

Sunwoda Electronic Co., Ltd.

2022 Annual Report

[April 2023]

2022 Annual Report

Section I Important Notice, Contents and Definitions

The board of directors, the supervisory committee and the directors, the supervisors and senior management of the Company hereby warrant the truthfulness, accuracy and completeness of the contents of the annual report, guarantee that there are no false representations, misleading statements or material omissions contained in this annual report, and are jointly and severally responsible for the liabilities of the Company.

Wang Wei, head of the Company, Xiao Guangyu, chief financial controller and Liu Jie, head of the accounting department (Accounting Officer), declare that they warrant the truthfulness, accuracy and completeness of the financial report in the annual report.

All Directors attended the Board meeting to consider this report.

For details of the industry in which the Company operates and its own development status, please refer to “I. Industry overview of the Company during the Reporting Period, II. Principal business of the Company during the Reporting Period” of “Section III Management Discussion and Analysis” of this report. For details of the core competitiveness of the Company, please refer to “III. Analysis of core competitiveness” of “Section III Management Discussion and Analysis” of this report, all of which are fundamental to the sustainable development of the Company. For details of the Company’s future prospects and associated risks, please refer to “XI. Outlook of the Company’s future development” of “Section III Management Discussion and Analysis” of this report. Forward-looking

statements, including future business plans and future objectives, contained in this report do not represent the Company's profit forecast or performance commitments. Investors should be aware of investment risks.

The profit distribution plan considered and approved by the Board of Directors of the Company is as follows: a cash dividend of RMB0.80 (tax inclusive) per 10 shares held by all shareholders on the basis of 1,862,421,656 shares, without bonus issue (tax inclusive) and not to issue shares per 10 shares held by all shareholders by way of conversion of capital reserve.

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Documents Available for Inspection

- I. The financial statements signed and sealed by the legal representative, chief financial controller and head of the accounting department.
- II. The original copy of the auditor's report which is sealed by the accounting firm and signed and sealed by the certified public accountants.
- III. The original copies of all the documents and announcements of the Company disclosed on the designated website as approved by the CSRC during the Reporting Period.
- IV. The original copy of the 2022 Annual Report signed by the legal representative of the Company.
- V. Other related information.

The above documents are available for inspection at the office of the secretary to the Board of Directors.

Definitions

Item	Definition
Sunwoda or Company or our Company	Sunwoda Electronic Co., Ltd.
Xinwei Electronic	Shenzhen Xinwei Electronic Co., Ltd.
Hong Kong Xinwei	Xinwei (Hong Kong) Electronic Co., Ltd.
Huizhou New Energy	Sunwoda Huizhou New Energy Co., Ltd.
Sunwoda Electrical Technology	Shenzhen Sunwoda Electrical Technology Co., Ltd.
PTL	Shenzhen PTL Testing Technology Co., Ltd.
Qianhai Hongsheng	Shenzhen Qianhai Hongsheng Technology Co., Ltd.
Qinghai New Energy	Qinghai Sunwoda New Energy Co., Ltd.
Dongguan Liwinon	Dongguan Liwinon Energy Technology Co., Ltd.
Sunwoda India	Sunwoda Electronic India Private Limited
Huizhou Liwinon	Huizhou Liwinon New Energy Technology Co., Ltd.
Sunwoda Intelligent Technology	Shenzhen Sunwoda Intelligent Technology Co., Ltd.
Sunwoda Germany	Sunwoda Europe GmbH
Sunwoda Energy Technology	Shenzhen Sunwoda Energy Technology Co., Ltd. (formerly known as "Shenzhen Sunwoda Integrated Energy Services Co., Ltd.")
Yuke PV	Yuzhou Yuke PV Power Co., Ltd.
Sunwoda Electric Vehicle Battery	Sunwoda Electric Vehicle Battery Co., Ltd.
Dianjin Factoring	Shenzhen Qianhai Dianjin Factoring Co., Ltd.
Huizhou Power New Energy	Sunwoda Huizhou Power New Energy Co., Ltd.
Haixi Yueshan Membrane	Haixi Yueshan Membrane Separation Technology Co., Ltd.
Huizhou Intelligent Industry	Huizhou Sunwoda Intelligent Industry Co., Ltd.
Shenzhen Sunwinon	Shenzhen Sunwinon Electronic Co., Ltd.
Huizhou Liwinon Electronics	Huizhou Liwinon Electronics Technology Co., Ltd.
Huizhou Sunwinon	Huizhou Sunwinon Electronic Co, Ltd.
Putian New Energy	Sunwoda (Putian) New Energy Co., Ltd.
Winone Precision	Huizhou Winone Precision Technology Co., Ltd.
Xinwei Intelligence	Shenzhen Xinwei Intelligence Co., Ltd.
Green Energy	Shenzhen Green Energy Technology Co., Ltd.
Santo Electronic	Santo Electronic Co. Limited
Sinaean Electronic	Sinaern Electronic Co., Limited
Sunwoda Property	Shenzhen Sunwoda Property Management Co, Ltd.
Shenzhen Sunynn	Shenzhen Sunynn Technology Co., Ltd.
Hunan Sunynn	Hunan Sunynn Technology Co., Ltd.
Dongguan Intelligent Hardware	Dongguan Sunwoda Intelligent Hardware Co., Ltd.
Zhejiang Sunwoda Electronic	Zhejiang Sunwoda Electronic Co., Ltd.
Zhejiang Liwinon	Zhejiang Liwinon Energy Technology Co., Ltd.
Hunan Sunwinon	Hunan Sunwinon Electronic Co., Ltd.
Zhejiang Xindong	Zhejiang Xindong Energy Technology Co., Ltd.
Huizhou Xindong	Huizhou Xindong Energy Technology Co., Ltd.

Superstar		Superstar (Shenzhen) Automation Co., Ltd.
Huaxin Zhilian		Shenzhen Huaxin Zhilian Software Technology Co., Ltd.
Nanjing Sunwoda		Nanjing Sunwoda New Energy Co., Ltd.
Dongguan Liwinon Microelectronics		Dongguan Liwinon Microelectronics Technology Co., Ltd.
Xinxiangrong		Shenzhen Xinxiangrong Entrepreneurship Services Co., Ltd.
Tianmu Electronics		Tianmu Electronics Co., Ltd.
Yisheng Investment		Shenzhen Yisheng Investment Co., Ltd.
Nanchang Sunwoda		Nanchang Sunwoda New Energy Co., Ltd.
Xinneng Nanjing		Xinneng Nanjing Energy Technology Co., Ltd.
Winone HK		Winone Precision (HK) Co., Limited
Winone India		Winone Precision Technology India Private Limited
Xinhuicai		Shenzhen Xinhuicai Technology Co., Ltd.
Huizhou Energy Technology		Huizhou Sunwoda Energy Technology Co., Ltd.
Nanjing PTL		Nanjing PTL Testing Technology Co., Ltd.
Nanchang Sunwoda Property		Nanchang Sunwoda Property Management Co., Ltd.
Shandong Sunwoda		Shandong Sunwoda New Energy Co., Ltd.
Zhejiang Liwinon Electronics		Zhejiang Liwinon Electronics Technology Co., Ltd.
Deyang Sunwoda		Deyang Sunwoda New Energy Co., Ltd.
Zhuhai Sunwoda		Zhuhai Sunwoda New Energy Co., Ltd.
Huizhou PTL		Huizhou PTL Testing Technology Co., Ltd.
Yingchuang Precision		Huizhou Yingchuang Precision Technology Co., Ltd.
Smart Energy		Shenzhen Sunwoda Smart Energy Co., Ltd.
Shandong Xingaotou		Shandong Xingaotou Energy Development Co., Ltd.
Shandong Xinneng Power		Shandong Xinneng Power Service Co., Ltd.
Shandong Xinzhi New Energy		Shandong Xinzhi New Energy Co., Ltd.
Zaozhuang Xinyue		Zaozhuang Xinyue New Energy Co., Ltd.
Zaozhuang Xinding		Zaozhuang Xinding New Energy Co., Ltd.
Xinwei Zhiwang		Shenzhen Xinwei Zhiwang Technology Co., Ltd.
Xinyi Zhilian		Shenzhen Xinyi Zhilian Technology Co., Ltd.
Xinzhi Wangjia		Shenzhen Xinzhi Wangjia Technology Co., Ltd.
Zhejiang Lixin		Zhejiang Lixin Energy Technology Co., Ltd.
Resources Company		Shenzhen Sunwoda Resources Development Co., Ltd.
Zhejiang Power Battery		Zhejiang Sunwoda Power Battery Co., Ltd.
Superstar Shandong		Superstar (Shandong) Intelligent Equipment Co., Ltd.
Zaozhuang Sunwoda Venture Capital		Zaozhuang Sunwoda Venture Capital Partnership (Limited Partnership)
Zhuhai Sunwinon		Zhuhai Sunwinon Electronic Co., Ltd.
Wanhong Power		Guangdong Wanhong Power Engineering Co., Ltd.
Bosheng Investment		Shenzhen Bosheng Investment Partnership (Limited Partnership)
Hubei Dongyu Xinsheng		Hubei Dongyu Xinsheng New Energy Co., Ltd.
Japan New Energy		Sunwoda Japan New Energy Co., Ltd.
Dongguan Hongsheng Technology		Dongguan Hongsheng Technology Co., Ltd.

Liuzhou Sunwoda		Sunwoda (Liuzhou) New Energy Co., Ltd.
Shenzhen Xindong Energy		Shenzhen Xindong Energy Technology Co., Ltd.
Huizhou Xinwei Intelligent		Huizhou Xinwei Intelligent Technology Co., Ltd.
Sunwoda Japan		Sunwoda Japan Co., Ltd.
Hong Kong Xinzhawang		Hong Kong Xinzhawang Electronics Co., Ltd.
Persson		Persson Environmental Protection Technology Co., Ltd.
Ruikewei		Shenzhen Ruikewei Electronics Co., Ltd.
Anker Innovations		Anker Innovations Technology Co., Ltd.
Jili Sunwoda		Shandong Jili Sunwoda Power Battery Co., Ltd.
Accounting firm and auditor		ShineWing Certified Public Accountants LLP
Lithium-ion battery module/lithium-ion battery		A type of secondary battery consisting of lithium-ion battery cells, power management systems, precision structural parts and auxiliary materials. Compared with other secondary batteries, it has the advantages of high working voltage, higher energy ratio and long life cycle. Its products are widely used in mobile phones, laptops, tablets, power tools, electric bicycles, mobile lighting, electric vehicles, energy storage stations and other fields.
Lithium-ion battery cells		A battery cell that uses transitional metal oxide embedded lithium material as positive electrode and embedded lithium-carbon material as negative electrode, and stores and releases electric energy through lithium-ion conversion-deintercalation cycle in positive and negative electrode. Lithium-ion battery cells are the “heart” of lithium-ion battery modules, providing power for the external output of lithium-ion battery modules.
Battery management system/BMS		Battery management system is the essential component and core component of the lithium-ion battery modules and the “brain” of the lithium-ion battery modules, which enables the monitoring, command and coordination of the lithium-ion battery cells (sets) in the lithium-ion battery modules. The battery management system consists of PCB, electronic components, embedded software and other parts. Based on the status data of the battery cells collected in real time, it realises the voltage protection, temperature protection, short-circuit protection, over-current protection, insulation protection and other functions of the battery modules through specific algorithms, and realises the voltage balance management between the battery cells and external data communication.
Precision structural parts		Plastic or metallic parts with high dimensional precision, high surface quality, high performance requirements for protection and supporting functions. A variety of precision structural parts are widely used in all kinds of end consumer products and industrial products.
ODM		Original Design Manufacture: the enterprise designs and develops products according to the brand owner’s product planning, and then manufactures the products according to the brand owner’s order. The products are sold to the brand owner after production.
OEM		Original Equipment Manufacturer: it is manufactured by the entrusted manufacturer according to the requirements and authorization of the sampling manufacturer and in accordance with the manufacturer’s specific conditions. All design drawings are manufactured and processed completely in accordance with the design of the sampling manufacturer.

CSRC		the China Securities Regulatory Commission
SZSE		Shenzhen Stock Exchange
Reporting Period		From 1 January 2022 to 31 December 2022

Section II Company Profile and Key Financial Indicators

I. Company profile

Stock abbreviation	Sunwoda	Stock Code	300207
Name in Chinese of the Company	欣旺达电子股份有限公司		
Short name in Chinese of the Company	欣旺达		
Name in English of the Company (if any)	SUNWODA ELECTRONIC CO., LTD		
Short name in English of the Company (if any)	SUNWODA		
Legal representative of the Company	Wang Wei		
Registered address	Section A and Section B of 1st Floor and 2nd Floor, Section D of 2nd Floor, and 9th Floor of Multi-functional Building, No. 2, Yihe Road, Shilong Community, Shiyan Subdistrict, Bao'an District, Shenzhen		
Postal code of registered address	518108		
Changes of the registered address of the Company	Nil		
Office address	Multi-functional Building, No. 2, Yihe Road, Shilong Community, Shiyan Subdistrict, Bao'an District, Shenzhen		
Postal code of office address	518108		
Website of the Company	www.sunwoda.com		
Email address	sunwoda@sunwoda.com		

II. Contact persons and contact methods

	Secretary to the Board	Representative of securities affairs
Name	Zeng Di	Liu Rongbo
Correspondence Address	Multi-functional Building, No. 2, Yihe Road, Shilong Community, Shiyan Subdistrict, Bao'an District, Shenzhen	Multi-functional Building, No. 2, Yihe Road, Shilong Community, Shiyan Subdistrict, Bao'an District, Shenzhen
Telephone	0755-27352064	0755-27352064
Facsimile	0755-29517735	0755-29517735
Email address	zengdi@sunwoda.com	liurongbo@sunwoda.com

III. Information disclosure and places for inspection

Websites of the stock exchanges where the Company discloses its annual report	Securities Daily, Securities Times, China Securities Journal, Shanghai Securities News
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Names and websites of the media where the Company discloses its annual report	www.cninfo.com.cn
Places for inspection of the Company's annual report	Office of the secretary to the Board of Directors of the Company

IV. Other relevant information

Accounting firm engaged by the Company

Name of accounting firm	ShineWing Certified Public Accountants LLP
Office address of accounting firm	8/F, Block A, Fuhua Building, No. 8 Chaoyangmen North Street, Dongcheng District, Beijing
Name of signing accountants	Wang Jianxin, Li Wenqian

Sponsors engaged by the Company to continuously perform its supervisory function during the Reporting Period

Applicable Not applicable

Name of sponsor	Office address of the sponsor	Name of sponsor representative	Period of continuous supervision
Dongxing Securities Co., Ltd.	12/F & 15/F, Tower B, Xincheng Plaza, 5 Finance Street, Xicheng District, Beijing	Zou Xiaoping, Yang Zhi (continuous supervision of public issuance of convertible corporate bonds on ChiNext)	August 2020 – December 2022
Dongxing Securities Co., Ltd.	12/F & 15/F, Tower B, Xincheng Plaza, 5 Finance Street, Xicheng District, Beijing	Zou Xiaoping, Yang Zhi (continuous supervision of the issuance of shares to specific subscribers in 2021 on ChiNext)	November 2021 – April 2023
CITIC Securities Company Limited	North Tower, Excellence Times Plaza II, No. 8 Zhongxin 3 rd Road, Futian District, Shenzhen, Guangdong Province	Shi Songxiang and Zhao Qian (continuous supervision of the issuance of shares to specific subscribers in 2023)	April 2023 – December 2025

Financial advisors engaged by the Company to continuously perform its supervisory function during the Reporting Period

Applicable Not applicable

V. Major accounting data and financial indicators

Retrospective adjustment to or restatement of the accounting data for prior years by the Company

Yes No

	2022	2021	Increase/decrease for the year as compared to the prior year	2020
Operating income (RMB)	52,162,269,313.89	37,358,723,512.07	39.63%	29,692,307,885.29
Net profit attributable to shareholders of the Company (RMB)	1,063,753,672.60	915,654,084.18	16.17%	801,955,406.21
Net profit attributable to shareholders of the Company after deduction of non-recurring profits or	803,779,553.58	528,030,928.79	52.22%	261,759,939.21

losses (RMB)				
Net cash flows from operating activities (RMB)	558,775,093.90	1,634,168,208.18	-65.81%	244,087,425.65
Basic earnings per share (RMB/share)	0.62	0.58	6.90%	0.52
Diluted earnings per share (RMB/share)	0.62	0.57	8.77%	0.52
Yield of weighted average net assets	6.96%	11.05%	-4.09%	0.00%
	As at the end of 2022	As at the end of 2021	Increase/decrease as at the end of the year compared to the end of the prior year	As at the end of 2020
Total assets (RMB)	74,494,462,459.10	42,628,431,433.50	74.75 %	30,672,202,133.07
Net assets attributable to shareholders of the Company (RMB)	20,056,244,443.82	13,030,066,153.50	53.92 %	6,819,020,696.39

The lower of the Company's net profit before or after non-recurring profits or losses in the last three accounting years is negative, and the audit report for the last year shows that the Company's ability to continue as a going concern is uncertain

Yes No

The lower of net profit before or after non-recurring profits or losses is negative

Yes No

VI. Key financial indicators by quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	10,620,686,345.95	11,097,096,306.20	14,866,011,962.87	15,578,474,698.87
Net profit attributable to shareholders of the Company	94,923,223.97	277,105,495.83	315,517,014.87	376,207,937.93
Net profit attributable to shareholders of the Company after deduction of non-recurring profits or losses	101,070,369.66	145,895,663.31	236,633,302.67	320,180,217.94
Net cash flows from operating activities	1,168,242,568.59	197,132,380.88	-718,385,115.33	-88,214,740.24

Whether the above indicators or their aggregated amounts have any material difference with the respective amounts as disclosed in the quarterly report or interim report

Yes No

VII. Differences in accounting data under domestic and overseas accounting standards

1. Differences between the net profit and net assets disclosed in accordance with international accounting standards and China accounting standards in the financial report

Applicable Not applicable

There was no difference between the net profit and net assets disclosed in accordance with international accounting standards and China accounting standards in the financial report during the reporting period.

2. Differences between the net profit and net assets disclosed in accordance with overseas accounting standards and China accounting standards in the financial report

Applicable Not applicable

There was no difference between the net profit and net assets disclosed in accordance with overseas accounting standards and China accounting standards in the financial report during the reporting period.

VIII. Items and amounts of non-recurring profits or losses

Applicable Not applicable

Unit: RMB

Item	Amount in 2022	Amount for 2021	Amount in 2020	Note
Profit and loss on disposal of non-current assets (including written-off of provision for asset impairment)	-33,126,901.11	150,732,988.38	-45,921,309.95	Mainly due to gains and losses on disposal of fixed assets
Government subsidies (except for the government subsidies closely related to the normal operation of the Company and granted constantly at a fixed amount or quantity in accordance with a certain standard in compliance with national policies and regulations) accounted for in profit or loss for the current period	305,558,896.55	228,049,624.94	171,121,754.79	Mainly due to the receipt of government subsidies.
Profit or loss from changes in fair value of financial assets held for trading and financial liabilities held for trading, and investment income from disposal of financial assets held for trading, financial liabilities held for	-14,925,416.59	12,762,637.99	415,421,824.57	

trading and available-for-sale financial assets, except the effective hedge business related to the normal business of the Company				
Reversal of receivables subject to independent impairment test	5,002,834.85	5,002,834.85		
Other non-operating income and expenses except the above items	30,408,230.66	38,808,866.81	24,142,362.75	
Other profits or losses conforming to non-recurring profits and losses	7,226,852.69	-18,028,515.26	69,044,004.75	
Less: effect of income tax	84,581,691.21	30,928,373.43	92,555,935.22	
Effect of non-controlling interests (after tax)	-44,411,313.18	-1,223,091.11	1,057,234.69	
Total	259,974,119.02	387,623,155.39	540,195,467.00	--

Details of other profits or losses conforming to non-recurring profits and losses:

Applicable Not applicable

The Company did not have other profits or losses conforming to non-recurring profits and losses.

