based on debtors

Company name	Nature	Closing balance	Aging	Proportion to the total closing balance of other receivables (%)	Closing balance of bad debt provision
Number 1	Security deposit	1,060,528,439.41	Within 1 year, 1—2 years,2—3 years,3—4 years,4—5 years	44.34	268,527,930.83
Number 2	Temporary payment	730,327,632.04	Within 1 year, 1—2 years	30.54	
Number 3	Temporary payment	156,480,000.00	Within 1 year, 1—2 years	6.54	
Number 4	Temporary payment	136,027,920.00	Within 1 year, 1—2 years	5.69	
Number 5	Security deposit	130,980,661.86	Within 1 year, 1—2 years	5.48	7,325,867.30
Total		2,214,344,653.31		92.59	275,853,798.13

3.Long-term equity investments

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Investment in subsidiaries	3,416,700,630.86		3,416,700,630.86	3,911,192,380.86		3,911,192,380.86
Investment in joint ventures and associates	1,047,985,956.32	454,659,708.50	593,326,247.82	996,940,163.70		996,940,163.70
Total	4,464,686,587.18	454,659,708.50	4,010,026,878.68	4,908,132,544.56		4,908,132,544.56

1. Investment in subsidiaries

Investee	Initial investment cost	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Provision for impairment in the current period	Closing balance of provisions for impairment
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Yutong Bus CO.,LTD.
For the year ended 31 december 2023
Notes to the financial statements
English translation for reference only

Investee	Initial investment cost	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Provision for impairment in the current period	Closing balance of provisions for impairment
Yutong Hongkong Limited	29,879,767.55	29,879,767.55			29,879,767.55		
Hainan Yaoxing Transportation Group Co., Ltd.	15,020,000.00	48,505,401.00			48,505,401.00		
Zhengzhou Jingyida Auto Parts Co., Ltd.	1,253,594,473.94	1,253,594,473.94			1,253,594,473.94		
Changchun Ruiteng Automobile Sales and Service Co., Ltd.	30,000.00	30,000.00			30,000.00		
Changsha Economic and Technological Development Zone Sannong Yutong Technology Co., Ltd.	41,487,520.00	41,487,520.00			41,487,520.00		
Shanghai Yutong Qingpu Automobile Technology Service Co., Ltd.	40,000,000.00	40,000,000.00			40,000,000.00		
Chengdu Yutong Bus Technology Development Co., Ltd.	40,000,000.00	40,000,000.00			40,000,000.00		
Wuhan Yutong Shunjie BUS Industry Co., Ltd.	40,000,000.00	40,000,000.00			40,000,000.00		
Xizang Kangrui Yingshi Industrial Co., Ltd.	700,000,000.00	700,000,000.00			700,000,000.00		
Shenyang Yutong Shunjie Bus Service Co., Ltd.	40,000,000.00	40,000,000.00			40,000,000.00		
Shenzhen Zhilan Automobile Sales Co., Ltd.	50,000,000.00	50,000,000.00			50,000,000.00		
Nanning Yutong Shunjie Bus Co., Ltd.	40,000,000.00	40,000,000.00			40,000,000.00		
Zhengzhou Chongxin Real Estate Co., Ltd.	705,000,000.00	705,000,000.00			705,000,000.00		
Harbin Lvxin Automobile Sales Co., Ltd.	30,000.00	30,000.00			30,000.00		
Zhengzhou Tonghe Property Service Co., Ltd.	10,000,000.00	10,000,000.00			10,000,000.00		
Shanxi Lvxin Ruikong Automobile Sales Co., Ltd.	20,000.00	20,000.00			20,000.00		
Chongqing Lvxin Ruikong Automobile Sales and Service Co., Ltd.	720,000.00	720,000.00			720,000.00		
Zhengzhou Fengyu Real Estate Co., Ltd.	259,000,000.00	760,000,000.00		501,000,000.00	259,000,000.00		
Shenzhen Yutong Zhilian Technology Co., Ltd.	10,000,000.00	10,000,000.00			10,000,000.00		
Guangzhou Zhilan Automobile Sales and	3,000,000.00	3,000,000.00			3,000,000.00		