Explanations on defining the non-recurring gain or loss items set out in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public – Non-Recurring Gains or Losses as recurring gain or loss items

Applicable Not applicable

The Company did not define the non-recurring gain or loss items set out in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public – Non-Recurring Gains or Losses as recurring gain or loss items.

Section III Management Discussion and Analysis

Review of Industry of the Company during the Reporting Period

The Company shall comply with the disclosure requirements of “lithium-ion battery industry chain-related business” in the “Guide on Self-supervision of Companies Listed on the Shenzhen Stock Exchange No.4 – Industry Information Disclosure on ChiNext”.

1. Industry Overview

The Company is principally engaged in the research and development, design, production and sales of lithium battery modules. According to the Guidelines for the Industry Classification of Listed Companies (Revision 2012) issued by the CSRC, the Company falls into the sub-category of “C38 Electrical Machinery and Equipment Manufacturing” under the “C Manufacturing Industry”. According to the National Economic Industry Classification and Code (GB/T4754-2011) issued by the National Bureau of Statistics of China, the Company falls into the sub-category “C3841 Lithium-ion Battery Manufacturing” under the category of “C38 Electrical Machinery and Equipment Manufacturing” under the category of “C Manufacturing”. During the Reporting Period, the main products of the Company in the industry were lithium-ion battery modules, which were widely used in mobile phones, laptops, wearable devices, electric vehicles, power tools, electric bicycles, energy internet and energy storage. Our products also cover various fields such as lithium-ion battery cells, power management systems, precision structural parts and smart manufacturing.

According to data from IDC, a market research institution, the global smartphone shipments in 2022 were 1.206 billion units. Affected by the macro-economy, the overall smartphone shipments decreased in 2022, but the shipment volume of mobile phones in the second half of the year rebounded as compared with the first half of the year. As China and other countries in the world lifted their COVID-19 control policies, the consumer electronic product market is witnessing a gradual recovery of consumer spending power, which is demonstrated by the fact that inventories of consumer electronic products are bottoming out, marking a turning point for the market. Moreover, smartphone manufacturers keep increasing their investment in the research and development of high-end phones, bringing about more rapid iteration of new products and new technologies. Based on this, new products such as foldable phones and other high-end flagship models are expected to become one of the highlights of the future development of the smartphone market. IDC expects that the smartphone shipments will achieve a year-on-year growth of 5.9% in 2024, with a compound growth rate of approximately 2.6% in the next five years.

According to the relevant statistics from IDC, the global traditional PC shipments in 2022 were 292 million units. Given that end users are demanding notebook computer processors with greater performance, interactivity, portability, and weight-lightness, computer manufacturers have also increased their investment in the research and development of new notebook computer products, bringing about emerging technologies such as multi-screen technology and foldable screen technology. Those technologies could stimulate consumers to replace their phones. IDC forecasts a CAGR of 2.9% for global traditional PC shipments in the next five years.

According to the statistics of SNE Research, a research organisation in Korea, the global installed capacity of new energy vehicles in 2022 was 517.9GWh, representing a year-on-year increase of 71.8%. According to the forecast of SNE Research, the global installed power battery capacity will reach 749GWh in 2023. In China, according to the data from China Automotive Power Battery Industry Innovation Alliance, the cumulative installed

capacity of power battery in China in 2022 was 294.6GWh, representing a year-on-year increase of 48.6%. The 294.6GWh consists of 110.4GWh of the accumulated installed capacity of ternary batteries, accounting for 37.5% of the total installed capacity, representing a year-on-year increase of 48.6%; and 183.8 GWh of the accumulated installed capacity of lithium iron phosphate batteries, accounting for 62.4% of the total installed capacity, representing a year-on-year increase of 130.2%. With the introduction of new energy policies and the growing popularity of new energy vehicles, the penetration rate of new energy vehicles continued to increase, and the sales volume of new energy vehicles performed well in 2022. Statistics from the Gaogong Industry Institute (GGII) have shown that the global sales volume of new energy vehicles in 2022 was approximately 10.1 million units, representing a year-on-year increase of 59%. And According to the forecast of SNE Research, the global cumulative installed capacity of power battery will reach 294.6GWh in 2023.

According to the data from SNE Research, the global installed capacity of power battery of the Company was 9.2GWh in 2022, representing a significant growth rate of 253.2% as compared with 2021, and ranking among the top ten. In 2022, the Company doubled its market share in terms of installed capacity of power batteries in the world, increasing from 0.9% in 2021 to 1.8%. Statistics from China Automotive Power Battery Industry Innovation Alliance have shown that the Company ranked fifth in terms of installed capacity in China in 2022, and ranked top ten in terms of installed capacity of both ternary power battery and lithium iron phosphate battery.

Against the backdrop of international turmoil and global rising inflation, a strong growth momentum was maintained in the shipment volume of energy-storage lithium batteries in 2022. According to the data from GGII, China's shipment of energy-storage lithium batteries reached 130GWh in 2022, representing a year-on-year increase of 170.8%. Among these lithium batteries, the lithium battery for power energy storage recorded the highest proportion of total shipments, which is approximately 70.77%, representing a year-on-year increase of 216.2%; the shipment of lithium battery for household energy storage recorded the highest growth rate of over 3.5 times; the shipment volume of portable lithium battery for energy storage increased by 2 times; and the shipment of lithium battery for communication energy storage slightly decreased by 25% year-on-year. As China implements the policy of "Dual Carbon" (Carbon Peak and Carbon Neutrality) and accelerates the construction of 5G base stations, the demand for energy storage batteries will increase significantly in the future.

2. Review of operation and governance of the Company during the Reporting Period

In 2022, against the backdrop of continuous macroeconomic challenges and high prices of energy and raw materials, the Company, under the leadership of the Board of Directors and the management, adopted various measures to cope with the ever-changing situation and promoted the sustainable and sound development of the Company's production and operation activities:

(1) In terms of corporate governance, the Board conscientiously implemented the business plans and investment plans formulated by the Company following the domestic and international economic environment and industry development trends. The Board led the management of the Company to carry out a series of work in market expansion, research and development of new product, production capacity expansion, automation promotion and management innovation, achieving continuous and steady growth in operating results.

(2) In terms of business, the Company actively increased research and development investment to develop innovative consumer battery and power battery product technologies. The Company actively explored the market, and satisfied customers' needs for products and technologies through a variety of product categories and industry-leading product technologies. It provided high-quality products and services for domestic and foreign large customers, which consolidated the cooperative relationship with customers, thus continuously improving the Company's market share in various business areas, and consolidating its core competitiveness.

(3) In terms of production capacity, the Company actively made production capacity layout based on customer needs to increase customer stickiness, reduce transportation costs, improve supply capacity and optimise profitability in the principle of local supporting.

(4) In terms of raw materials, the Company actively improved its resource layout through construction of joint-venture factories, investment and equity participation, and optimised its own procurement costs by signing long-term cooperation agreements with suppliers, so as to reduce production costs and improve its profitability. In addition, the Company also established a price linkage mechanism with end customers to cope with the rise in raw material prices.

2. Principal business of the Company during the Reporting Period

The Company shall comply with the disclosure requirements of “lithium-ion battery industry chain-related business” in the “Guide on Self-supervision of Companies Listed on the Shenzhen Stock Exchange No.4 – Industry Information Disclosure on ChiNext”.

During the Reporting Period, the Company was engaged in the business of research and development and manufacturing of lithium-ion batteries. The main products are lithium-ion battery cells and modules, which fall into the green energy field. The lithium-ion battery industry, as an important part of the new energy field, is highly valued and strongly supported by governments around the world, and is currently developing rapidly. The lithium-ion batteries are widely used in mobile phones, laptops, wearable devices, electric vehicles, power tools, electric two-wheeled vehicles, smart homes, energy internet and energy storage. The Company’s products also cover various fields such as precision structural parts and intelligent manufacturing. At present, the Company has become one of the lithium-ion battery module manufacturers with the strongest design, research and development capabilities, the most comprehensive supporting capabilities and the largest product series in the domestic lithium energy field, and has successfully entered the supply chain of many well-known domestic and foreign manufacturers, with broad prospects for future development.

During the Reporting Period, the total operating revenue of the Company was RMB52.162 billion, representing a year-on-year increase of 39.63%; the net profit attributable to the parent after deducting non-recurring profit or loss was RMB804 million, representing a year-on-year increase of 52.22%. Amid the increasingly fierce competition in the market, Sunwoda made intensive efforts to actively respond to the needs of international and domestic customers. Thanks to that, market share of the Company was gradually increased, customer recognition and satisfaction was further improved, and its core competitiveness was further consolidated and enhanced, making the Company the world’s leading lithium battery manufacturer.

During the Reporting Period, the Company’s traditional core business continued to develop steadily, the revenue of consumer lithium battery business continued to grow, the production scale of consumer battery cells business gradually expanded, and the utilisation rate steadily increased. With the increase in the proportion of self-supply, the added value of products will be effectively increased, and the overall profitability of the Company will be improved. With the economies of scale, the Company’s power battery business recorded a significant increase in revenue and profitability.

Consumer battery business: During the Reporting Period, the Company’s consumer battery business achieved a revenue of RMB 32.015 billion representing an increase of 18.65% over the same period last year.

1. Mobile phone digital business: During the Reporting Period, affected by the macroeconomic downturn and the tightening of consumer budgets due to inflation, the supply and demand sides of the consumer electronic product market were affected to varying degrees. Most of the end brand customers in the industry were in the stage of destocking, resulting in a year-on-year decrease in global smartphone shipments in 2022. In the future, with the

economic recovery, the mobile phone market will show a positive trend. Under the severe situation and background, the Company's mobile digital business achieved an increase over the same period last year. The Company will continue to increase R&D efforts, innovate product technology, strengthen quality management, strictly control costs, meet customer product needs, and further improve the self-supply rate of consumer cells to increase the Company's share of consumer cells in customer products, and improve its profitability. In 2023, with the economic recovery, together with the launch of new products by various manufacturers and the launch of products through channels, the supply and demand will gradually recover. With the further improvement of the application scope of 5G and the portability advantages of the new multi-form foldable screen for consumers, major smartphone manufacturers are actively developing differentiated high-end models, which is an effective way to achieve profitability and sustainable growth. The Company will also actively cater for customers' needs to develop consumer mobile phone batteries suitable for high-end models of customers, so as to provide guarantee for the Company's performance growth.

2. Notebook business: During the Reporting Period, affected by the supply chain shortage and the decline in consumer demand, the global shipments of notebook computers decreased significantly. Despite the notebook computer market environment, the market share of the Company's notebook computer business is relatively low, which implies the great potential for growth. The Company's notebook computer business still achieved significant growth. In the future, the Company will gradually increase its market share of notebook computer lithium battery, and continue to expand the world's leading notebook brand customers to further increase the industry penetration and market share. At the same time, coupled with the increase in the Company's battery cell self-supply rate, the Company will effectively increase the added value of products, and the notebook computer business will become an important business growth point for the Company in the future consumer battery field.

3. Consumer battery cells business: During the Reporting Period, the overall growth of consumer business slowed down due to various factors such as the decline in consumer end market demand, release of production capacity and significant increase in raw materials. The Company achieved steady business development by deepening operation management, strengthening R&D capacity building and exploring new businesses. In the field of smart phone applications, the Company continued to launch new products and new technologies to achieve full business coverage and steady increase in product share. In the field of notebook computer application, our R&D capability and quality management have been recognised by domestic and foreign customers, and significant progress has been made in customer development, marking that the Company has been selected into the supply chain by high-quality customers. In terms of new business expansion, the Company made every effort to promote the "high-performance consumer cylindrical lithium-ion battery project", with products covering smart home, smart travel and other market segments. The Company's product strategic layout was further improved. The Company will continue to increase investment in R&D to improve R&D capabilities. We will create a lean manufacturing system, and deepen cooperation with core suppliers to continuously improve the Company's market competitiveness, and promote rapid business development.

Electric vehicle battery business: During the Reporting Period, the Company's power battery business has been recognised by many well-known domestic and foreign automakers for its technical strength and development potential through dedicated investment and intensive cultivation in the early stage, and the maturity and stability of its products have been further verified by the market. The management system and operation system of power battery have continuously passed the strict review of domestic and foreign high-end customers.

(1) In terms of performance, with the rapid increase in the global penetration rate of new energy, the Company's power battery shipments in 2022 totaled 12.11GWh, and realised revenue of RMB 12.687 billion, representing a year-on-year increase of 332.56%.

(2) In terms of product development, the Company adheres to the strategy of “Focus + Differentiation”. The power battery products focus on square aluminium shell batteries, covering BEV, EREV, PHEV, HEV, 48V and other application markets. The Company has established a systematic “five-layer safety design”. The product system covers a three-element material system with high energy density ratio and long-range and low-cost and long-life-span lithium iron phosphate material system and lithium manganese iron phosphate material system: ① for the mid-to-high-end market, the BEV fast charging 2C and super fast charging 4C battery products provided by the Company are suitable for 800V high-voltage and 400V systems. The Company has recently launched a flash battery series solution, which effectively supports 1,000 km of endurance mileage and achieves 10-minute charging from 20% to 80% of SOC. On the premise of being safer and more reliable, the Company pursues batteries with greater endurance, faster charging and longer life. ② the Company provides long-life LFP/NCM solutions for the markets in which the Company operates. ③ for the EREV and PHEV markets, the Company offers a portfolio of 50-200KM pure electric endurance products. ④ HEV battery products of the Company boast industry-leading high power performance and high durability, support 70C normal temperature discharge and 60C pulse charging, and can meet the needs of different customers through battery cell standardisation and system modularisation. Maturity and stability of the Company have been fully verified by the market, and have been unanimously recognised by major customers at home and abroad. Up to now, we have cooperated with most of the domestic customers with HERV needs, and have started mass delivery to them. ⑤ The long-life energy storage battery cells developed by the Company are characterised by high circulation frequency, and the application scenarios cover data centre and communication power supply, household energy storage, power energy storage, and smart energy, etc. ⑥ the Company continues to develop advanced battery products such as lithium ferromanganese phosphate batteries, sodium ion batteries, and all-solid batteries to meet the diversified needs of end customers. The advanced solid-state battery technologies that the company currently has/reserves include sulfide all-solid-state batteries with high nickel cathode and silicon-based cathode/lithium metal cathode, and new lithium-sulfur solid-state batteries. The development of sodium ion batteries of the Company is also in progress as expected. The Company extensively participated in the development of new platform models for core customers, and carried out differentiated performance development based on different market demands. In addition to the application in the field of automotive, the Company’s lithium iron phosphate product has obtained the type approval certificate from the China Classification Society, expanding the application of the lithium iron phosphate product in the field of electric ships. The Company has realised the mass delivery of differentiated products for ships. The performance, process and equipment maturity of the Company’s power battery products are industry-leading, forming a deep market brand power. ⑦ In terms of battery system integration, the Company transformed the integration solution from large modules to CTP and CTC solutions, and integrated the CTP solutions of efficient multi-face cooling thermal management system. We have fully realised market-oriented application of the solutions.

(3) In terms of market expansion and services, the Company has successively obtained the letter of designated supplier from a number of domestic automobile enterprises such as Dongfeng Liuzhou Motor, Dongfeng, Geely, SAIC, SAIC-Datong, SAIC-GM-Wuling, GAC and Chery, as well as the new automakers such as Li Auto, Xiaopeng and Leapmotor, and established a joint venture with Geely and Dongfeng Motor Group, which has been officially put into operation. At the same time, the Company has established cooperation with many well-known foreign automobile manufacturers such as Volkswagen, Volvo, Renault, Nissan and Easy Logistics, and has established a synchronous joint development mechanism with customers on multiple mainstream models in the market. In the field of super fast charging, the product maturity and stability are leading in the industry, and have obtained the qualification for supplier for designated vehicle models of many leading customers. At the same time, the Company’s core competitiveness has been deeply recognised by international customers. The Company has won a number of honours and awards from customers, which indicates that the Company has a complete international

quality system standard certification, a mature and stable international mainstream automobile enterprise supporting experience and data, and a global supply capacity. In addition, the Company participated in the drafting of the first national standard for the battery exchange field, the Safety Requirements for Electric Vehicles (GB/T 40032-2021), which has been implemented and applied.

(4) In terms of production and manufacturing process control, the Company continues to provide customers and markets with high-safety, high-reliability and high-stability power lithium batteries by virtue of its excellent process control capabilities and advanced production equipment manufacturing capabilities. At the same time, Sunwoda Market Service has passed the national “five-star after-sales service” certification, and we are well positioned to serve the market development and stable operation of customers. The Company adheres to the concept of sustainable development. In 2022, through the AA-level enterprise of the automobile industry green development index, the Company implements green and low-carbon operation through innovative development and green development, and helps the country achieve the goal of “Dual Carbon”.

Energy storage system business: The Company has been deeply developing and expanding in the fields of network energy, household energy storage, power energy storage and smart energy for a long time. Through continuous investment and accumulation of products and technologies, the Company’s energy storage business achieved further breakthroughs in 2022. During the Reporting Period, the Company’s energy storage system business realised revenue of RMB 455 million, representing a year-on-year increase of 50.36%. To be specific:

(1) network energy sector: the Company achieved bulk supply in Europe, Africa, the Middle East and Southeast Asia, completed the advanced research of the second generation of products, determined the long-term R&D plan for future products, and preliminarily achieved full coverage of scenario solutions for communication and data centre.

(2) household energy storage sector: the Company initially established distribution channels in core regions, and developed leading regional distributors in Europe, North America, South America and Africa, improving the localised service warehousing and services in Europe. Three forms of battery solutions, i.e. rack, stacking and all-in-one, have taken shape. the solution that is developed in combination with external; inverters have covered Europe, Australia, America, Middle East and Africa.

(3) electricity storage sector: The Company has established strategic partnerships with customers such as SPIC, China Energy, China Huaneng and CNNC, and expanded new business models, achieving a breakthrough in single-hundred-MWh-level project.

(4) smart energy field: the Company completed the construction of the smart energy team of Sunwoda, focusing on the construction of two major business scenarios of “zero-carbon park” and “zero-carbon travel”. Based on the demonstration projects, we gradually promoted and applied to self-owned parks and external enterprises, realizing the extension of “energy storage +”. Currently, the “power supply, grid, load, energy storage” solution has been deployed and implemented in Boluo, Zaozhuang, Nanjing, Lanxi, Deyang and other parks.

Presence: In order to cope with the Company’s future continuous expansion and the implementation of industrial chain strategy integration, the Company, with Shenzhen Baoan as the centre, has successively established its presence in Guangming, Shenzhen, Boluo, Huizhou, Nanjing, Jiangsu, Lanxi, Zhejiang and Nanchang, and Jiangxi in the PRC, and has established a factory in New Delhi, India, forming seven major production and R & D bases at home and abroad. With the vision of serving the world in Shenzhen, the Company has established branches in the United States, France, Germany, Israel, South Korea, Vietnam, India, Japan and other countries.

Industry-university-research: During the Reporting Period, based on its development needs, the Company actively increased its investment in research and development, and carried out research and development of electric cores for electric vehicles and BMS, energy storage systems and new materials. The Company carried out industry-

university-research cooperation with a number of well-known domestic universities and research institutes such as Peking University, Tsinghua Shenzhen International Graduate School, Beihang University, Beijing Institute of Technology, Sun Yat-sen University, South China University of Technology, Dalian University of Technology and Songshan Lake Materials Laboratory in various fields such as battery technology and battery materials:

Project name	Content of cooperation	Cooperation counterparty	Progress
Phase II of Joint Laboratory for Advanced Energy Storage Technology	Commercialisation of results and development of technologies in the field of lithium-ion power battery materials and new energy storage materials	South China University of Technology	Cooperation projects are in progress.
Technology Development Entrustment Agreement	Development of a high-precision power module.	South China University of Technology	Cooperation projects are in progress.
Sunwoda-Songshan Lake Materials Laboratory Cooperation Framework Agreement	Joint technology development and research in the field of lithium-ion battery related materials.	Songshan Lake Materials Laboratory	Cooperation projects are in progress.
“Joint R&D Center of Innovative Carbon-neutral Technology”	Cooperation in the fields of lightweight, hydrogen energy, carbon capture, lithium battery and other carbon-neutral technology.	Dalian University of Technology	Cooperation projects are in progress.
“Demonstration of Distributed Energy System with Multi-energy Complementary Integration and Optimisation” Project	To conduct research on five key technologies, namely the coordinated planning, hierarchical control, independent power supply, joint simulation and energy efficiency assessment of distributed comprehensive energy, and establish an international leading multi-energy complementary comprehensive energy demonstration in the Huizhou Park of Sunwoda, providing solutions for the planning and construction of the industrial park and refined energy management.	15 units including Tianjin University, Hunan University and Institute of Electrical Engineering of Chinese Academy of Sciences	The project has passed the comprehensive performance evaluation acceptance organised by the Industry Development Promotion Centre of the Ministry of Industry and Information Technology

Honours: As of the end of 2022, the Company was awarded the 7th Guangdong Provincial Government Quality Award, the Global Top 500 New Energy Enterprises (ranked 32nd), the Top 500 Chinese Private Enterprises (ranked 308th), the 2022 Fortune China 500 (ranked 332nd), the Top 500 Chinese Listed Companies (ranked 288th), the Top 10 New Energy Battery Industry Enterprises in China’s Light Industry, the Top 500 Chinese Manufacturing Enterprises (ranked 299th), the Top 100 Leading Enterprises in China’s Strategic Emerging Industries (ranked 88th), the Top 100 Innovative Enterprises in China (ranked 56th), the Top 500 Enterprises in Guangdong (ranked 81th), and the Top 100 Industry Leading Enterprises in Shenzhen. By virtue of the customer-centric service advantages, the Company has been widely recognised by customers, and successively won many customer awards such as the "Innovation Award for Global Suppliers of Nissan Automobile", "2022 Outstanding Contribution Award of ZEEKR New Energy", "2022 Supply Chain Special Contribution Award of Dongfeng Passenger Vehicle", "2022 R&D Contribution Award of Dongfeng Liuzhou Motor", "2022 Excellent Supplier of Dongfeng Liuzhou Motor" and

"2022 Science and Technology Innovation Award of GAC". In addition, the Company has received a shortlist notice of Tier 1 from Benchmark Mineral Intelligence, a British battery raw material consulting company, becoming the fourth domestic tier-I power battery manufacturer.

III. Analysis of core competitiveness

1. Continuous independent innovation capability

Since its establishment, the Company has always attached great importance to R&D and innovation. The Company has accumulated strong technological advantages, and insisted on relying on continuous technological innovation to provide customers with more comprehensive products and services. The Company is at the leading position in the domestic industry in the research and development of mobile phone digital lithium-ion battery modules, notebook computer lithium-ion battery modules, and automotive and power lithium batteries.

2. Leading power management system R&D capability

The Company has a leading position in the research and development of BMS in China and has extensive experience. Through independent research and development, the Company has mastered core technologies in basic charge and discharge protection, smart management of battery parameters, temperature regulation of battery protection modules, data transmission, battery safety protection monitoring and multi-battery cell balance. The self-developed power management system can be used in mobile phone batteries, notebook computer batteries, automotive and power batteries and energy storage battery systems of the Company's products, and has been recognised by customers.

3. Excellent overall development and manufacturing capacity of lithium-ion battery modules

As one of the first enterprises engaged in the production of lithium-ion battery modules in China, the Company has a group of senior management and business backbones who have been engaged in the design and development of lithium-ion battery modules for a long time. Our R&D and design team has a deep understanding and awareness of the market trends, technological progress, our production capacity, upstream raw material performance and downstream demand in the lithium-ion battery module industry. In order to better guide and meet the needs of customers for the use of lithium-ion battery modules, and to achieve the optimisation of the overall development and design of lithium-ion battery modules, the Company has started to cooperate with customers from the R&D stage of their products. In the process of cooperative R &D with customers, the Company refers to factors such as the appearance and internal structure of new products of customers, energy consumption indicators of products, use of environmental simulation indicators, and communication parameters of products to develop and design lithium-ion battery modules, and guides customers to optimise the design of their products in the above aspects. The Company has been engaged in the manufacturing of lithium-ion battery modules for many years, and has been serving the world's leading electronic manufacturers for a long time, accumulating rich experience in process management. The Company has a sound quality control system, strictly controls the procedures and quality of the production process, and conducts strict quality testing on finished products to ensure the quality of ex-factory products.

4. Advanced level of automation

In order to follow the industrial development trend and trend and seize the development opportunity of Industry 4.0, the Company will comprehensively build an intelligent factory, explore the field of intelligent manufacturing, and promote the layout and development of the business in the field of intelligent manufacturing. The implementation of automation and intelligence of production lines is conducive to reducing labour costs, improving production capacity, stabilising quality, energy conservation and emission reduction, improving product

profitability and enhancing market competitiveness. Currently, the automation level of the Company is in the leading position in the industry.

5. Rapid response advantage

Relying on our strong design and R&D capabilities, efficient procurement management system, good supporting production capacity, flexible production organisation management system and reasonable production base layout, coupled with self-developed multiple automatic production equipment and reasonable production line planning, the Company has improved production efficiency, effectively shortened the switching time for production of multiple batches of products, which enhanced the ability to accept various orders, and enabled the Company to quickly respond to customer needs, and quickly organise production and timely delivery according to orders.

6. Quality customer resources

After years of operation and development, the Company has accumulated a large number of high-quality customer resources and has a deep understanding and awareness of customer needs. With the continuous large-scale expansion of the Company's business and the continuous improvement of product performance, the Company's market covers the whole country and major overseas regions. The Company has seen a year-on-year expansion of the customer base, and has established long-term and stable cooperation with leading consumer electronics manufacturers in China and other parts of the world. During the Reporting Period, the Company focused on developing high-quality customers in the field of power battery while serving long-term customers, laying a solid foundation for the Company's sustainable and sound development in the future.

IV. Analysis of principal business

1. Overview

Please refer to "II. Principal business of the Company during the Reporting Period" in "Management Discussion and Analysis".

2. Revenue and cost

(1) Composition of operating revenue

Overall operating revenue

Unit: RMB

	2022		2021		Year-on-year change
	Amount	Percentage of operating revenue	Amount	Percentage of operating revenue	
Total operating revenue	52,162,269,313.89	100%	37,358,723,512.07	100%	39.63%
By industry					
Industrial manufacturing	52,162,269,313.89	100.00%	37,358,723,512.07	100.00%	39.63%
By product					
Consumer battery	32,015,430,640.92	61.38%	26,983,885,445.39	72.23%	18.65%
EV battery	12,686,519,262.82	24.32%	2,932,884,940.49	7.85%	332.56%
Energy Storage system	454,946,772.51	0.87%	302,562,605.60	0.81%	50.36%

Others	7,005,372,637.64	13.43%	7,139,390,520.59	19.11%	-1.88%
By region					
Domestic	29,576,325,140.18	56.70%	19,767,238,867.21	52.91%	49.62%
Overseas	22,585,944,173.71	43.30%	17,591,484,644.86	47.09%	28.39%
By sales model					
Direct sales	52,162,269,313.89	100.00%	37,358,723,512.07	100.00%	39.63%

The Company shall comply with the disclosure requirements of “lithium-ion battery industry chain-related business” in the “Guide on Self-supervision of Companies Listed on the Shenzhen Stock Exchange No.4 – Industry Information Disclosure on ChiNext”

During the Reporting Period, the overseas sales revenue of the listed company engaged in lithium-ion battery industry chain related business accounted for more than 30% of the operating revenue for the same period

Applicable Not applicable

(2) Industries, products, regions and sales models accounting for more than 10% of the Company’s operating revenue or operating profit

Applicable Not applicable

The Company shall comply with the disclosure requirements of “lithium-ion battery industry chain-related business” in the “Guide on Self-supervision of Companies Listed on the Shenzhen Stock Exchange No.4 – Industry Information Disclosure on ChiNext”

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	Year-on-year change in operating revenue	Year-on-year change in cost of sales	Year-on-year change in gross profit margin
Business segments						
Industrial manufacturing	52,162,269,313.89	44,942,949,296.33	13.84%	39.63%	41.01%	-0.85%
By product						
Consumer battery	32,015,430,640.92	27,601,363,897.70	13.79%	18.65%	21.93%	-2.32%
EV battery	12,686,519,262.82	11,382,434,007.26	10.28%	332.56%	284.73%	11.15%
Storage system	454,946,772.51	363,362,983.40	20.13%	50.36%	48.73%	0.88%
Others	7,005,372,637.64	5,595,788,407.97	20.12%	-1.88%	-7.23%	4.61%
By region						
Domestic	29,576,325,140.18	24,558,939,391.09	16.96%	49.62%	46.21%	1.93%
Overseas	22,585,944,173.71	20,384,009,905.24	9.75%	28.39%	35.22%	-4.56%

Under the circumstances that the statistics specification for the Company’s principal operations data experienced adjustment in the Reporting Period, the principal activity data upon adjustment of the statistics specification as at the end of the reporting period in the latest year

Applicable Not applicable

Key technologies or performance indicators related to major products or businesses in the lithium-ion battery industry chain

Applicable Not applicable

Average selling price of products accounting for more than 30% of the Company’s sales revenue in the latest financial year changed

over 30% from the beginning of the period

Applicable Not applicable

Production and sales volume of different products or businesses

	Production capacity	Production capacity under construction	Capacity utilisation rate	Production volume
Business segments				
By product				

(3) Whether the Company's revenue from sales in kind is higher than revenue from services

Yes No

Industry classification	Item	Unit	2022	2021	Year-on-year change
Industrial manufacturing	Sales volume	units	1,158,024,613	1,075,034,296	7.72%
	Production volume	units	1,164,849,763	1,089,714,343	6.89%
	Inventory	units	76,685,677	69,860,527	9.77%

Explanation on why the related data varied by more than 30%

Applicable Not applicable

(4) Performance of material sales contracts and material procurement contracts of the Company during the Reporting Period

Applicable Not applicable

(5) Composition of cost of sales

Industry classification

Industry classification

Unit: RMB

Industry classification	Item	2022		2021		Year-on-year change
		Amount	Percentage of cost of sales	Amount	Percentage of cost of sales	
Industrial manufacturing	Cost of sales	44,942,949,296.33	100.00%	31,871,755,704.21	100.00%	41.01%

Explanation

Nil

(6) Whether the scope of consolidation changed during the Reporting Period

Yes No

Name of company	Acquisition and disposal of subsidiaries during the Reporting Period	Impact on overall production, operation and performance
Shenzhen Xinyi Zhilian Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Xinzhi Wangjia Technology Co., Ltd.	Newly established	No significant impact
Shandong Xingtaotou Energy Development Co., Ltd.	Newly established	No significant impact
Shandong Xinneng Power Service Co., Ltd.	Newly established	No significant impact
Shandong Xinzhi New Energy Co., Ltd.	Newly established	No significant impact
Zaozhuang Xinding New Energy Co., Ltd.	Newly established	No significant impact
Zaozhuang Xinyue New Energy Co., Ltd.	Newly established	No significant impact
Huizhou PTL Testing Technology Co., Ltd.	Newly established	No significant impact
Huizhou Yingchuang Precision Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Sunwoda Smart Energy Co., Ltd.	Newly established	No significant impact
Zhuhai Sunwoda New Energy Co., Ltd.	Newly established	No significant impact
Shenzhen Xinwei Zhiwang Technology Co., Ltd.	Newly established	No significant impact
Deyang Sunwoda New Energy Co., Ltd.	Newly established	No significant impact
Zhejiang Lixin Energy Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Sunwoda Resources Development Co., Ltd.	Newly established	No significant impact
Zhejiang Sunwoda Power Battery Co., Ltd.	Newly established	No significant impact
Superstar (Shandong) Intelligent Equipment Co., Ltd.	Newly established	No significant impact
Zaozhuang Sunwoda Venture Capital Partnership (Limited Partnership)	Newly established	No significant impact
Zhuhai Sunwinon Electronic Co., Ltd.	Newly established	No significant impact
Shenzhen Bosheng Investment Partnership (Limited Partnership)	Newly established	No significant impact
Hubei Dongyu Xinsheng New Energy Co., Ltd.	Newly established	No significant impact
Sunwoda Japan New Energy Co., Ltd.	Newly established	No significant impact
Guangdong Wanhong Power Engineering Co., Ltd.	Combination not involving enterprises under common control	No significant impact
Sunwoda (Liuzhou) New Energy Co., Ltd.	Deregistration	No significant impact
Dongguan Hongsheng Technology Co., Ltd.	Deregistration	No significant impact
Huizhou Xinwei Intelligent Technology Co., Ltd.	Deregistration	
Hong Kong Xinzhiwang Electronics Co., Ltd.	Newly established, unoperated subsidiary transferred	No significant impact
Sunwoda Japan Co., Ltd.	Subsidiary disposed of by transfer of equity	No significant impact

(7) Significant changes or adjustments to the Company's business, products or services during the Reporting Period

Applicable Not applicable

(8) Sales to major customers and major suppliers

Sales to major customers of the Company

Total sales to top 5 customers (RMB)	29,770,373,564.05
Total sales to top 5 customers as a percentage of total sales for the year	57.00%
Sales to related parties in sales to top 5 customers as a percentage of total sales for the year	0.00%

Information on top 5 customers of the Company

No.	Name of customer	Sales (RMB)	Percentage of total sales for the year
1	Top one	14,925,823,047.91	28.61%
2	Top two	5,273,777,712.63	10.11%
3	Top three	3,536,043,124.53	6.78%
4	Top four	3,311,694,405.71	6.35%
5	Top five	2,723,035,273.27	5.22%
Total	--	29,770,373,564.05	57.07%

Other information on major customers

Applicable Not applicable

Major suppliers of the Company

Total purchase from top 5 suppliers (RMB)	20,911,438,671.53
Total purchase from top 5 suppliers as a percentage of total purchase for the year	44.75%
Purchase from related parties in purchase from top 5 suppliers as a percentage of total purchase for the year	0.00%

Information on top 5 suppliers of the Company

No.	Name of supplier	Purchase (RMB)	Percentage of total purchases for the year
1	Top one	8,412,241,652.01	18.00%
2	Top two	5,107,316,296.96	10.93%
3	Top three	4,964,709,864.15	10.62%
4	Top four	1,311,190,001.30	2.81%
5	Top five	1,115,980,857.11	2.39%
Total	--	20,911,438,671.53	44.75%

Other information on major suppliers

Applicable Not applicable

3. Expenses

Unit: RMB

	2022	2021	Year-on-year change	Description of major changes
Selling expenses	598,186,457.23	280,389,676.14	113.34%	Mainly due to the increase in product after-sales comprehensive services fee and salary of sales personnel.
Administrative expenses	2,148,852,678.31	1,493,521,414.51	43.88%	Mainly due to the increase in salary of management personnel, amortisation of low-value consumables and material consumption.
Finance expenses	674,539,654.01	522,201,931.65	29.17%	Mainly due to the increase in profit or loss on exchange.
Research and development expenses	2,741,803,307.55	2,326,672,631.71	17.84%	Mainly due to the increase in salary of research and development personnel and material consumption.

4. Research and development investments

Applicable Not applicable

Name of main research and development projects	Project purpose	Project progress	Objectives to be achieved	Expected impact on future development of the Company
Development of high-capacity fast-charging battery for mobile phone with multi-layer	Development of a type of battery cells with higher volume and capacity density with multi-layer.	Completed	To achieve high battery capacity, low power loss, high charging efficiency and improve heating, the battery capacity will be larger, supporting the longer endurance of mobile phones.	This project is conducive to seizing the market of mobile phone batteries and enhancing our position and influence in the industry, thereby bringing more economic benefits and social influence to the Company.
Development of ultra-thin and high-capacity batteries for tablet	Development of a new generation of ultra-thin and portable batteries for tablet with high capacity and low energy consumption.	Completed	To provide batteries for tablet with higher capacity, low energy consumption, safe and efficient fast charging, greatly enhance users' experience and meeting the future development trend.	This project is committed to creating high-quality batteries for tablet, which is of great significance for enhancing the Company's brand reputation and setting the industry benchmark.
Development of batteries for intelligent robot	Develop a battery with higher performance and safety requirements suitable for intelligent robots.	Completed	To provide a safe and reliable source of power for robots combining with the actual application	This project is tailored to develop a battery for robots, which will bring greater market opportunities to the

			scenarios and requirements of robots.	Company.
Development of high-capacity and low-impedance graphite anode materials	Research and development of a high-capacity, low-impedance graphite anode material.	Completed	Through the development of non-needle coke graphite anode materials to reduce the cost of graphite anode, increase the capacity of graphite anode, reduce the resistance, and promote the large-scale production and application of power lithium-ion battery.	This project develops low-cost and high-capacity low-impedance non-needle coke graphite with great market prospects and market demand to meet the Company's requirements for power battery cells.
Development of an electrolyte in high voltage system with medium nickel	Research and development of an electrolyte in high voltage system with medium nickel	Completed	The development of an electrolyte in high voltage system with medium nickel and to realise the wide working voltage window, improve the interface stability of the ternary high-voltage power lithium-ion battery, solve the high temperature performance and life-span performance of the ternary high-voltage power lithium-ion battery, and match the ternary high-voltage cathode materials.	This project helps the Company achieve large-scale production and application of ternary high voltage power lithium-ion battery.
Development of graphite negative materials for power fast-charging batteries	Research and development of graphite cathode materials for power fast-charging batteries.	Completed	To solve the problem that graphite cathode cannot balance energy density and charging ability, graphite cathode encapsulation defects, and poor graphite fast-charging cycle capacity.	This project aims to break the technical barriers of traditional graphite anode and develop high-energy density fast-charging products to further enhance the competitiveness of the Company's power battery.
Research and development of key technologies for high-performance solid-state batteries	Focusing on solid-state lithium batteries for pure electric vehicles, the Company designed feasible research plans for the anode and cathode materials system, solid electrolyte, monomer and system integration of battery cells.	Preparation process under development	To obtain preparation process for the core materials of solid-state batteries, high-specific battery cells, solid-state electrolyte, and the core technology of solid-state battery cell preparation.	After the successful implementation of this project, it will promote the domestic technical reserves in the solid-state battery field, promote the accumulation of relevant intellectual property, and break the technological

				monopoly of Japan, the United States, South Korea and other countries in this field. To promote the development of the entire solid-state battery industry.
Research and development of key technology of new sodium-ion battery	Research and development of a new sodium-ion battery	Preparation process under development	To perform technology development and verification of four major aspects of sodium-ion battery anode and cathode materials, life-cycle technology and battery manufacturing process, so as to obtain the overall design plan of sodium-ion battery products.	This project enables the Company to obtain long life, high energy density, high circulation performance, new mass production process, low manufacturing cost sodium-ion battery technology, and achieve large-scale production and application of the Company's sodium-ion battery.
Development of safe battery cell	Development of a battery with higher safety and reliability requirements for mechanical abuse in a specific environment	Completed	This project addresses the application safety issues in the market and provides safer products for end customers and the market through technological innovation.	This project provides a safer battery for the market and avoids the impact of various safety issues on customers in the market, which will bring greater market opportunities to the Company.
Development of a 5C fast-charging battery cell	To develop a battery with faster charging rate to meet the energy and endurance requirements of smartphones and other smart devices	Completed	To improve the energy demand and endurance demand of smart devices such as smartphones via ultra-fast charging, so as to enhance user experience.	The successful development of this project will further enhance the Company's technical image on the customer side, increase the Company's market share in high-end projects, and win greater market opportunities for the Company.
Development of a Si cathode high energy density battery cell	To develop a Si cathode with higher energy density than traditional graphite	Completed	To develop a high energy density battery cell containing Si cathode via through R&D iterations, and to obtain the technology and manufacturing control point related to Si cathode.	Enhance the Company's technological competitiveness in the industry and obtain more development opportunities and orders for high-end projects.
Research and development of CTP	To improve the integration of power	Completed	To decrease the number of packaged parts by	The improvement in the core