Yutong Bus CO.,LTD.
For the year ended 31 december 2023
Notes to the financial statements
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Investee	Initial investment cost	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Provision for impairment in the current period	Closing balance of provisions for impairment
Service Co., Ltd.							
Qingdao Lvxin Ruikong New Energy Technology Co., Ltd.	270,000.00	170,000.00	100,000.00		270,000.00		
Lhasa Yutong Shunjie Automobile Sales Co., Ltd.	80,000.00	80,000.00			80,000.00		
Hainan Yuxing Road Transportation Co., Ltd.	21,800,000.00	21,800,000.00			21,800,000.00		
Zhengzhou Ruitu Industrial Co., Ltd.	7,442,600.00	7,442,600.00			7,442,600.00		
Zhengzhou Ruitan Industrial Co., Ltd.	7,440,000.00	7,440,000.00			7,440,000.00		
Inner Mongolia Lvxin Ruikong Automobile Sales Co., Ltd.	580,000.00	580,000.00			580,000.00		
Zhengzhou Tongji Intelligent Technology Co., Ltd.	540,000.00	540,000.00			540,000.00		
Zhengzhou Kelin Motor Vehicle Air Conditioning Co.,Ltd.	1,449,818.37	1,449,818.37			1,449,818.37		
Xizang Debai Industrial Co., Ltd.	2,247,100.00	11,900.00	2,235,200.00		2,247,100.00		
Xizang Deyou Industrial Co., Ltd.	50,241,900.00	50,026,400.00	215,500.00		50,241,900.00		
Zaozhuang Lvxin Ruikong Automobile sales and service Co., Ltd.	3,000,000.00	3,000,000.00			3,000,000.00		
SINOYUTONG INTERNATIONAL LTD	6,384,500.00	6,384,500.00			6,384,500.00		
Zhengzhou Yutong RV Co., Ltd.	3,826,050.00		3,826,050.00		3,826,050.00		
Tianjin Lvxin Ruikong Intelligent Transportation Development Co., Ltd.	131,500.00		131,500.00		131,500.00		
合计	3,383,215,229.86	3,911,192,380.86	6,508,250.00	501,000,000.00	3,416,700,630.86		

2. Investment in joint ventures and associates

Investee	Opening balance	Changes for the current period			
		Additional investment	Decrease in investment	Investment income or losses recognised under equity method	Adjustment to other comprehensive income
I.Associates					
Henan Jiuding Financial Leasing Co.,Ltd.	994,451,984.91				50,207,723.59
Guangzhou Yuhao Automobile Sales Co.,Ltd.	2,488,178.79				25,421.64
Ningbo Zhequan Trading Co.,Ltd.			800,000.00		12,647.39
Total	996,940,163.70		800,000.00		50,245,792.62



Continued:

Investee	Changes for the current period				Closing balance	Closing balance of provision for impairment
	Other equity changes	Declared cash dividend or profit	Provision for impairment	Others		
i.Associates						
Henan Jiuding Financial Leasing Co.,Ltd.			454,659,708.50		1,044,659,708.50	454,659,708.50
Guangzhou Yuhao Automobile Sales Co.,Ltd.					2,513,600.43	
Ningbo Zhequan Trading Co.,Ltd.					812,647.39	
Total			454,659,708.50		1,047,985,956.32	454,659,708.50

4.Operating revenue and costs of sales

i. Operating revenue and costs of sales

Item	Amount incurred in the current period		Amount incurred in the prior period	
	Revenue	Cost	Revenue	Cost
Principal operating activities	21,411,686,369.61	15,786,704,420.27	17,953,682,039.89	14,145,632,508.97
Others	2,282,098,032.41	1,851,611,618.45	1,708,321,827.50	1,361,297,235.53
Total	23,693,784,402.02	17,638,316,038.72	19,662,003,867.39	15,506,929,744.50

ii. Main business (by contract type)

contract type	Revenue
Vehicle sales contract	21,403,254,854.61
Services and other contracts	8,431,515.00
Total	21,411,686,369.61

iii. Main Business (by region)

region	Amount incurred in the current period		Amount incurred in the prior period	
	Revenue	Cost	Revenue	Cost
Domestic sales	12,254,295,406.97	9,694,665,300.17	12,884,526,141.22	10,652,198,257.57
Overseas sales	9,157,390,962.64	6,092,039,120.10	5,069,155,898.67	3,493,434,251.40
Total	21,411,686,369.61	15,786,704,420.27	17,953,682,039.89	14,145,632,508.97

5.Income from investments

Item	Amount incurred in the current period	Amount incurred in the prior period
Income from long-term equity investments under equity method	50,245,792.62	100,415,500.59
Income from long-term equity investments under cost method	168,450,000.00	79,170,000.00
Investment income on disposal of long-term equity investments		59,400,108.13



Item	Amount incurred in the current period	Amount incurred in the prior period
Investment income from disposal of held-for-trading financial assets	7,408,315.32	-8,777,562.55
Interest income from holding debt investments	19,392,572.95	19,782,771.69
Dividend income from holding investments in other equity instruments	8,250,000.00	13,682,100.00
Investment income from holding financial assets at amortized cost	25,055,805.82	
Others	-32,232,845.52	-39,411,711.04
合计	246,569,641.19	224,261,206.82