battery system	battery products, formation efficiency, volume utilisation, fast-charging performance and safety performance.		approximately 35%; the formation efficiency to be over 86%; the volume utilisation rate to reach over 72%; the charging rate to meet super fast-charging 4C; there will be no heat spreading in all aspects.	competitiveness of high-integration power battery products and reduction of costs will also bring greater market opportunities to the Company.
Research and development of high-function safety 48V battery system	To develop of a battery system that meets the functional safety level and corresponding functional safety objectives of the entire battery system.	Completed	The high-function safety 48V battery system has a wide range of application, high testing accuracy, fast response speed, strong reliability, high safety, and functional safety reaching ASIL D, and oil saving efficiency reaching 10%-20%.	The development of a highly functional and safe 48V battery system is of strategic significance to the Company's product roadmap, and has a potential huge market prospect and production value for the European market.
Research and development of high-integrated high-power HEV-CTP battery system	To develop a HEV power battery system with higher system volume efficiency, formation efficiency and high energy density with obvious cost advantages.	Completed	The development of HEV battery system in the form of CTP can effectively improve system volume efficiency, formation efficiency and energy density, while reducing system costs.	This will help us enhance our competitiveness and market share in the HEV power battery market, and in turn gain technological advantage in the fierce competition in the future.
Development of portable energy storage project	To develop an AC two-way fast-charging portable energy storage power to achieve fast-charging and save charging time.	Completed	1. To apply high energy density per unit, safe, stable and reliable solid-state lithium batteries in energy storage power system; 2. AC fast-charging function to achieve full power consumption within 1.5H.	To seize the market share of energy storage and drive the rapid transformation and upgrading of new energy, which will drive the progress of the energy storage related market and inevitably replace traditional resources.
Development of high-speed electric motors system project on high-voltage platform	To develop electric motors cells on high-voltage platform to solve technical barriers such as battery heating, cooling and modularization	In progress	The development of the project will form a high-voltage platform standard, which is conducive to the construction of high-voltage product platform and the understanding of application scenarios, meeting the changing needs of energy, and also facing the growing demand for electric	This project will lead the Company to a new field, strengthen the Company's technology, and also help cultivate a new innovation curve in the future, which is of strategic significance

			motors.	
Development of home storage stacked products (SunESS series) project	To develop a modular, standardised and unified model to reduce the number of sub-modules, sub-modules and single-panel modules, so as to improve the procurement of raw materials for products, reduce the cost of production, transportation, installation and maintenance of products for household energy storage products, and help PV to become a power source and build a low-carbon and green future together.	Completed	To develop a home stacked energy storage system, integrating the design concept of “efficiency, reliability and intelligence”, adopting the long-life and high-quality lithium battery energy storage system, which can be compatible with three-phase, single-phase and separate-phase power distribution solutions to provide the best grid-connected energy solutions for households.	After the successful implementation of this project, it will promote the large-scale development of domestic and foreign household energy storage products, and provide more industry-leading zero-carbon solutions for the new energy market. To provide stable and reliable energy storage systems for households to maximise their energy returns, and accelerate the green rejuvenation and zero-carbon transformation of China and the world.
Development of liquid cooling battery pack and system integration project	To develop a pack fire-fighting liquid cooling battery pack, from PACK level to clusters, to liquid cooling containers, integrate liquid cooling energy storage system level-by-level, design practical research plans and complete product development.	In progress	Fill the market gap of the Company’s liquid cooling energy storage products and create a product with good temperature consistency, high energy density and strong safety.	In the next 3-5 years, the market demand for liquid cooling battery pack will be huge. The successful implementation of this project will enhance the Company’s product competitiveness and meet the demand of domestic and foreign energy storage market.
Large storage SVB smart power development	To develop an innovative smart power supply product that enables DC-DC module to be placed in the battery cluster, realising modular management, refinement and intelligent control of voltage and current between the battery clusters.	EVT in progress	The system adopts modular design, which can achieve remote upgrading. The compact and lightweight products is compatible with large energy storage 1000V and 1500V systems at the same time, which is stable and reliable.	After the completion of the development of the large-storage SVB smart power supply project, it will be conducive to the Company’s energy technology large-storage product line system products, highlight the product advantages, differentiate from the system solutions of competitors, and enhance the market competitiveness of the Company’s products.

Research and development personnel of the Company

	2022	2021	Proportion of changes
Number of research and	8,364	6,973	19.95%

development personnel (person)			
Percentage of research and development personnel	18.65%	19.30%	-0.65%
Educational background of research and development personnel			
Bachelor's degree	2,949	1,966	50.00%
Master's degree	898	636	41.19%
Doctor's degree	93	85	9.41%
Junior college	2,007	1,806	11.13%
Below college	2,417	2,480	-2.54%
Age Composition of research and development personnel			
Below 30	4,521	3,769	19.95%
Aged 30 ~40	3,362	2,805	19.86%
Aged 40 ~50	456	379	20.32%
Aged 50 ~ 60	24	19	26.32%
Over 60	1	1	0.00%

Research and development investments of the Company expressed both as an amount and as a percentage of revenue in the past three years

	2022	2021	2020
Research and development investments (RMB)	2,741,803,307.55	2,326,672,631.71	1,806,287,309.25
Research and development investments as a percentage of operating revenue	5.26%	6.23%	6.08%
Capitalized research and development expenditures (RMB)	0.00	0.00	0.00
Capitalized research and development expenditures as a percentage of research and development investments	0.00%	0.00%	0.00%
Capitalized research and development expenditures as a percentage of net profit for the current period	0.00%	0.00%	0.00%

Reasons and effects of significant changes in the composition of the research and development personnels of the Company

Applicable Not applicable

Reasons for the significant change in the total research and development investments as a percentage of operating revenue as compared with last year

Applicable Not applicable

Reasons and description of the reasonability of the significant changes in the capitalization rate of research and development investments

Applicable Not applicable

5. Cash Flow

Unit: RMB

Item	2022	2021	Year-on-year change
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Sub-total of cash inflows from operating activities	55,757,589,757.84	41,661,773,894.69	33.83%
Sub-total of cash outflows from operating activities	55,198,814,663.94	40,027,605,686.51	37.90%
Net cash flows from operating activities	558,775,093.90	1,634,168,208.18	-65.81%
Sub-total of cash inflows from investing activities	1,326,925,529.61	455,030,474.13	191.61%
Sub-total of cash outflows from investing activities	11,087,346,708.16	4,200,564,322.06	163.95%
Net cash flows from investing activities	-9,760,421,178.55	-3,745,533,847.93	160.59%
Sub-total of cash inflows from financing activities	26,650,834,016.99	16,307,348,761.20	63.43%
Sub-total of cash outflows from financing activities	11,770,043,504.41	11,113,373,756.46	5.91%
Net cash flows from financing activities	14,880,790,512.58	5,193,975,004.74	186.50%
Net increase in cash and cash equivalents	5,656,040,943.42	3,078,901,700.07	83.70%

Description of the main reasons for a significant year-on-year change in relevant data

Applicable Not applicable

Description of the reasons for the significant difference between net cash flow from operating activities and net profit for the year of the Company during the Reporting Period

Applicable Not applicable

V. Non-core business

Applicable Not applicable

Unit: RMB

	Amount	As a percentage of the total profit	Explanation of reasons	Whether it is sustainable
Investment income	28,339,633.33	6.45%	Mainly due to the investment income from the disposal of equity interest in Anker Innovations.	No
Profit and loss from changes in fair value	-45,481,914.94	-10.35%	Mainly due to the impairment of fair value assessment of convertible bonds of the Company.	No
Impairment of assets	-623,880,359.11	-141.95%	Mainly due to the impairment losses on inventories and contract performance costs	No
Non-operating income	49,117,845.60	11.18%	Mainly due to incomes from waste, etc.	No
Non-operating	29,890,533.59	6.80%	Mainly due to losses on	No

expenses			discard of fixed assets and donation expenses.	
Incomes from disposal of assets	-21,367,093.01	-4.86%	Mainly due to profit or loss on disposal of fixed assets.	No

VI. Analysis of assets and liabilities

1. Significant changes in composition of assets

Unit: RMB

	As at the end of 2022		Early 2022		Change in percentage	Description of major changes
	Amount	As a percentage of total assets	Amount	As a percentage of total assets		
Cash at bank and on hand	19,354,002,997.18	25.98%	8,367,662,296.66	19.63%	6.35%	No major changes
Accounts receivable	12,447,604,874.95	16.71%	8,551,739,821.22	20.06%	-3.35%	No major changes
Contract assets	39,856,854.37	0.05%		0.00%	0.05%	No major changes
Inventories	9,874,546,956.50	13.26%	7,635,337,445.87	17.91%	-4.65%	No major changes
Investment property		0.00%		0.00%	0.00%	No major changes
Long-term equity investments	551,292,014.27	0.74%	216,363,626.87	0.51%	0.23%	No major changes
Fixed assets	11,080,076,114.27	14.87%	8,428,367,873.76	19.77%	-4.90%	No major changes
Construction in progress	8,040,856,161.48	10.79%	2,015,739,313.97	4.73%	6.06%	No major changes
Right of use assets	1,634,501,952.85	2.19%	648,842,691.24	1.52%	0.67%	No major changes
Short-term borrowings	8,364,695,082.36	11.23%	6,296,494,585.04	14.77%	-3.54%	No major changes
Contract liabilities	595,557,798.98	0.80%	408,878,458.94	0.96%	-0.16%	No major changes
Long-term borrowings	3,725,767,354.97	5.00%	2,204,968,691.24	5.17%	-0.17%	No major changes
Lease liabilities	1,653,803,908.57	2.22%	572,228,765.81	1.34%	0.88%	No major changes

High proportion of overseas assets

 Applicable Not applicable

2. Assets and liabilities measured at fair value

 Applicable Not applicable

Item	Opening Balance	Profit and loss from changes in fair value during	Accumulated changes	Impairment Provision during the	Amount purchased during the	Amount sold during the period	Other changes	Closing Balance
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		the period	in fair value recognised in equity	period	period			
Financial Assets								
1. Financial assets for trading (non-including Derivative financial assets)					970,000,000.00	860,000,000.00		110,000,000.00
2. Derivative financial assets	69,646,000.00	324,481.18			625,421,080.00	695,067,080.00		
3. Other equity instrument investments					91,897,000.00			91,897,000.00
4. Other non-current year financial assets	815,605,738.60	58,193,603.88			479,280,449.65	250,927,113.53	559,591.01	1,102,712,269.61
Total of above	885,251,738.60	58,518,085.06	0.00	0.00	2,166,598,529.65	1,805,994,193.53	559,591.01	1,304,609,269.61
Financial liabilities	0.00	104,000,000.00			1,040,000,000.00			1,144,000,000.00

Other changes

Whether there were any significant changes in the measurement attributes of the Company's major assets during the reporting period

Yes No

3. Restriction on the right to assets as at the end of the Reporting Period

Item	Closing book value	Reason for restriction
Cash at bank and on hand	8,256,249,635.83	Bank acceptance drafts and L/C deposits
Accounts receivable	69,623,027.95	Pledge of right to collect electricity incomes from PV power station
Fixed assets	1,261,566,139.86	Mortgage for borrowing
Intangible assets	461,029,808.06	Mortgage for borrowing
Receivable financing	5,050,000.00	Notes pledged
Notes receivable	741,572,730.37	Notes receivable pledged, endorsed but not qualified for derecognition

Total	10,795,091,342.07
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VII. Investment analysis

1. Overall analysis

Applicable Not applicable

Amount of investments during the Reporting Period (RMB)	Amount of investment during the same period of last year (RMB)	Change
922,677,449.65	75,750,000.00	1,118.06%

2. Significant equity investments acquired during the Reporting Period

Applicable Not applicable

Unit: RMB

Name of investee	Principal activities	Investment method	Investment amount	Percentage of share holding	Source of fund	Partner(s)	Term of investment	Product type	Progress as at the balance sheet date	Estimated return	Profit or loss from investment for the period	Involvement in lawsuit	Date of disclosure (if any)	Disclosure index (if any)
Sichuan Xinli anwu Material Technology Co., Ltd.	Research and development, production and sales of lithium iron phosphate	Capital increase	20,000,000.00	40.01%	Own funds	NA	NA	NA	NA			No		
Shandong Jili Sunwoda Power Battery Co., Ltd.	Research and development, production and sales of	Capital increase	24,000,000.00	30.00%	Own funds	NA	NA	NA	NA			No		

	power batteries													
Guizhou Hengda Mining Holdings Co., Ltd.	Mining of mineral resources, production of chemical products	Capital increase	147,000,000.00	49.00%	Own funds	NA	NA	NA	NA			No		CNI NFO : Announcement No.: < Xin > 2022-002
Shenzhen Ruikwei Electronics Co., Ltd.	Manufacturing of integrated circuit chips and products	Capital increase	20,000,000.00	10.00%	Own funds	NA	NA	NA	NA			No		
Shenzhen Rice Growth Angel Investment Partnership (Limited Partnership)	Venture capital advisory business	Capital increase	15,000,000.00	12.50%	Own funds	NA	NA	NA	NA			No		
Zhejiang JHW Lithium Co., Ltd.	Mining of mineral resources	Capital increase	87,500,000.00	35.00%	Own funds	NA	NA	NA	NA			No		Sunwoda Announcement No.: < Xin > 2022-091

Zhejiang Weiming Shengqing New Energy Materials Co., Ltd.	Research and development, production and sales of nickel, cobalt and ternary materials	Capital increase	30,000,000.00	10.00%	Own funds	NA	NA	NA	NA			No		Sunwoda Announcement No.: < Xin > 2022-132
Zhejiang Lanxin Intelligent New Energy Co., Ltd.	Power generation, electricity distribution, electricity transmission, technical services, etc.	Newly established	8,000,000.00	40.00%	Own funds	NA	NA	NA	NA			No		
Deep Mirror	Space intelligent technology	Capital increase	5,070,654.81	0.53%	Own funds	NA	NA	NA	NA			No		
Shenzhen TPHI Technology Co., Ltd.	Research and development, production and sales of interface	Capital increase	9,000,000.00	16.67%	Own funds	NA	NA	NA	NA			No		

	therm al cond uctio n mater ials												
Shen zhen In- link Innov ation Co., Ltd.	Rese arch and devel opme nt, produ ction and sales of smart hard ware	Capit al incre ase	30,00 0,000 .00	3.39 %	Own funds	NA	NA	NA	NA			No	
Shan gshi Grow th Accel eratio n (Hain an) Ventu re Capit al No. 2 Fund Partn ershi p (Limi ted Partn ershi p)	Equit y invest ment s	Capit al incre ase	10,00 0,000 .00	42.54 %	Own funds	NA	NA	NA	NA			No	CNI NFO : Ann ounc eme nt No.: Xin > 2022 -041
Wuxi News tart Contr ols Tech nolog y Co.,L td.	Rese arch and devel opme nt, produ ction and sales of washi ng	Other s	12,00 0,000 .00	4.33 %	Own funds	NA	NA	NA	NA			No	

	machines												
Xiamen Pengpai Microelectronics Co., Ltd.	Research and development, production and sales of mcu	Capital increase	15,000,000.00	3.00%	Own funds	NA	NA	NA	NA			No	
Jiangxi Jiuling Lithium Co., Ltd.	Research and development, production and sales of lithium extraction from lepidolite	Acquisition	50,000,000.00	0.50%	Own funds	NA	NA	NA	NA			No	
Zhejiang (Hangzhou) Semiconductor Technology Co., Ltd.	Research and development, production and sales of chips	Capital increase	5,000,000.00	2.00%	Own funds	NA	NA	NA	NA			No	
Shandong Lishan Safe New Energy Co., Ltd.	Research and development of emerging energy technology	Capital increase	1,000,000.00	20.00%	Own funds	NA	NA	NA	NA			No	

	es												
GTC-Power(Zhu hai)Technologies Co., Ltd.	Research and development, production and sales of solid-state batteries	Capital increase	5,000,000.00	2.00%	Own funds	NA	NA	NA	NA			No	
Hangzhou Dry Air Treatment Equipment Co., Ltd.	Research and development, production and sales of automation equipment	Capital increase	10,000,000.00	3.32%	Own funds	NA	NA	NA	NA			No	
Beijing IAmetal New Energy Technology Co., Ltd.	Research and development, production and sales of high-performance lithium battery materials	Capital increase	12,000,000.00	1.64%	Own funds	NA	NA	NA	NA			No	
Hubei BJR New Mate	Research and devel	Capital increase	10,376,000.00	0.86%	Own funds	NA	NA	NA	NA			No	

Materials Co., Ltd.	Development, production and sales of new energy materials												
Anhui Huachuang New Material Co., Ltd.	Research and development, production and sales of lithium copper foil	Capital increase	20,000,000.00	0.53%	Own funds	NA	NA	NA	NA			No	
Shaanxi Hongma Technology Co., Ltd.	Research and development, production and sales of ternary cathode materials	Capital increase	30,000,000.00	2.46%	Own funds	NA	NA	NA	NA			No	
Guangdong Jiemeing Intelligent Equipment Co., Ltd.	Research and development, production and sales of auto	Capital increase	20,000,000.00	1.38%	Own funds	NA	NA	NA	NA			No	

	mation equipment												
Fujian Lanhai Blackstone New Material Technology Co., Ltd.	Research and development, production and sales of lithium battery new materials	Capital increase	20,000,000.00	2.74%	Own funds	NA	NA	NA	NA			No	
Voyah Auto Technology Co., Ltd.	Research and development and sales of new energy vehicles	Capital increase	100,000,000.00	0.34%	Own funds	NA	NA	NA	NA			No	
Beijing Cozy Technology Co., Ltd.	Research and development, production and sales of smart hardware	Capital increase	5,000,000.00	3.33%	Own funds	NA	NA	NA	NA			No	
Zhuhai Maiju Microelectronics	Manufacturing of integrated circuit	Others	10,000,000.00	2.58%	Own funds	NA	NA	NA	NA			No	

s Co., Ltd.	chips and products													
Zhuhai Zhuowan Electronic Technology Partnership (Limited Partnership)	Mainly engaged in technical services, technology development, information technology, etc.	Others	91,897,000.00	21.59%	Own funds	NA	NA	NA	NA			No		
Caitong Fund Matrix No. 6 Single Asset Management Plan	N/A	Others	100,010,000.00	100.00%	Own funds	NA	NA	NA	NA			No		
Total	--	--	923,853,654.81	--	--	--	--	--	--	0.00	0.00	--	--	--

3. Significant equity investments which was ongoing during the Reporting Period

Applicable Not applicable

4. Investment in financial assets

(1) Security investments

Applicable Not applicable

The Company did not have any security investments during the Reporting Period.

(2) Derivatives investments

☑Applicable ☐ Not applicable

1) Derivative investments for hedging purposes during the Reporting Period

☑Applicable ☐ Not applicable

Unit: RMB 0'000

Type of derivatives investment	Initial investment amount	Profit and loss from changes in fair value during the period	Accumulated changes in fair value recognised in equity	Amount purchased during the Reporting Period	Amount sold during the Reporting Period	Closing amount	Investment amount at the end of the period as a percentage of the net assets of the Company during the Reporting Period
Forward exchange	6,964.6	32.45	0	80,650.07	87,614.67	0	0.00%
Total	6,964.6	32.45	0	80,650.07	87,614.67	0	0.00%
Accounting policies and specific accounting principles for hedging business during the reporting period, and explanations on whether there are significant changes compared with the previous reporting period	No significant change						
Explanation of actual profit or loss during the reporting period	Loss on forward foreign exchange hedging for 2022 amounted to 11.9669 million.						
Description of hedging effect	The Company is involved in a large amount of foreign currency business in the ordinary course of business, including a large amount of foreign currency receivables and payables. Under the background of exchange rate fluctuations of Renminbi against foreign currencies and fluctuations of domestic and foreign interest rates, the impact on the Company's operating results is increasing. In order to reduce the risks arising from exchange rate and interest rate fluctuations, the Company and its subsidiaries use foreign exchange hedging to manage						

	exchange rate and interest rate risks, so as to hedge exchange losses arising from exchange rate fluctuations and achieve the purpose of preserving and increasing the value of foreign exchange assets.
Source of funds for derivatives investment	Own funds
Risk analysis and description of control measures for derivative positions during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<ol style="list-style-type: none"> 1. The foreign exchange hedging business of the Company will be conducted in compliance with the principles of legality, prudence, safety and effectiveness for the purpose of avoiding and preventing exchange rate risks. No speculative and arbitrage transactions will be conducted, and transactions will be conducted strictly based on the forecasted amount of foreign exchange income and expenditure of the Company at the time of signing the contract; 2. The Company selects the foreign exchange hedging business with simple structure, strong liquidity, fixed income and low risk; 3. The foreign exchange hedging business is based on the principle of value preservation to avoid the risks brought by exchange rate fluctuations to the maximum extent. The authorized departments and personnel shall pay close attention to and analyze the market trends, and adjust the operation strategy in a timely manner based on the market conditions to improve the value preservation effect; 4. The Company has formulated the Hedging Internal Control System, which clearly stipulates the organizational structure, approval authority, authorization system, business process, risk management system, reporting system, confidentiality system, information disclosure and file management system of the Company for hedging, and effectively regulates the hedging business.
Changes in market price or fair value of invested derivatives during the reporting period, and analysis of the fair value of derivatives shall disclose the specific methods used and the setting of relevant assumptions and parameters	The Company's forward foreign exchange is recognized as profit or loss from changes in fair value based on the bank's valuation of the derivatives business at the end of the reporting period.
Litigation (if applicable)	Nil
Date of announcement of the Board on approval of derivatives investment (if any)	21 January 2022

Date of announcement of the general meeting for approval of derivatives investment (if any)	12 February 2022
Specific opinions of independent directors on the derivatives investment and risk control of the Company	The independent directors of the Company have expressed the following opinions on the foreign exchange hedging business carried out by the Company: the foreign exchange capital transaction business carried out by the Company to avoid exchange rate risk is based on the reasonable estimation of future foreign exchange income and expenses and the current actual demand for foreign exchange income and expenses, and the business process is legal and compliant, which has no material impact on the liquidity of the Company. We believe that the Company has further improved its foreign exchange risk management capability by carrying out foreign exchange hedging business, so as to preserve and increase the value of foreign exchange assets. It is feasible for the Company to carry out foreign exchange hedging business. We agree the Company to carry out foreign exchange hedging business.

2) Derivative investments for speculative purposes during the Reporting Period

Applicable Not applicable

The Company did not have any derivative investments for speculative purposes during the Reporting Period.

5. Use of proceeds

Applicable Not applicable

(1) Overall use of proceeds

Applicable Not applicable

Unit: RMB 0'000

Year of fundraising	Fundraising method	Total proceeds	Total utilized proceeds during the period	Accumulated total utilized proceeds	Total proceeds with changed use during the Reporting Period	Accumulated total proceeds with changed use	Proportion of accumulated total proceeds with changed use	Total unutilized proceeds	Proposed use and investment of unutilized proceeds	Proceeds unutilized for over two years
2020	Issuance of convertible bonds	110,183	-30.15	98,328.45					As of 31 December 2022, the Company had no unutilized proceeds.	
2021	Issuance	388,117.	97,475.9	259,110.				132,952.	As of 31	

	of shares to specific subscribers	02	3	47				21	December, 2022, the unutilized proceeds amounted to RMB 1,329,522,058.07, which were still deposited in the special account for proceeds.	
Total	--	498,300.02	97,445.78	357,438.92	0	0	0.00%	132,952.21	--	0

Explanation on the overall use of proceeds

1. Public issuance of convertible corporate bonds in 2020

On 6 March 2020, the Company's application for public issuance of convertible corporate bonds was approved by the Issuance Examination Committee of the CSRC. On 10 April 2020, the CSRC issued the Approval on the Public Issuance of Convertible Corporate Bonds by Sunwoda Electronic Co., Ltd. (Zheng Jian Xu Ke [2020] No. 528) in relation to the approval of the Company's public issuance of convertible corporate bonds in an aggregate par value of RMB1,120 million with a term of 6 years. As of 20 July 2020, the par value of each convertible corporate bond issued by Sunwoda under the public issuance was RMB100.00. The actual proceeds were RMB1,120,000,000.00. After deducting the issuance expenses of RMB18,170,018.58, the actual net proceeds were RMB1,101,829,981.42. The above proceeds were verified by BDO China Shu Lun Pan Certified Public Accountants LLP with a Capital Verification Report (Xin Kuai Shi Bao Zi [2020] No. ZI10518) issued. The actual proceeds received by the bank account for the proceeds of the Company amounted to RMB1,106,037,735.85, which was the net amount after deducting the underwriting fees for the subscription and payment of the proceeds. The difference from the actual net proceeds in the capital verification report was the outstanding issuance expenses.

(1) Use of proceeds in previous years: As of 31 December 2021, the total reduction in the proceeds account of Sunwoda Company was RMB 976,355,628.38, details of which are as follows: 1. The Company replaced the self-raised funds of RMB207,497,656.67 invested in the investment project in advance with the proceeds; 2. The direct investment in the investment project with the proceeds was RMB 776,088,304.58; 3. The net of interest income generated from the proceeds net of handling fee expenses was RMB7,230,332.87.

(2) Use of proceeds for the year: As of 31 December 2022, the total reduction in the proceeds account of Sunwoda Company in 2022 was RMB129,682,107.47, details of which are as follows: 1. The direct investment in the investment project with the proceeds for the year was RMB-301,500.00; 2. The proceeds used for permanent replenishment of working capital for the year is RMB 30,482,865.16; 3. The net of interest income generated from the proceeds net of handling fee expenses for the year was RMB499,257.69.

(3) Balance: As of 31 December 2022, the balance of the proceeds deposited in the special account for the proceeds was RMB0.00. On 11 February 2022, the Company passed a Board meeting to approval the settlement of the investment project of "consumer lithium-ion battery cell expansion project" and permanently replenish working capital with the remaining proceeds.

2. Issuance of shares to specific subscribers in 2021

On 20 October 2021, the Company received the “Approval on the Registration of Issuance of Shares to Specific Subscribers by Sunwoda Electronic Co., Ltd.” (Zheng Jian Xu Ke [2021] No. 3300) issued by the China Securities Regulatory Commission, which approved the Company's issuance of shares to specific subscribers. The approval shall be valid for 12 months from the date of approval of registration. As of 10 November 2021, the Company has issued 93,438,233 additional RMB-denominated ordinary shares (A Shares) and the actual total proceeds amounted to RMB3,915,061,962.70. After deducting the issuance expenses of RMB33,891,752.98 (tax exclusive), the actual net proceeds amounted to RMB3,881,170,209.72, of which: RMB93,438,233.00 was included in the registered capital and RMB 3,787,731,976.72 was included in the capital reserve. The above proceeds were verified by ShineWing Certified Public Accountants LLP with a Capital Verification Report (XYZH/2021 SZAA50116) issued. The actual proceeds received by the bank account for the proceeds of the Company amounted to RMB3,893,986,652.89, which was the net amount after deducting the underwriting fees for the subscription and payment of the proceeds. The difference from the actual net proceeds in the capital verification report was the outstanding issuance expenses.

(1) Use of proceeds in previous years: As of 31 December 2021, the total reduction in the proceeds account of Sunwoda Company in 2021 was RMB1,627,544,065, details of which are as follows: 1. The Company replaced the self-raised funds of RMB569,705,627.18 invested in the investment project in advance and the issuance expenses paid with the proceeds; 2. The direct investment in the investment project with the proceeds in 2021 was RMB1,048,877,062.49; 3. The net of interest income generated from the proceeds net of handling fee expenses in 2021 was RMB1,488,623.89; 4. The issuance expenses deducted from the proceeds in 2021 was RMB10,450,000.00.

(2) Use of proceeds for the year: As of 31 December 2022, the total reduction in the proceeds account of Sunwoda Company in 2022 was RMB936,920,529.04, details of which are as follows: 1. The direct investment in the investment project with the proceeds for the year was RMB974,759,214.30; 2. The net of interest income generated from the proceeds net of handling fee expenses for the year was RMB37,838,685.26.

(3) Balance: As of 31 December 2022, the balance of the proceeds deposited in the special account for the proceeds was RMB1,329,522,058.07, including certificates of deposit of RMB150 million and structured deposits of RMB110 million.

(2) Use of proceeds on committed projects

Applicable Not applicable

Unit: RMB 0'000

Committed investment projects and use of surplus proceeds	Whether projects has been changed (including partial changes)	Total committed investment of proceeds	Total investment after adjustment (1)	Investment during the Reporting Period	Accumulated investment as at the end of the period (2)	Investment progress as at the end of the period (3) = (2)/(1)	Date on which the project is ready for its intended use	Benefits realised during the Reporting Period	Accumulated benefits realised as at the end of the Reporting Period	Whether expected benefits are achieved	Whether the feasibility of the project has changed significantly
Committed investment projects											
1 Consumer lithium-ion battery cell expansion	No	78,400	78,400	-30.15	66,545.45	84.88%	31 December 2021	9,624		No	No

on project											
2 Replenishment of working capital	No	33,600	31,783		31,783	100.00%				NA	No
1 3C consumer lithium-ion battery cell expansion project	No	145,000	139,000	53,396.19	93,244.84	67.08%	31 July 2023			NA	No
2 3C consumer lithium battery module production expansion project	No	130,000	108,110.82	29,260.19	41,236.57	38.14%	1 April 2024			NA	No
3 Notebook lithium battery modules production expansion project	No	50,000	43,200	14,819.55	26,822.86	62.09%	31 March 2023			NA	No
4 Supplement of working capital	No	100,000	97,806.2		97,806.2	100.00%				NA	No
Sub-total of committed investment projects	--	537,000	498,300.02	97,445.78	357,438.92	--	--	9,624		--	--
Use of surplus proceeds											
Nil											

Total	--	537,000	498,300 .02	97,445. 78	357,438 .92	--	--	9,624	0	--	--
Information on and reasons for the failure to get ready for the intended use or achieve expected benefits (by project) (including the reasons for to choosing “N/A” for “Whether expected benefits are achieved”)	<p>1. Public issuance of convertible corporate bonds in 2020 NA</p> <p>2. Issuance of shares to specific subscribers in 2021 NA</p>										
Description of significant changes in project feasibility	Nil										
Amount, use and progress in the use of surplus proceeds	NA										
Change of implement	Applicable										
	Incurred in previous years										
	1. Public issuance of convertible corporate bonds in 2020										

entation location of the investment project	<p>On 4 September 2020, the first meeting of the fifth session of the Board of Sunwoda considered and approved the Resolution on Addition of Implementation Location of Certain Investment Projects. The resolution on the addition of implementation location of certain investment projects is not required to be submitted to the general meeting for consideration. The Company changed the implementation site of the “consumer lithium-ion battery cell expansion project” from Plant 4, 5 and 6 of Sunwoda Industrial Park, Dongpo Avenue, Yuanzhou Town, Boluo County to Plant 4, Plant 5, Plant 6 and F1-4 of Plant 17 of Sunwoda Industrial Park, Dongpo Avenue, Yuanzhou Town, Boluo County.</p> <p>2. Issuance of shares to specific subscribers in 2021</p> <p>On February 28, 2022, the 27th meeting of the fifth session of the Board and the 27th meeting of the fifth session of the Supervisory Committee of Sunwoda considered and approved the Resolution on Addition of Implementation Location of Certain Investment Projects. The Company was approved to add the implementation site of the “3C consumer lithium-ion battery cell expansion project”. Zhejiang Liwinon newly added two implementation sites, namely Office Experimental Building and Research and Development Workshop, Yanzhou Road, Lanjiang Street, Lanxi City, Jinhua City, Zhejiang Province, based on actual production, operation and management needs. The Company changed the implementation site of the “3C consumer lithium-ion battery cell expansion project” from “Building 1 and 2, No. 111 Yanzhou Road, Lanjiang Street, Lanxi City, Jinhua City, Zhejiang Province” to “Office Experimental Building and Research and Development Workshop, Building 1 and 2, No. 111 Yanzhou Road, Lanjiang Street, Lanxi City, Jinhua City, Zhejiang Province”. The Supervisory Committee, independent Directors and the sponsor of the Company have expressed their consent opinions on the matter.</p>
Adjustment to implementation methods of investment projects	NA
Preliminary investment and replacement in investment projects	<p>Applicable</p> <p>1. Public issuance of convertible corporate bonds in 2020</p> <p>The Company invested RMB207.4977 million in the consumer lithium-ion battery cell expansion project in advance with self-raised funds. BDO China Shu Lun Pan Certified Public Accountants LLP conducted a special audit on the above matters and issued the Special Audit Report on the Replacement of Proceeds of Sunwoda Electronic Co., Ltd. (Xin Kuai Shi Bao Zi [2020] No. ZI10535). On 5 August 2020, the Resolution on the Replacement of Self-raised Funds Previously Invested with Proceeds was considered and approved at the 37th meeting of the fourth session of the Board of the Company. As at 31 December 2020, the Company has completed the replacement of the self-raised funds invested in advance.</p> <p>The Supervisory Committee, independent Directors and the sponsor of the Company have expressed their consent opinions on the above matters.</p> <p>2. Issuance of shares to specific subscribers in 2021</p> <p>ShineWing Certified Public Accountants LLP has verified the Company’s 3C consumer lithium-ion battery cell expansion project, 3C consumer lithium battery module production expansion project, notebook lithium battery modules production expansion project and the pre-investment of self-raised funds in the investment project for the issued expenses. On 30 November 2021, ShineWing Certified Public Accountants LLP issued the XYZH/2021 Special Review Report on the Replacement of Proceeds of Sunwoda Electronic Co., Ltd. (2021 SZAA50121). In order to ensure the implementation progress of the investment project, the Company decided to replace the self-raised funds invested in advance with the proceeds of RMB569,705,627.18, which will be implemented after being approved and announced at the 19th meeting of the fifth session of the Board and the 19th meeting of the fifth session of the Supervisory Committee. The Supervisory Committee, independent Directors and the sponsor of the Company have expressed their consent opinions on the matter.</p>
Temporary replenishment of working capital	<p>Applicable</p> <p>1. Public issuance of convertible corporate bonds in 2020</p> <p>The Company convened the 9th meeting of the fifth session of the Board and the 9th meeting of the fifth session of the Supervisory Committee on 27 April 2021, and considered and approved the Resolution on the Temporary Replenishment of Working Capital by Wholly-owned Subsidiaries with Idle Proceeds. It was approved that Huizhou Liwinon New Energy Technology Co., Ltd., a wholly-owned subsidiary of the Company, would use idle proceeds of RMB150 million (inclusive) to temporarily replenish working capital. The term of use shall not exceed 12 months from</p>

capital with idle proceeds	<p>the date of approval by the Board, and shall be returned to the special account for the proceeds upon expiration. The Supervisory Committee, independent Directors and the sponsor of the Company have expressed their consent opinions on the above matters.</p> <p>During the validity period, the Company used idle proceeds to temporarily replenish the working capital with a total amount of RMB150 million, which was returned to the special account for proceeds on 24 December 2021.</p> <p>2. Issuance of shares to specific subscribers in 2021 NA</p>
Amount of and reasons for the balance of proceeds during project implementation	<p>Applicable</p> <p>1. Public issuance of convertible corporate bonds in 2020 As of December 31, 2022, the construction of the “consumer lithium-ion battery cell expansion project” has been completed, and the remaining proceeds amounted to RMB130.4829 million (including outstanding project final payment, wealth management income, deposit interest, etc.),</p> <p>The balance of the remaining proceeds accounted for 11.84% of the total proceeds from the public issuance of convertible corporate bonds. The remaining balance of the investment projects is used to permanently replenish working capital for the Company’s daily production and operation due to the long payment period of the contracts, which is conducive to improving the efficiency of capital use and avoiding long-term idle funds. The Company undertakes that it will pay the remaining balance by self-raised funds in accordance with the relevant contract when the payment conditions are satisfied.</p> <p>2. Issuance of shares to specific subscribers in 2021 NA</p>
Proposed use and investment of unutilized proceeds	<p>1. Public issuance of convertible corporate bonds in 2020 As of 31 December 2022, the Company had no unutilized proceeds.</p> <p>2. Issuance of shares to specific subscribers in 2021 As of 31 December, 2022, the unutilized proceeds amounted to RMB 1,329,522,058.07, which were still deposited in the special account for proceeds.</p>
Problems or other matters in the use and disclosure of the proceeds	<p>Nil</p>

(3) Change of investment projects

Applicable Not applicable

There are no changes for the investment projects of the Company during the Reporting Period.

VIII. Disposal of substantial assets and equity interests

1. Disposal of substantial assets

Applicable Not applicable

The Company did not dispose of any substantial assets during the Reporting Period.

2. Disposal of substantial equity interests

Applicable Not applicable

IX. Analysis of principal subsidiaries and associates

Applicable Not applicable

Principal subsidiaries and associates contributing to more than 10% of the Company's net profits

Unit: RMB 0' 000

Name of company	Company type	Principal activities	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Sunwoda Electric Vehicle Battery Co., Ltd.	Subsidiary	Research and development, production and sales of power batteries	844856.5234	2,165,900.52	1,385,824.21	1,262,832.07	-38,499.71	-29,418.36
Huizhou Winone Precision Technology Co., Ltd.	Subsidiary	Production of precision plastic, hardware and electronic products	11,449.2753	7,095.93	-1,401.66	11,109.59	-2,526.56	-1,904.43
Shenzhen Qianhai Hongsheng Technology Co., Ltd.	Subsidiary	Automation technology and new energy technology development outsourcing, business process outsourcing, equity investment	15,000.00	156,352.36	61,488.47	0.00	21,136.80	15,859.42
Zhejiang Sunwoda Electronic Co., Ltd.	Subsidiary	Research and development, production and sales of	53,200.00	244,038.37	62,388.86	345,266.43	11,362.28	12,496.27

		lithium battery modules for mobile phones and notebooks						
Sunwoda Huizhou Power New Energy Co., Ltd.	Subsidiary	Research and development, production and sales of power batteries	161,000.00	282,526.76	77,922.49	226,689.90	-22,092.23	-22,238.14
Nanjing Sunwoda New Energy Co., Ltd.	Subsidiary	Research and development, production and sales of power batteries	268,000.00	1,001,157.59	174,106.63	725,726.94	-37,588.23	-14,974.72
Shenzhen Sunwoda Energy Technology Co., Ltd.	Subsidiary	Research and development, production and sales of energy storage batteries and equipment, integrated energy service management	10,000.00	179,118.78	-29,583.39	57,575.28	-11,234.14	-11,168.10
Nanchang Sunwoda New Energy Co., Ltd.	Subsidiary	Research and development, production and sales of power batteries	48,480.00	1,086,894.14	159,569.53	271,239.77	-55,467.62	-41,280.35
Zhejiang Liwinon Energy Technology Co., Ltd.	Subsidiary	Research and development, production and sales of 3C lithium-ion battery cells	163,500.00	379,342.87	189,335.95	238,973.37	30,702.31	26,575.35

Acquisition and disposal of subsidiaries during the Reporting Period

 Applicable Not applicable

Name of company	Acquisition and disposal of subsidiaries during the Reporting Period	Impact on overall production, operation and performance
Shenzhen Xinyi Zhilian Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Xinzhi Wangjia Technology Co., Ltd.	Newly established	No significant impact
Shandong Xingaotou Energy Development Co., Ltd.	Newly established	No significant impact
Shandong Xinneng Power Service Co., Ltd.	Newly established	No significant impact
Shandong Xinzhi New Energy Co., Ltd.	Newly established	No significant impact
Zaozhuang Xinding New Energy Co., Ltd.	Newly established	No significant impact
Zaozhuang Xinyue New Energy Co., Ltd.	Newly established	No significant impact
Huizhou PTL Testing Technology Co., Ltd.	Newly established	No significant impact
Huizhou Yingchuang Precision Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Sunwoda Smart Energy Co., Ltd.	Newly established	No significant impact
Zhuhai Sunwoda New Energy Co., Ltd.	Newly established	No significant impact
Shenzhen Xinwei Zhiwang Technology Co., Ltd.	Newly established	No significant impact
Deyang Sunwoda New Energy Co., Ltd.	Newly established	No significant impact
Zhejiang Lixin Energy Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Sunwoda Resources Development Co., Ltd.	Newly established	No significant impact
Zhejiang Sunwoda Power Battery Co., Ltd.	Newly established	No significant impact
Superstar (Shandong) Intelligent Equipment Co., Ltd.	Newly established	No significant impact
Zaozhuang Sunwoda Venture Capital Partnership (Limited Partnership)	Newly established	No significant impact
Zhuhai Sunwinon Electronic Co., Ltd.	Newly established	No significant impact
Shenzhen Bosheng Investment Partnership (Limited Partnership)	Newly established	No significant impact
Hubei Dongyu Xinsheng New Energy Co., Ltd.	Newly established	No significant impact
Sunwoda Japan New Energy Co., Ltd.	Newly established	No significant impact
Guangdong Wanhong Power Engineering Co., Ltd.	Combination not involving enterprises under common control	No significant impact
Sunwoda (Liuzhou) New Energy Co., Ltd.	Deregistration	No significant impact
Dongguan Hongsheng Technology Co., Ltd.	Deregistration	No significant impact
Huizhou Xinwei Intelligent Technology Co., Ltd.	Deregistration	No significant impact
Hong Kong Xinzhiwang Electronics Co., Ltd.	Subsidiary disposed of by transfer of equity	No significant impact
Sunwoda Japan Co., Ltd.	Subsidiary disposed of by transfer of equity	No significant impact

Explanation on principal associates

X. Structured body controlled by the Company

Applicable Not applicable

XI. Outlook on future development

For consumer lithium-ion battery suppliers, suppliers of the battery cells are mainly such domestic and foreign enterprises as ATL, Samsung SDI, LG Chem, Murata Manufacturing, Sunwoda, and Zhuhai Cosmx. Suppliers of the battery module are mainly local enterprises, namely, Sunwoda, Desay Battery, Simplo Technology, Dynapack Technology and Scud, are the major players in this field. As one of the pioneers in the domestic consumer battery field, the Company extends customer coverage to domestic and foreign mainstream consumer electronic product manufacturers. With the accelerated expansion of Chinese consumer electronic product manufacturers, our shipment volume and market share are expected to continue to increase, which will also benefit the Company as a leading enterprise in the upstream consumer lithium battery industry. At the same time, with the further increase in the capacity of smart phone battery and the increasing penetration rate of laminated notebook battery, the domestic market demand for consumer lithium battery has expanded. As a lithium-ion battery supplier with excellent R&D capabilities and excellent process, stable performance and high safety, which can ensure stable supply, the Company is bound to further expand its market share in this trend.