XVII. Supplementary information

1. Details of current non-recurring profit and loss

Item	Amount	Description
Gain or loss on the disposal of illiquid assets, including the write-off of the asset impairment provision	48,013,339.34	
Government subsidies included in the profit and loss of the current period, except for government subsidies that are closely related to the normal operation of the company, comply with the provisions of national policies, enjoy in accordance with the standards determined, and have a continuous impact on the profit and loss of the company	295,841,348.40	
In addition to the effective hedging business related to the normal operation of the company, the profit or loss of fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises and the loss or gain arising from the disposal of financial assets and financial liabilities	50,660,739.48	
Capital occupation fee charged to non-financial companies included in current profit and loss	24,957,023.50	
Profit and loss of entrusting others to invest or manage assets		
Profit and loss from external entrusted loans		
Loss of assets due to force majeure factors, such as natural disasters		
Reversal of provision for impairment of receivables tested individually	18,311,035.58	
The investment cost of subsidiary, joint venture and associates acquired by a company is less than the income from the fair value of the identifiable net assets of the investee when the investment is acquired		
Current net profit and loss of subsidiaries from the beginning of the period to the date of business combination under the common control		
Gains or losses from non-monetary assets exchange		
Profit and loss of debt restructuring	-5,910,000.00	
The one-time expenses incurred by the enterprise because the relevant business activities are no longer continuous, such as the expenses of relocating employees		
One-time impact on current profit and loss due to tax, accounting and other laws and regulations		
Payment of one-time recognized shares due to cancellation or modification of the share incentive plan		
For cash settled share payments, gains and losses arising from changes in the fair value of employee compensation are payable after the vesting date		
Profit and loss from changes in fair value of investment properties measured by fair value model		
Gains from transactions where the transaction price is significantly unfair		



Yutong Bus CO.,LTD.
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Item	Amount	Description
Profits and losses arising from contingencies unrelated to the normal operation of the company		
Custody fee income from entrusted operation		
Other non-operating income and expenses except the above items	40,834,910.37	
Other profit and loss items conforming to the definition of non-recurring profit and loss		
Less: The impact of income tax	67,744,314.24	
The impact on non-controlling interests (After tax)	2,407,942.41	
Total	402,556,140.02	

2.Return on net assets and earnings per share

Profit in the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the company	12.97	0.82	0.82
Net profit attributable to ordinary shareholders of the company after deducting non-recurring profit and loss	10.10	0.64	0.64





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名称 大华会计师事务所(特殊普通合伙)

类型 特殊普通合伙企业

执行事务合伙人 梁春

经营范围 审查企业会计报表、出具审计报告;验证企业资本,出具验资报告;办理企业合并、分立、清算事宜中的审计业务,出具有关审计报告;依法审计资产评估项目;法律、法规规定的其他业务;经批准的其他业务。

出资额 2670万元

成立日期 2012年02月09日

主要经营场所 北京市海淀区西四环中路16号院7号楼1101

登记机关

2024年03月01日



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国家市场监督管理总局监制

证书序号: 0000093

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北京市财政局
二〇一七年十月二十七日

中华人民共和国财政部制



会计师事务所

执业证书

名称: 大华会计师事务所 (特殊普通合伙)

首席合伙人: 梁春

主任会计师:

经营场所: 北京市海淀区西四环中路16号院7号楼12层

组织形式: 特殊普通合伙

执业证书编号: 11010148

批准执业文号: 京财会许可[2011]40号

批准执业日期: 2011年11月03日

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2014年 6月 8日



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2017年 12月 25日



姓名: 王博
Full name: 王博
性别: 男
Sex: 男
出生日期: 1980-08-09
Date of birth: 1980-08-09
工作单位: 沃健正信会计师事务所有限公司
Work unit: 沃健正信会计师事务所有限公司
身份证号码: 4125198008091335
Identity number: 4125198008091335



注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意变更
Agree to be transferred from
沃健正信会计师事务所
沃健正信会计师事务所
2014年 11月 28日
2014.11.28

王博
CPA

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Agree to be transferred to
北京注册会计师协会
北京注册会计师协会
2014年 11月 28日
2014.11.28

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北京注册会计师协会
Approved by the Institute of CPAs
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注册日期: 2014年 11月 28日
Date of issuance: 2014.11.28

注册会计师工作单位变更事项登记
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大华会计师事务所
2012年 12月 25日
2012.12.25

王博
CPA

同意变更
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北京注册会计师协会
北京注册会计师协会
2012年 12月 25日
2012.12.25

110901581187
北京注册会计师协会
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Approved by the Institute of CPAs

注册日期: 2012年 12月 25日
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注册日期: 2016年 03月 21日
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批准注册协会: 河南省注册会计师协会
Authorized Institute: CPAs of Henan

发证日期: 2020年08月08日
Date of Issuance

年 月 日
Year Month Day



姓名: 朱红宾
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Date of Birth: 1991-03-01
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Working unit: 大华会计师事务所(特殊普通合伙)河南分所
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