In the field of power battery, CATL, LG Energy Solution, Panasonic, BYD, SK On, Samsung SDI, CALB, Guoxuan Hightech, and Sunwoda are major players in the industry. As an excellent supplier in the field of new energy vehicle batteries, the Company's customers cover well-known domestic and overseas leading automobile enterprises and top new automakers. Under the goal of "carbon neutrality and carbon peak", countries around the world strongly support the development of new energy vehicles. The trend of replacing traditional fuel vehicles with new energy vehicles is irresistible, and the penetration rate of new energy vehicles has increased year by year. Benefiting from this, the shipment volume and installed capacity of new energy vehicle batteries have increased significantly. As a new energy battery enterprise with excellent R&D and design capabilities, excellent process control capabilities, advanced manufacturing equipment capabilities, and large-scale product customization and quick response service capabilities to customers, the Company is bound to have a large market share in the trillion-dollar blue ocean market and become a leader in the industry.

In 2023, the Company will continue to implement and deepen the "PPS" strategy, including "Smart Terminal (Pack), Energy Products (Power) and Systematic Solutions (Solutions)". Among them, smart terminal products will include consumer battery modules to achieve the upgrading and extension of the existing main business. The energy products target at automobile batteries, energy storage systems and energy internet. The Company will actively explore and maintain the relationship with major customers to rapidly win more market shares. The systematic solutions mainly provide intelligent manufacturing system and laboratory testing services. On the one hand, the Company can provide internal services and improve the overall intelligent manufacturing level of the Company. On the other hand, the Company can export external products and explore new market opportunities.

Specifically, it mainly focuses on the following aspects:

(1) Product and business development

① Consumer battery: In the future, the Company will continue to maintain a good cooperative relationship with customers, keep up with customer needs and market trends, and further increase the Company's market share and product profit margin by continuously improving the self-supply rate of battery cells for 3C consumer batteries. At

present, the Company has successfully entered the supply chain of many well-known manufacturers at home and abroad. In the future, the Company will continue to improve its R&D and design capabilities, production management and cost control capabilities, large-scale product customization and customer quick response service capabilities in the field of consumer lithium battery cells and modules to continuously improve the Company's industrial chain layout in the field of consumer batteries, thus further consolidating and enhancing the Company's position in the industry.

② EV battery: The Company will further deepen the implementation of the all-round business strategy of "in-depth participation in the whole industry chain to cultivate comprehensive competitiveness, full regional strategic layout to establish strategic customer resources, full life cycle quality management to consolidate the foundation for sustainable operation": The Company will deepen the comprehensive layout of upstream raw materials and mineral resources in the industry chain to reduce the impact of raw material price fluctuations, and ensure the Company's continuous and stable production. The Company will establish several production bases around the location of customer projects to actively respond to customer needs, and deeply bound customers. At present, the Company has production bases in Huizhou of Guangdong, Nanjing of Jiangsu, Nanchang, Jiangxi, Zaozhuang of Shandong, Yiwu of Zhejiang, Shifeng of Sichuan, and Yichang of Hubei, and has built intelligent manufacturing digital lighthouse factories in Yiwu of Zhejiang and Dianbai of Guangdong. The Company will continue to steadily promote the construction of production capacity, realise the regional strategic layout of bases and customer vehicle bases, and plan to successively build production bases in Southwest China, North China and other regions. In addition, with the in-depth cooperation with customers, the Company will establish more joint development mechanisms with customers, meet customers' needs with excellent product quality and professional services, provide customers with comprehensive and competitive overall solutions, and win more new energy market share. The Company also combines the use of integration of cloud data analysis and ground detection, the integration of recession mechanism analysis and big data methods, the integration of signal analysis and edge computing and other technologies, and establishes vehicle operation data analysis and early warning mechanism with automobile enterprises, which can realise the safety management of the entire life cycle of lithium batteries.

③ Energy storage system:

In 2023, the Company will continue to increase investment in product research and development based on the concept of going concern and long-term value, and carry out production line planning and construction in a forward-looking manner based on reasonable sales forecast to ensure product innovation and high-quality and stable production and delivery. In the field of network energy, the Company will improve domestic and overseas sales channels, and carry out industrial application distribution business to build a brand with comprehensive leading costs, functions and services to gradually transit from a seller of single lithium battery products of communication base stations and data centres to multi-scenario solution providers. In the field of household energy storage, the Company will focus on household energy storage, portable energy storage, small-scale industrial and commercial sectors, covering a variety of application scenarios. We will provide standardised energy storage products and household energy solutions to establish a global Sunwoda brand channel and smart household energy management. In the field of power energy storage, the Company will focus on the application scenarios of power energy storage and industrial and commercial energy storage in the future to develop the design, research and development and production capacity from PACK, DC side to system, in order to rapidly expand the market share at home and abroad, and improve the reliability of the system, thus gradually establishing differentiated competitiveness in market segments. In the field of smart energy, with the core value of "satisfying customers' needs for green electricity and reducing comprehensive energy consumption costs", the Company focuses on the two business scenarios of "zero-carbon park" and "zero-carbon travel", and created integrated solutions through independent product research and development and system integration design to quickly respond to the differentiated needs of customers such as

governments, parks and enterprises. When it comes to smart energy, Sunwoda provides full-system, full-process and full-life-cycle services including project planning, design, investment, construction and operation. The Company will strive to become a leading domestic and international smart energy service provider.

④ The Company will continue to increase R&D investment to improve R&D innovation capabilities, and will accelerate the iteration and upgrading of product technologies to enhance competitive advantages of our products. While accelerating efforts to be introduced into the supply chains of the our existing customers, the Company will continue to expand the world's leading mobile phone and notebook brand customers, expand new customers and introduce new businesses to achieve new business growth points and increase market share. The Company will further deepen the cooperation and development of suppliers and the layout of supply chain to achieve great synergy of the industrial chain, ensure stable supply and give full play to the synergy and innovation effect.

⑤ Intelligent manufacturing: the Company will promote digitalization of full life cycle management of "research, production, supply, sales and service"; build a "digital twin model" at the global level of R&D and manufacturing integration; make arrangements for full digital connection of core equipment; explore the implementation and practise of industrial IoT solutions in Sunwoda; pursue industrialization of key equipment for intelligent manufacturing; and will cultivate a professional smart manufacturing team with consulting, planning, practise and other capabilities.

(2) Based on the Company's strategy and business development needs, the Company will make further efforts in human resources work, and improve human resources management system to further enhance its sustainable development capabilities in 2023. Firstly, the Company actively optimised the group management and control system for human resources to improve the digital operation of human resources. Secondly, based on the Company's future strategy, the Company will carry out talent planning and give priority to introducing excellent operation and management talents, professional and technical talents and technicians. We will continue to improve the talent training system, accelerate the growth of high-potential talents, and build a reasonable talent echelon of junior, middle and senior level, and create high-calibre talent team in the industry. Finally, a competitive remuneration incentive system will be established to motivate and retain talents based on an effective appraisal mechanism.

(3) In the future, the Company will continue to intensify the research and development of products and technologies such as consumer cells, power and energy storage cells, battery system BMS and other new products and new materials in the new energy industry chain. We will strengthen the cooperation with customers in joint research and development of new products, enhance the Company's independent innovation capabilities, bind ourselves with customers more deeply, and continue to expand more high-quality customers. At the same time, in order to support our R&D objectives, we will continue to build and optimise the R&D management system and platform, including organisation, process, technical specifications and standards, patents, process asset management, and IT/tools. We will strengthen the cultivation of core technical talents and technical management talents. We will strengthen the execution and supervision of R&D process to improve R&D quality and efficiency.

(4) The Company will step up its efforts to promote the digital transformation of various business segments of the Group. In this regard, we will strive to build a replicable digital system and platform, build the core competitiveness for the future of the Group through "platform + service", further consolidate the three core value chains of production, R&D and supply chain, empower business development, support the Company to move towards an industrial and international enterprise, and achieve leapfrog growth of business with digitalization. In addition, the Company will continue to strengthen the training of employees' information security awareness, continuously improve information security protection measures, improve information security monitoring, risk assessment and emergency response capabilities, comprehensively optimise the information security protection mechanism, and strengthen information security management and control measures to ensure the Group's network and data security, so as to provide solid support and guarantee for the business development. In the future, the

Company will be committed to building a comprehensive information security management system, technology system and operation system, and achieve comprehensive information security protection by continuously strengthening information security strategies, technology facilities and operation processes.

(5) In the future, the Company will continue to adhere to the market strategy for major customers, and establish customer-oriented service advantages. We will strengthen system management capabilities driven by the quality and technology, and will utilise intelligent manufacturing and industrial Internet to keep building an ecosystem platform for new energy industry, so as to contribute wisdom and strength to a beautiful earth and a zero-carbon future.

(6) In the future, the Company will continue to strengthen the development of innovative atmosphere and corporate culture to improve the working environment and enhance the cohesion and work efficiency of the staff.

(7) The Company will further improve the corporate governance structure, establish and improve the investor communication platform, and standardise the management of investor relations of the Company by strengthening the communication between the Company and investors and potential investors, so as to deepen investors' understanding and recognition of the Company, thus promoting the long-term, stable and good interaction between the Company and investors. We will enhance the integrity, core competitiveness and sustainable development ability of the Company to maximise the value of the Company and the interests of shareholders.

(8) 2023 is also a year of opportunities and risks for the Company. While the new energy sector continues to grow, the Company's consumer batteries, power batteries, energy storage and other businesses have also benefited greatly. However, the risks should not be underestimated and we should also attach great importance to prevention of risks.

⑥ Market competition risk: The Company has competitive advantages in the field of consumer lithium batteries and power batteries. However, due to the impact of new entrants in the industry, the market competition will become more fierce. In the future, as competition continues to intensify, industry players will be affected to a certain extent in terms of maintaining competitive position, obtaining customer orders and improving profitability. While the EV battery industry is developing rapidly, competition is becoming increasingly fierce. Many companies in the industry have accelerated the expansion of production capacity, therefore structural overcapacity may occur in the future. If the Company fails to explore business advantages, improve its own business layout, maintain product competitiveness, and promptly follow up customer demand for product research and development and supporting production under fierce market competition, or competitors take the initiative to reduce prices significantly, the Company may face the risk of decline in competitiveness and profitability.

⑦ risk of industry fluctuation: The Company is mainly engaged in the research and development, design, production and sales of lithium battery cells, modules and PACK. The lithium-ion battery industry of the Company is closely related to the market demand in downstream consumer electronic products, new energy vehicles and other fields. The lithium-ion batteries and its downstream industries continued to maintain rapid growth under the support of national policies. However, if there are adverse changes in the external economic environment and policy environment, it will have a greater impact on the lithium-ion batteries industry, resulting in fluctuations in the Company's operating results.

⑧ risk of rising raw material prices affecting profit: The supply of major raw materials and components for the Company's production and operation may fluctuate due to a number of factors, such as shortage or soaring prices of major raw materials and components, which will exert greater pressure on the cost of enterprises and lead to the risk of profit decline or even loss of enterprises.

⑨ risk of renewal of product and technology: The Company's products and technologies are at the leading level among its peers in the domestic industry, but the life cycle of the products and technologies for electronic products and new energy vehicle batteries continues to be shortened due to the rapid renewal of technologies, long R&D

cycles and changing market demands. If the Company fails to maintain technological innovation, grasp the development trend of technology, products and market in a timely and accurate manner and upgrade its technology and products, it will weaken its existing competitive advantages, thus failing to upgrade its technology and products in a timely manner, and the existing technology and products will face the risk of being eliminated, which will adversely affect the Company's economic benefits and development prospects.

XII. Register of reception of research, communications and interviews during the Reporting Period

Applicable Not applicable

Date of reception	Venue of reception	Mode of reception	Type of party received	Party received	Main contents of discussion and data provided	Brief description on research
20 April 2022	“Cloud Interview” column of Shenzhen Stock Exchange “Interactive Easy Platform” on http://irm.cninfo.com.cn	Others	Others	The 2021 annual results presentation of Sunwoda held online remotely to all investors	CNINFO: Record Form of 2021 Online Results Presentation on 20 April 2022	CNINFO: Record Form of 2021 Online Results Presentation on 20 April 2022
27 April 2022	Conference room of the Company	Telephone communication	Institution	Huatai Securities, IDG Capital, Three Gorges Capital, Soochow Securities, China Securities, CITIC Securities, China Life Asset, CICC, BOC Securities, Everbright Securities, Foresea Life, China AMC, Hong De Fund, Essence Securities, Dajia Asset, Tianfeng Securities, GF Fund, E Fund, Invesco Great Wall Fund, Bosera Fund, China Merchants	CNINFO: Record Form of Investor Relations Activities on 27 April 2022	CNINFO: Record Form of Investor Relations Activities on 27 April 2022

				Securities, Galaxy Securities, Great Wall Fund, Caitong Asset Management, Sequoia China, Yuemintou, Haitong Securities, HFT Investment, Zhuque Fund and other institutions.		
26 August 2022	Conference room of the Company	Telephone communication	Institution	Huatai Securities, GF Securities, Tianfeng Securities, Soochow Securities, Sequoia Capital, CITIC Securities, Founder Securities, Caitong Securities, Lord Fund, First Seafront Fund, Shenwan Hongyuan, CICC, Western Securities, Bosera Fund, Foresea Life Insurance, Haitong International, E Fund, SZITIC, HFT Investment, China Merchants Securities, China AMC, Sinolink Securities, BOC International, Guotai Junan, Everbright Securities, Three Gorges Capital, Cornerstone Capital and	CNINFO: Record Form of Investor Relations Activities on 26 August 2022	CNINFO: Record Form of Investor Relations Activities on 26 August 2022

				other institutions.			
27 2022	October	Conference room of the Company	Telephone communication	Institution	Soochow Securities, Guotai Junan, Orient Securities, China Merchants Securities, Everbright Securities, China Securities, CITIC Securities, SWS MU, Caitong Securities, Three Gorges Capital, Huatai Securities, Ping An Securities, J.P. Morgan, GF Securities, Haitong Securities, Guosen Securities, Tianfeng Securities, China Galaxy Securities, Zhuque Fund, Orient Securities, String Capital, Bosera Funds, China AMC, CLSA and other institutions.	CNINFO: Record Form of Investor Relations Activities on 27 October 2022	CNINFO: Record Form of Investor Relations Activities on 27 October 2022

Section IV Corporate Governance

I. Basic information of corporate governance

As at the date of the annual report, the company is in compliance with the corporate governance requirements applicable to it as a PRC company publicly listed on the [Shanghai/Shenzhen] Stock Exchange in all material aspects.

During the Reporting Period, the Company strictly complied with the requirements of the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies issued by the CSRC, the Rules Governing the Listing of Stocks on the ChiNext Market of the Shenzhen Stock Exchange (Revised in 2020) (hereinafter referred to as “Listing Rules”) , 《Guidelines No. 2 for Self-regulation of Listed Companies of the Shenzhen Stock Exchange-Standard Operation of Companies Listed on the ChiNext Market》 (hereinafter referred to as “Self-regulatory Guidelines No. 2”) and other relevant laws, regulations and regulatory documents, continuously improved the corporate governance structure of the Company, established and improved the internal management and control system of the Company, continued to carry out in-depth corporate governance activities, promoted the standardized operation of the Company, and improved the corporate governance level. As at the end of the Reporting Period, the actual situation of corporate governance complied with the requirements of laws, regulations and regulatory documents issued by the CSRC and the Shenzhen Stock Exchange.

(1) Independence

Since its establishment, the Company has operated in strict compliance with the requirements of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association, and is independent from the shareholders of the Company in terms of business, assets, personnel, organization and finance. The Company has an independent and complete procurement, production, sales and research and development system, and is capable of operating independently in the market.

1. Independence of personnel: The Company has established and improved the corporate governance structure. The Directors, Supervisors and senior management are in strict compliance with the relevant provisions of the Company Law and the Articles of Association. There is no part-time employment prohibited by relevant laws and regulations. The personnel and salary management of the Company is completely strictly separated from the shareholders, and all employees of the Company are paid by the Company; The Company has formulated a comprehensive labor employment system covering recruitment, evaluation and promotion of employees. The Company has signed a labor contract with all employees, and the Company's labor, personnel and salary management are completely independent.

2. Independent assets: The assets owned and used by the Company mainly include land, buildings, machinery equipment, intangible assets and other assets related to production and operation as well as other auxiliary and supporting assets. The Company has legal and complete ownership or right to use such assets. There is no guarantee provided by the Company for shareholders and other individuals, nor is there any appropriation of funds, assets and other resources of the Company by the controlling shareholder.

3. Financial independence: The Company has established a complete and independent financial and accounting department with dedicated financial personnel, and has established an independent accounting system and financial management system in compliance with the requirements of the relevant accounting system. The Company opened bank accounts independently and paid taxes independently according to law.

4. Institutional independence: The Company has improved the corporate governance bodies such as the shareholders' general meeting, the Board and the Supervisory Committee, and each of the organizational bodies exercises their respective functions and powers in accordance with the law; The Company has established an independent organizational structure that adapts to its own development

needs, and formulated a sound job responsibilities and management system. Each department operates independently according to its prescribed duties.

5. Business independence: The Company has established a corporate governance structure and an internal organizational structure that meet the requirements of the modern enterprise system and operates independently in terms of operation and management. The Company independently signed contracts with external parties and commenced business, which formed an independent and complete business system and possessed the ability to operate independently in the market.

(2) Shareholders and the Shareholders' General Meeting

The Company regulates the convening, holding and voting procedures of general meetings in strict compliance with the relevant provisions and requirements of the Company Law, the Rules for the Shareholders' General Meetings of Listed Companies, the Articles of Association, the Rules of Procedure for the Shareholders' General Meetings and the ChiNext Board of the Shenzhen Stock Exchange. During the Reporting Period, the shareholders' general meetings convened by the Company were convened by the Board and chaired by the chairman of the Board. Witnessing lawyers were invited to witness the meetings and issue legal opinions. The shareholders' general meeting can ensure that all shareholders have full rights to speak, ensure that all shareholders, especially minority shareholders, can enjoy equal status and fully exercise their rights. During the Reporting Period, the shareholders' general meetings convened by the Company did not violate the Rules for the Shareholders' General Meetings of Listed Companies, and the Company did not request to convene an extraordinary general meeting by shareholders individually or jointly holding more than 10% of the total voting shares of the Company, nor was there any shareholders' general meeting proposed by the Supervisory Committee. In accordance with the Company Law and the Articles of Association of the Company, all significant matters to be considered at the shareholders' general meetings of the Company were considered and approved at the shareholders' general meetings of the Company. There was no circumstance that any matters were not considered by the shareholders' general meetings, nor was there any circumstance that the matters were considered after implementation.

(3) The Company, the controlling shareholder and the de facto controller

Mr. Wang Mingwang and Mr. Wang Wei, the controlling shareholders and de facto controllers of the Company, have strictly complied with the requirements and requirements of the Code of Corporate Governance for Listed Companies, the Listing Rules, the Self-regulatory Guidance No. 2 and the Articles of Association to regulate their own acts. They have not directly or indirectly interfered with the decision-making and business activities of the Company beyond the shareholders' general meetings of the Company, and have not prejudiced the interests of the Company and other shareholders. There is no appropriation of the Company's funds by the controlling shareholders. The Company also did not provide guarantee for the controlling shareholder. The Company has independent and complete business and self-operation capabilities, and is independent of the controlling shareholder in terms of business, assets, personnel, organisation and finance. The Board, the Board of Supervisors and internal organisations of the Company operate independently.

(4) Directors and the Board of Directors

The Board of the Company consists of seven Directors, including three independent Directors. The members of the Board are in compliance with the requirements of relevant laws and regulations and the Articles of Association. The members of the Board include experts in the industry and other professionals with the necessary knowledge, skills and quality to perform their duties. All Directors were able to carry out their work in accordance with the Rules of Procedure for the Board of Directors of Sunwoda Electronics Co., Ltd. (hereinafter referred to as the "Rules of Procedure for the Board of Directors") , "Working System for Independent Directors of Sunwoda Electronics Co., Ltd." (hereinafter referred to as the "Working System for Independent Directors") , "Regulatory Guidelines No. 2 for Self-discipline", and attended the Board meetings, special committees of the Board and general meetings, diligently performed their duties and obligations, actively participated in relevant trainings, and were familiar with relevant laws and regulations. In accordance with the requirements of the Self-Regulatory Guidance No. 2, the Company has established four special committees, namely the Strategy Committee, the Remuneration and Appraisal Committee, the Audit Committee and the Nomination Committee. All members of the special committees are Directors. Except that the Strategy Committee is chaired by the chairman of the Board, all other special committees are chaired by independent Directors, and the number of independent Directors accounts for two-thirds of the

members of other special committees, providing scientific and professional opinions and reference for the decision-making of the Board. Each committee performs its duties in accordance with the Articles of Association and the rules of procedure of each committee without interference from any other departments and individuals of the Company. The Company has formulated the Rules of Procedure of the Board of Directors and the Working System of Independent Directors to ensure the standardized, efficient operation and prudent and scientific decision-making of the Board of Directors. All Directors were able to perform their duties diligently and conscientiously in accordance with the Rules of Procedure of the Board of Directors, the Working Rules of Independent Directors and the Self-Regulatory Guidance No. 2. During the Reporting Period, the Directors of the Company participated in trainings organized by regulatory authorities and other trainings. Through further learning and familiarizing themselves with relevant laws and regulations, the Directors effectively improved their ability to perform their duties.

(5) Supervisors and the Supervisory Committee

The Supervisory Committee of the Company shall have three supervisors, including one employee supervisor. The number and composition of the Supervisory Committee are in compliance with the requirements of laws and regulations. In accordance with the requirements of the Articles of Association and the Rules of Procedure for the Supervisory Committee of Sunwoda Electronics Co., Ltd. (hereinafter referred to as the “Rules of Procedure for the Supervisory Committee”), all Supervisors have conscientiously performed their duties and supervised the legality and compliance of the Company's significant events, financial position and the performance of duties by the Directors and senior management. During the Reporting Period, the Supervisors of the Company participated in relevant trainings, and through further learning and familiarizing themselves with relevant laws and regulations, they effectively improved their ability to perform their duties as Supervisors. The Company has formulated the Rules of Procedure for the Supervisory Committee to ensure the effective operation and functioning of the Supervisory Committee. All Supervisors performed their duties in accordance with the requirements of the Rules of Procedure of the Supervisory Committee, and supervised the Company's major events, connected transactions, financial conditions and the performance of duties by Directors and senior management.

(6) About the Company and Investors

The Company attaches great importance to the management of information disclosure and investor relations, and discloses information in a true, accurate, complete and timely manner in strict accordance with the requirements of the Administrative Measures for Information Disclosure of Listed Companies, the Guidelines No. 2 for Self-discipline Supervision of Listed Companies on the ChiNext Board of the Shenzhen Stock Exchange – Announcement Format, as well as the operational documents formulated by the Company, such as the Management System for Information Disclosure of Sunwoda Electronic Co., Ltd., the Management System for Investor Relations of Sunwoda Electronic Co., Ltd. and the Internal Reporting System for Material Information of Sunwoda Electronic Co., Ltd. The Company has designated the secretary to the Board as the person in charge of information disclosure, and the office of the secretary to the Board is responsible for the daily affairs of information disclosure. The Company has designated Securities Times, Securities Daily, China Securities Journal and Shanghai Securities News as newspapers for information disclosure and the website of CNINFO (<http://www.cninfo.com.cn>) as the website for information disclosure. Since the listing of the Company, the Company has been trying to carry out investor relations management more effectively and adequately. The Company has designated special personnel to be responsible for communication and exchange with investors, set up various channels such as telephone hotline, special fax and special mailbox, and adopted various forms such as actively responding to investors' inquiries and accepting investors' visits and investigations. As a public company, the Company needs to establish a positive and interactive relationship with investors in the capital market. The Company still needs to further strengthen the management of investor relations to improve the information transparency of the Company and protect the legitimate rights and interests of all shareholders.

(7) Stakeholders

The Company is able to fully respect and protect the legitimate rights and interests of relevant stakeholders, achieve the coordination and balance of interests in all aspects, attach importance to the Company's social responsibilities, and actively cooperate with stakeholders to jointly promote the sustainable and healthy development of the Company and maximize the interests of shareholders.

(8) Performance appraisal and incentive and restraint mechanism

The Company is gradually establishing and improving the performance appraisal standards and incentive and restraint mechanism for fair and transparent senior management. The appointment of senior management is open and transparent and complies with the requirements of laws and regulations.

Whether there is any material difference between the actual situation of corporate governance and the laws, administrative regulations and the provisions on corporate governance of listed companies issued by the CSRC

Yes No

There is no material difference between the actual situation of corporate governance and the laws, administrative regulations and the provisions on corporate governance of listed companies issued by the CSRC.

II. Independence of the Company from the controlling shareholder and the de facto controller in ensuring the assets, personnel, finance, organisation and business of the Company

The Company has independent and complete business and self-operation capabilities, and is independent of the controlling shareholder in terms of business, personnel, assets, organisation and finance. The Board, the Supervisory Committee and internal organisations of the Company operate independently.

III. Horizontal competition

Applicable Not applicable

IV. The annual general meeting and the extraordinary general meeting held during the Reporting Period

1. General meetings during the Reporting Period

Session	Type of meeting	Percentage of investors participating	Date of convening	Date of disclosure	Resolutions of the meeting
2022 First Extraordinary General Meeting	Extraordinary general meeting	33.31%	19 January 2022	19 January 2022	CNINFO: Announcement on Resolutions of the 2022 First Extraordinary General Meeting
2022 Second Extraordinary General Meeting	Extraordinary general meeting	34.84%	11 February 2022	11 February 2022	CNINFO: Announcement on Resolutions of the 2022 Second Extraordinary General Meeting
2022 Third Extraordinary General Meeting	Extraordinary general meeting	32.65%	28 February 2022	28 February 2022	CNINFO: Announcement on Resolutions of the 2022 Third Extraordinary General Meeting
2022 Fourth Extraordinary	Extraordinary general meeting	35.05%	17 March 2022	17 March 2022	CNINFO: Announcement on

General Meeting					Resolutions of the 2022 Fourth Extraordinary General Meeting
2022 Fifth Extraordinary General Meeting	Extraordinary general meeting	32.88%	07 April 2022	07 April 2022	CNINFO: Announcement on Resolutions of the 2022 Fifth Extraordinary General Meeting
2021 Annual General Meeting	Annual general meeting	33.33%	11 May 2022	11 May 2022	CNINFO: Announcement on Resolutions of the 2021 Annual General Meeting
2022 Sixth Extraordinary General Meeting	Extraordinary general meeting	33.50%	14 July 2022	14 July 2022	CNINFO: Announcement on Resolutions of the 2022 Sixth Extraordinary General Meeting
2022 Seventh Extraordinary General Meeting	Extraordinary general meeting	41.98%	14 September 2022	14 September 2022	CNINFO: Announcement on Resolutions of the 2022 Seventh Extraordinary General Meeting
2022 Eighth Extraordinary General Meeting	Extraordinary general meeting	34.05%	11 October 2022	11 October 2022	CNINFO: Announcement on Resolutions of the 2022 Eighth Extraordinary General Meeting
2022 Ninth Extraordinary General Meeting	Extraordinary general meeting	35.74%	15 November 2022	15 November 2022	CNINFO: Announcement on the Resolutions of the 2022 Ninth Extraordinary General Meeting
2022 Tenth Extraordinary General Meeting	Extraordinary general meeting	31.60%	27 December 2022	27 December 2022	CNINFO: Announcement on the Resolutions of the 2022 Tenth Extraordinary General Meeting

2. Holders of preferred shares with restored voting rights request to convene an extraordinary general meeting

Applicable Not applicable

V. Voting rights difference arrangement of the Company

Applicable Not applicable

VI. Red-chip structure corporate governance

Applicable Not applicable

VII. Directors, Supervisors and Senior Management

1. Basic information

Name	Position	Status	Gender	Age	Commencement date of term of office	End date of term of office	Number of shares held at the beginning of the period (shares)	Number of shares increased during the period (shares)	Number of shares reduced during the period (shares)	Other changes (shares)	Number of shares held at the end of the period (shares)	Reasons for changes in shareholding
Wang Wei	Chairman, General Manager	In office	Male	48	17 October 2016		132,446,600	0	0	0	132,446,600	
Xiao Guangyu	Director, Chief Financial Officer, Deputy General Manager	In office	Male	56	22 July 2004		1,845,329	0	0	0	1,845,329	
Zhou Xiaoxiong	Director	In office	Male	62	10 September 2008		0	0	0	0	0	
Zeng Di	Director, Board Secretary, Deputy General Manager	In office	Male	43	10 May 2017		832,000	0	0	0	832,000	
Liu Zhengbing	Independent Director	In office	Male	54	09 May 2018		0	0	0	0	0	
Zhang Jianjun	Independent Director	In office	Male	59	20 May 2020		0	0	0	0	0	
Yu Qun	Independent Director	In office	Female	55	30 November 2021		0	0	0	0	0	
Liang Rui	Deputy General Manager	In office	Male	56	14 November 2016		310,113	0	0	0	310,113	
Yuan Huiqiong	Chairman of the Supervisory Committee	In office	Female	43	10 September 2008		3,400	0	0	0	3,400	
Zhou Lijuan	Employee supervisor	In office	Female	40	23 March 2023		0	0	0	0	0	
Li Weihong	Supervisor	Resigned	Male	35	24 October 2015	23 March 2023	0	0	0	0	0	
Liu Rongbo	Supervisor	In office	Female	32	16 July		0	0	0	0	0	

					2019								
Total	--	--	--	--	--	--	135,437,442	0	0	0	135,437,442	--	

Whether there is any resignation of Directors and Supervisors and dismissal of Senior Management during their terms of office during the Reporting Period

Yes No

Changes in Directors, Supervisors and Senior Management of the Company

Applicable Not applicable

Name	Position held	Type	Date	Reason
Li Weihong	Supervisor	Resigned	23 March 2023	Work adjustment
Zhou Lijuan (Employee supervisor)	Supervisor	Elected	23 March 2023	Required by normal operations of the Company

2. Occupations

Professional background, major working experience and current main duties of the Directors, Supervisors and Senior Management of the Company in office

1. Board Members

Wang Wei (Chairman): male, born in January 1975, with Chinese nationality and without permanent residency abroad. He graduated from the Executive Master of Business Administration Programme at Tsinghua University. He served as the sales director of Shenzhen Jialida Electronic Processing Factory from September 1994 to December 1997; in December 1997, he co-founded Sunwoda with Mr. Wang Mingwang and served as the marketing and sales director of Sunwoda; from August 2008 to October 2016, he was a Director and the vice president of Sunwoda; he has been the Chairman and the president of Sunwoda since October 2016. He is also a deputy to the 13th People's Congress of Guangdong Province, the vice chairman of the Shenzhen Industry and Commerce Association, the standing vice chairman of Shenzhen Entrepreneurs Association and the vice chairman of the Industry and Commerce Association (Chamber of Commerce) of Shiyan Street, Bao'an District.

Xiao Guangyu (Director): male, born in April 1967, with Chinese nationality and without permanent residency abroad. Mr. Xiao is a Master of Accounting and studying for a Ph.D. in International Finance. He is a senior economist, an intermediate accountant, a senior financial planner and a member of Institute of Public Accountant (IPA) of Australia. Mr. Xiao worked at the Bank of China, Maoming Branch from July 1988 to October 2002. He worked at Shenzhen Huiruitong (Group) Electronics Co., Ltd. from October 2002 to June 2004. He has been the chief financial officer of Sunwoda since July 2004. He is currently the director and vice president of Sunwoda.

Zhou Xiaoxiong (Director): male, born in 1961, with Chinese nationality and without permanent residency abroad. Mr. Zhou holds a bachelor's degree in economic information management from the Renmin University of China and also an executive master's degree in business administration from Tsinghua University. Mr. Zhou is a senior economist. He had served as the deputy manager of the business department of Guangdong Securities Company Limited, the deputy manager of the secretary department, the director of the branch management department and the fund custody department of the Bank of China, Shenzhen Branch, the manager of the securities department of the Shenzhen International Trust & Investment Co., Ltd. of the Bank of China, the deputy manager of the Shenzhen International Trust Consulting Co., Ltd. of the Bank of China, the managing director of the Zhongshan Securities Co., Ltd., chairman of J.P. Morgan Chase Futures Co., Ltd. and director of J.P. Morgan Chase Securities (China) Co., Ltd. He currently serves as the chairman of Zhuhai Mailande Private Equity Investment Management Co., Ltd., an independent non-executive director of the China Boton Group Company Limited, an independent director of Shenzhen Ellassay Fashion Co.,

Ltd and an independent director of Shenzhen Laibao Hi-Tech Co., Ltd. He is currently the director of Sunwoda Electronic Co., Ltd.

Zeng Di (Director): male, born in October 1980, with Chinese nationality and without permanent residency abroad. Mr. Zeng holds a master's degree in finance from Southwestern University of Finance and Economics. He is a senior economist. Mr. Zeng worked in the investment banking department of J.P. Morgan First Capital Securities Co., Ltd. from June 2011 to February 2015 and the corporate financing department of Credit Suisse Founder Securities Limited from March 2015 to February 2016. Mr. Zeng has served as the general manager of the investment and development department of the Sunwoda since March 2016. He has served as secretary to the board of directors of Sunwoda since May 2017. He is currently a director of Sunwoda.

Liu Zhengbing (Independent Director): male, born in December 1969 in Ningxiang, Hunan, with Han nationality. Mr. Liu holds a doctorate degree in management. He is an accountant (corporate) and an economist (finance).

From July 1997 to May 2015, Mr. Liu worked at the government office of the Longgang District Committee of Shenzhen, Publicity Department of Shenzhen Municipal Party Committee, Residential and Environment Commission of Shenzhen, Guangming New District Urban Construction Bureau and Guangming New District Urban Construction Investment Co., Ltd. From May 2015 to November 2019, Mr. Liu served as a director and vice president of MYS Group Co., Ltd. Since November 2019, He has served as a director of Tianjin Jingwei Huikai Optoelectronic Co., Ltd. From June 2021 to April 2022, he has served as an assistant to the president of Galaxy Shenguanhui Urban Renewal Group Co., Ltd. He is currently a director of Sunwoda.

Zhang Jianjun (Independent Director): male, born in December 1964 in Jiujiang, Jiangxi. Mr. Zhang holds a doctorate degree in accounting from Shanghai University of Finance and Economics and is a professor of accounting. Mr. Zhang served as a deputy director of the accounting faculty and deputy dean and professor of the accounting faculty of Jiangxi University of Finance and Economics. He was selected as one of the first batch of academic leaders of accounting disciplines by the Ministry of Finance in 1997. Mr. Zhang was transferred to Shenzhen University in 2001 and subsequently served as the dean and professor of the School of Economics of Shenzhen University. He currently serves as the head of the accounting department, director and professor of Institute of Accounting and Finance of Shenzhen University. Mr. Zhang had served as a member of the National Accounting Professional and Technical Qualification Examination Questions Expert Group, an editor of the "Accounting Research" magazine. He currently serves as a member of the China Accounting Committee, a director of the Audit Education Branch of the China Auditing Society, a member of the Shenzhen Mayor Quality Award Expert Committee, the chairman of the Shenzhen Institute of Certified Public Accountants Supervision Committee, the chairman of the Supervisory Committee of Shenzhen Accounting Association, the vice chairman of Guangdong Association of Management Accountants, and an independent director of SDG Service (300917), Hui Chuang Da (300909) and Shenzhen Rural Commercial Bank. He is currently an independent director of Sunwoda.

Yu Qun (Independent Director): female, born in April 1968 in Shulan, Jilin Province, a member of the Communist Party of China. Ms. Yu holds a doctorate degree in theoretical law from Jilin University. Ms. Yu was a visiting scholar of the faculty of law of the University of Illinois at Urbana-Champaign. Ms. Yu was engaged in legal system work for the government for 7 years. Ms. Yu is currently a professor of the Party School of the Shenzhen Municipal Committee of the Communist Party of China, an external independent director of Guangzhou Development District Financial Holdings Group Co., Ltd. and a director of Guangzhou Pearl River City Management Service Group Co., Ltd. She is also a lecturer of the law faculty of South China Normal University, a researcher and an master's advisor of the Guangdong Construction Research Centre for the New Era of Law of South China Normal University, a legislative consulting expert of the Guangdong Provincial People's Congress, a legislative consulting expert of the Guangdong Provincial People's Government and an expert in the risk assessment of major decision-making and social stability in Guangzhou.

2. Members of the Supervisory Committee

Yuan Huiqiong (Chairman of the Supervisory Committee): female, born in May 1980, with Chinese nationality and without permanent residency abroad. Ms. Yuan holds a master's degree in business administration. Ms. Yuan worked at Xiangyu Footwear Co., Ltd. from March 2004 to February 2006 and Nantong Tewe Bags Co., Ltd. from February 2006 to May 2006. Ms. Yuan

served as the secretary of the president of Sunwoda from July 2006 to April 2009, manager of the purchasing department of Sunwoda from April 2009 to March 2011, manager of the audit department of Sunwoda from March 2011 to October 2011 and the secretary to the president of Sunwoda from October 2011 to October 2013. Mr. Yuan has served as the chairman of Shenzhen Sunwoda Charity Foundation since 2012, a director of the risk control and audit centre of Sunwoda since April 2013 and the chairman of the labour union of Sunwoda since December 2007. She is currently a supervisor of Sunwoda.

Li Weihong (Supervisor), male, born in May 1988, with Chinese nationality and without permanent residency abroad. Mr. Li holds a master's degree. Mr. Li served as sales engineer of the second battery business department of Sunwoda Electronic Co., Ltd. from March 2015 to May 2016, the secretary of the president's office of Sunwoda Electronic Co., Ltd. from May 2016 to November 2017 and development manager of the business development department of the industrial park construction centre from November 2017 to March 2020; he has been senior operation manager of the industrial park construction centre since March 2021; during the Reporting Period, he served as a supervisor of Sunwoda and applied to resign as an employee supervisor of Sunwoda Electronic Co., Ltd. on 23 March 2023.

Liu Rongbo (Supervisor): female, born in January 1991, with Chinese nationality without permanent residency abroad. She has a bachelor's degree. Ms. Liu served as the representative of securities affairs of Gansu ZhongKe Pharmaceutical Biotechnology Co., Ltd. from July 2014 to December 2016; Mr. Liu has served in the secretary office of the Board of Directors of Sunwoda Electronic Co., Ltd. since December 2016 and she currently serves as the representative of securities affairs and Supervisor of Sunwoda.

Zhou Lijuan (Employee Supervisor): female, born in November 1983, with Chinese nationality and without permanent residency abroad. She holds a master's degree in applied psychology. From September 2009 to March 2022, she served as the head of Shenzhen Park for Mental Health of the Employee Care Centre of the Federation of Trade Unions of Foxconn Technology Group; she has been the director of the trade union office of Sunwoda Electronic Co., Ltd. since April 2022; she currently serves as an employee supervisor of Sunwoda.

3. Senior Management:

Wang Wei (Chairman and President of the Company), his main working experience is same as above.

Xiao Guangyu (Director, Vice President and Chief Financial Officer of the Company): his main working experience is same as above.

Liang Rui (Vice President): male, born in September 1967, with Chinese nationality and without permanent residency abroad. senior engineer and senior economist. Mr. Liang is a senior engineer and senior economist. Mr. Liang is a leading local talent in Shenzhen, deputy to the People's Congress of Baoan District, Shenzhen and a member of the Finance and Economics Committee of the People's Congress, external doctoral/master tutor of Central South University for materials and chemical engineering major, corporate tutor of the School of Energy and Power Engineering of Huazhong University of Science and Technology, MBA alumni tutor of Nankai University, part-time professor of Wuhan University of Technology and visiting professor of Hubei University of Technology. Mr. Liang is the deputy head of the National Lithium Battery Intelligent Manufacturing Equipment Standardisation Working Group, expert of ISO/TC 333/WG6, vice chairman of the China Industrial Association of Power Sources, director of the Executive Committee of the National Expert Committee of Advanced Battery Materials Industry Cluster, vice chairman of the Technology Committee of the Environmental Product Declaration (EPD) Platform of China Battery Industry, vice standing chairman of Shenzhen Battery Industry Association, member of the Expert Database of Shenzhen National High-tech Industrial Innovation Centre, vice chairman of Guangdong Electronics and Information Industry Association, president of New Energy and Battery Alumni Association of Huazhong University of Science and Technology; Mr. Liang has served as the vice president of the Sunwoda since November 2016 and he previously served as the chairman of Sunwoda Electric Vehicle Battery Co., Ltd, the chairman of Sunwoda Huizhou New Power Co., Ltd., director of Xingzhiyoudao (Shenzhen) Auto Service Co., Ltd. and also executive director of Sunwoda Integrated Energy Service Co., Ltd..

Zeng Di (Director, Vice President and Secretary to the Board of Directors of the Company): his main working experience is same as above.

Occupations in shareholder entities

 Applicable Not applicable

Name of the employee	Name of shareholder entities	Positions held in shareholder entities	Commencement date of term of office	End date of term of office	Whether receiving remuneration allowance from shareholder entities
Liang Rui	Xingzhiyoudao (Shenzhen) Auto Service Co., Ltd.	Director	10 May 2017		No

Occupations in other entities

 Applicable Not applicable

Name of the employee	Name of other entities	Positions held in other entities	Commencement date of term of office	End date of term of office	Whether receiving remuneration allowance from other entities
Wang Wei	SKZ Intelligent Equipment Co., Ltd.	Director	31 July 2014		No
Wang Wei	Xi'an Jin Cang Membrane Environmental Protection Technology Co., Ltd.	Director	18 April 2019		No
Wang Wei	Nanjing Junshang Electronic Technology Co., Ltd.	Director	01 February 2017		No
Wang Wei	Shandong Jili Sunwoda Power Battery Co., Ltd.	Vice Chairman	24 September 2021		No
Zeng Di	Persson Environmental Protection Technology Co., Ltd.	Director	13 November 2019	01 August 2022	No
Zeng Di	Yuchuang Semiconductor (Shenzhen) Co., Ltd.	Director	19 May 2020		No
Zeng Di	Shaanxi Membrane Separation Technology Research Institute Co., Ltd.	Director	16 December 2019		No
Zeng Di	Hangzhou Instpower Technology Co., Ltd.	Director	10 January 2021		No
Zeng Di	Shenzhen Ruikewei	Director	10 February 2022		No

	Electronics Co., Ltd.				
Liang Rui	Everbright CSSC New Energy Industrial Investment Funds Management Co., Ltd.	Director	10 January 2020		No
Liang Rui	Xingzhiyoudao Auto Service (Shenzhen) Co., Ltd.	Director	10 May 2017		No
Liu Zhengbing	Tianjin Jingwei Huikai Optoelectronic Co., Ltd.	Director	27 November 2019		Yes
Liu Zhengbing	Zhongda Lvgu Industrial Co., Ltd.	Director	10 January 2017		No
Zhang Jianjun	Shenzhen University	Director and professor of Accounting and Finance Institute	01 April 2001		Yes
Zhang Jianjun	Shenzhen Jieshun Technology Industry Co., Ltd.	Independent Director	22 February 2016	23 February 2022	Yes
Zhang Jianjun	Shenzhen SDG Service Co., Ltd.	Independent Director	21 August 2019		Yes
Zhang Jianjun	Shenzhen Huichuangda Technology Co., Ltd.	Independent Director	10 March 2020		Yes
Zhang Jianjun	Shenzhen Tensun Precision Equipment Co., Ltd.	Independent Director	21 November 2019		Yes
Zhang Jianjun	Shenzhen Rural Commercial Bank Co., Ltd.	Independent Director	08 October 2018		Yes
Zhang Jianjun	Shenzhen Beiding Jinghui Technology Co., Ltd.	Independent Director	19 August 2022		Yes
Zhang Jianjun	Inhemeter co., ltd.	Independent Director	02 July 2020		Yes
Zhou Xiaoxiong	Shenzhen Ellassay Fashion Co., Ltd.	Independent Director	28 March 2018		Yes
Zhou Xiaoxiong	China Boton Group Company Limited	Independent Director	25 November 2005		Yes
Zhou Xiaoxiong	Shanghai Mailande Industry Development Co., Ltd.	Director	21 March 2019		Yes
Zhou Xiaoxiong	Guangzhou Nansha Technology Financial Holding	Director	17 June 2019		Yes

	Group Co., Ltd.				
Zhou Xiaoxiong	Zhuhai Mailande Equity Investment Management Co., Ltd.	Chairman	27 August 2013		Yes
Zhou Xiaoxiong	Shanghai Wendun Investment Co., Ltd.	Executive director	29 June 2010		No
Zhou Xiaoxiong	Shanghai Wendun Investment Consulting Co., Ltd.	Executive director	11 July 2011	21 September 2022	No
Zhou Xiaoxiong	Shenzhen Laibao Hi-Tech Co., Ltd.	Independent Director	21 April 2022		Yes
Yu Qun	Party School of the CPC Shenzhen Municipal Committee	Professor	01 December 2021		Yes
Yu Qun	Guangzhou Development District Holdings Group Co., Ltd.	Independent Director	01 September 2021		No
Yu Qun	Guangzhou Zhujiang City Management Services Group Co., Ltd.	Director	18 May 2021		No
Description of positions held in other entities	——				

Punishment on current and resigned Directors, Supervisors and Senior Management of the Company in the past three Years

Applicable Not applicable

3. Remuneration of Directors, Supervisors and Senior Management

Decision-making procedures, basis of determination and actual payment of remuneration of Directors, Supervisors and Senior Management

Decision-making procedures for remuneration of Directors, Supervisors and Senior Management	The remuneration of the Directors, Supervisors and Senior Management of the Company is determined by the Board in accordance with the requirements of the Remuneration Management and Incentive Measures for Senior Management considered by the Board, taking into account their operating performance, working capability and job grade.
Basis of determination of the remuneration of Directors, Supervisors and Senior Management	Determined based on the Company's profitability and work and performance of Directors, Supervisors and Senior Management.
Actual payment of remuneration to Directors, Supervisors and Senior Management	RMB11.7867 million actually paid in 2022

Remuneration of Directors, Supervisors and Senior Management of the Company during the Reporting Period

Unit: RMB 0'000

Name	Position	Gender	Age	Status	Total pre-tax remuneration received from	Whether receiving remuneration
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					the Company	from related parties of the Company
Wang Wei	Chairman, General Manager	Male	48	In office	204	No
Xiao Guangyu	Director, Chief Financial Officer, Deputy General Manager	Male	56	In office	218.23	No
Zhou Xiaoxiong	Directors	Male	62	In office	14.4	No
Zeng Di	Director, Board Secretary, Deputy General Manager	Male	43	In office	200.8	No
Liu Zhengbing	Independent Director	Male	54	In office	14.4	No
Zhang Jianjun	Independent Director	Male	59	In office	14.4	No
Yu Qun	Independent Director	Female	55	In office		No
Liang Rui	Deputy General Manager	Male	56	In office	302.14	No
Yuan Huiqiong	Chairman of the Supervisory Committee	Female	43	In office	135.54	No
Li Weihong	Supervisor	Male	35	Resigned	45.68	No
Liu Rongbo	Supervisor	Female	32	In office	29.08	No
Total	--	--	--	--	1,178.67	--

VIII. Performance of Duties by Directors during the Reporting Period

1. The Board during the Reporting Period

Session	Date of convening	Date of disclosure	Resolutions of the meeting
The 23th meeting of the fifth session of the Board	19 January 2022	21 January 2022	CNINFO: Announcement on the Resolutions of the 23th Meeting of the Fifth Session of the Board
The 24th (extraordinary) meeting of the fifth session of the Board	27 January 2022	28 January 2022	CNINFO: Announcement on the Resolutions of the 24th (Extraordinary) Meeting of the Fifth Session of the Board
The 25th meeting of the fifth session of the Board	11 February 2022	12 February 2022	CNINFO: Announcement on the Resolutions of the 25th Meeting of the Fifth Session of the Board
The 26th meeting of the fifth session of the Board	23 February 2022	24 February 2022	CNINFO: Announcement on the Resolutions of the 26th Meeting of the Fifth Session of the Board
The 27th meeting of the fifth session of the Board	28 February 2022	02 March 2022	CNINFO: Announcement on the Resolutions of the 27th

			Meeting of the Fifth Session of the Board
The 28th meeting of the fifth session of the Board	17 March 2022	18 March 2022	CNINFO: Announcement on the Resolutions of the 28th Meeting of the Fifth Session of the Board
The 29th (extraordinary) meeting of the fifth session of the Board	07 April 2022	08 April 2022	CNINFO: Announcement on the Resolutions of the 29th (Extraordinary) Meeting of the Fifth Session of the Board
The 30th meeting of the fifth session of the Board	11 April 2022	13 April 2022	CNINFO: Announcement on the Resolutions of the 30th Meeting of the Fifth Session of the Board
The 31th meeting of the fifth session of the Board	25 April 2022	27 April 2022	CNINFO: Announcement on the Resolutions of the 31th Meeting of the Fifth Session of the Board
The 32th meeting of the fifth session of the Board	31 May 2022	31 May 2022	CNINFO: Announcement on the Resolutions of the 32th Meeting of the Fifth Session of the Board
The 33th (extraordinary) meeting of the fifth session of the Board	17 June 2022	17 June 2022	CNINFO: Announcement on the Resolutions of the 33th (Extraordinary) Meeting of the Fifth Session of the Board
The 34th meeting of the fifth session of the Board	27 June 2022	29 June 2022	CNINFO: Announcement on the Resolutions Passed at the 34th Meeting of the Fifth Session of the Board
The 35th (Extraordinary) meeting of the fifth session of the Board	14 July 2022	15 July 2022	CNINFO: Announcement on the Resolutions of the 35th (Extraordinary) Meeting of the Fifth Session of the Board
The 36th (Extraordinary) meeting of the fifth session of the Board	29 July 2022	01 August 2022	CNINFO: Announcement on the Resolutions of the 36th (Extraordinary) Meeting of the Fifth Session of the Board
The 37th (extraordinary) meeting of the fifth session of the Board	04 August 2022	04 August 2022	CNINFO: Announcement on the Resolutions of the 37th (Extraordinary) Meeting of the Fifth Session of the Board
The 38th meeting of the fifth session of the Board	24 August 2022	26 August 2022	CNINFO: Announcement on the Resolutions of the 38th Meeting of the Fifth Session of the Board
The 39th meeting of the fifth session of the Board	07 September 2022	07 September 2022	CNINFO: Announcement on the Resolutions of the 39th Meeting of the Fifth Session of the Board
The 40th meeting of the fifth session of the Board	14 September 2022	15 September 2022	CNINFO: Announcement on the Resolutions of the 40th Meeting of the Fifth Session of the Board
The 41th (extraordinary) meeting of the fifth session of the Board	19 September 2022	21 September 2022	CNINFO: Announcement on the Resolutions of the 41th (Extraordinary) Meeting of

			the Fifth Session of the Board
The 42th meeting of the fifth session of the Board	25 October 2022	27 October 2022	CNINFO: Announcement on the Resolutions of the 42th Meeting of the Fifth Session of the Board
The 43th meeting of the fifth session of the Board	02 December 2022	03 December 2022	CNINFO: Announcement on the Resolutions of the 43th Meeting of the Fifth Session of the Board
The 44th (extraordinary) meeting of the fifth session of the Board	16 December 2022	16 December 2022	CNINFO: Announcement on the Resolutions of the 44th (Extraordinary) Meeting of the Fifth Session of the Board

2. Attendance of Directors at Board meetings and general meetings

Directors' attendance at Board meetings and general meetings							
Name of Director	Attendance at Board meetings required during the Reporting Period	Attendance at on-site Board meetings	Attendance at Board meetings by telecommunication/correspondence	Attendance at Board meetings by proxy	No. of absence at Board meetings	Unable to attend Board meetings in person for two consecutive times	Attendance at general meetings
Wang Wei	22	21	1	0	0	No	11
Xiao Guangyu	22	15	7	0	0	No	11
Zeng Di	22	17	5	0	0	No	11
Zhou Xiaoxiong	22	3	19	0	0	No	11
Yu Qun	22	0	22	0	0	No	11
Liu Zhengbing	22	7	15	0	0	No	11
Zhang Jianjun	22	6	16	0	0	No	11

Explanation on absence from the Board for two consecutive times

3. Directors' objections to relevant matters of the Company

Whether the Directors raised any objection to the relevant matters of the Company

Yes No

During the Reporting Period, the Directors did not raise any objection to the relevant matters of the Company.

4. Other explanations about Directors' performance of duties

Whether the relevant proposal of the Company is adopted by the Directors

Yes No

Explanation of the directors on the adoption or non-adoption of relevant proposals by the Company

During the Reporting Period, all Directors of the Company performed their duties diligently and in strict compliance with the relevant requirements of the CSRC and the Shenzhen Stock Exchange as well as the Articles of Association of Sunwoda Electronics

Co., Ltd. and the Rules of Procedure of the Board of Directors. The Directors of the Company fulfilled their obligations as Directors in accordance with the law, paid close attention to the standardised operation and operation of the Company, put forward relevant opinions on the major governance and operation decisions of the Company according to the actual situation of the Company, and formed a consensus after full communication and discussion. At the same time, the Directors of the Company effectively supervised the standardised operation of the Board, the performance of duties by Senior Management and the financial position of the Company, and played an important role in improving the Company's supervision mechanism and safeguarding the legitimate rights and interests of the Company and Shareholders, especially minority Shareholders.

During the Reporting Period, the Independent Directors of the Company strictly complied with the Company Law of the People's Republic of China, the Securities Law of the People's Republic, the Guidance Opinion on the Establishment of Independent Director System for Listed Companies, the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange (2020 revision), the Self-Regulatory Guidelines for Listed Companies of the Shenzhen Stock Exchange No. 2 – the Compliant Operation of Listed Companies of the ChiNext Market and other laws, regulations, normative documents and requirements of the Articles of Association of Sunwoda Electronics Co., Ltd. and Working procedures for Independent Directors of Sunwoda Electronics Co., Ltd., in order to obtain deep understanding of internal control and financial position of the Company, conducted reviews focused on production operation, use and management of proceeds, progresses of major investment projects and implementation of Board resolutions, actively made discussions and communications with Directors, Supervisors and Senior Management of the Company to obtain knowledge of development of each major events of the Company. The Company paid close attention to the development of the industry and changes in the market, made use of professional knowledge and industry experience, actively put forward suggestions on the operation and management of the Company, actively and effectively performed the duties of Independent Directors, and well protected the overall interests of the Company and the legitimate rights and interests of all Shareholders, especially minority Shareholders, which played a positive role in the standardised, stable and healthy development of the Company.

IX. Special Committees under the Board during the Reporting Period

Committee Name	Membership	Number of meetings held	Date of convening	Content of meeting	Important opinions and recommendations raised	Other performance of duties	Details of objections (if any)
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	19 January 2022	To consider the Resolution on the 2022 Restricted Share and Share Option Incentive Scheme (Draft) of the Company and its Summary, the Resolution on the Assessment Management Measures for the	Unanimous agreement	The Audit Committee carried out its work in strict compliance with the Company Law, the Securities Law and other laws and regulations, as well as the Articles of Association, the Terms of Reference of the Audit	Nil

				<p>Implementation of the 2022 Restricted Share and Share Option Incentive Scheme of the Company, the Resolution on the Grant of Authorization to the Board by the General Meeting to Deal with Matters in Relation to the 2022 Restricted Share and Share Option Incentive Scheme of the Company, the Resolution on the Application for Credit Facilities from Banks and Other Financial Institutions, the Resolution on the Foreign Exchange Hedging Business of the Company, the Resolution on the Use of Idle Self-owned Funds for Cash Management and the</p>		<p>Committee and other rules and regulations to understand the business and operation of the Company from the management of the Company. At the same time, the Audit Committee actively communicated with the accounting firm to understand key audit matters, and urged the annual audit accountant to issue audit reports in a timely manner in accordance with relevant accounting standards.</p>	
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				Resolution on the Provision of Guarantees for Subsidiaries.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	27 January 2022	To consider the Resolution in Relation to the Capital Increase in Sunwoda Electric Vehicle Battery Co., Ltd.			Nil
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	11 February 2022	To consider the Resolution on Adjusting the List of Participants and the Number of Restricted Shares and Share Options to be Granted under the 2022 Restricted Share and Share Option Incentive Scheme, the Resolution on Granting Type II Restricted Shares and Share Options to Participants and the Resolution on Closing of Investment Projects Funded by Proceeds and Permanent Replenishment of Working Capital by			Nil

				Surplus Proceeds.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	23 February 2022	To consider the Resolution on External Investment by Subsidiaries, the Resolution on Participation of Wholly-owned Subsidiaries in Investment in Shangshi Growth Acceleration (Hainan) Venture Capital No. 2 Fund Partnership and the Resolution on Capital Increase in Sunwoda Electric Vehicle Battery Co., Ltd.			Nil
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	28 February 2022	To consider the Resolution in Relation to the Additional Implementation Location of Certain Investment Projects, the Resolution in Relation to the Provision of Guarantee by Subsidiaries for Its Subsidiaries, the Resolution in Relation to the Proposed			Nil

				Signing of the Project Investment Agreement between the Subsidiary and Zhuhai Municipal People's Government, and the Resolution in Relation to the Consideration of the 2021 Internal Audit Work Report of the Company.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	17 March 2022	To consider the Proposal Regarding the Proposed Signing of the Project Investment Agreement between the Subsidiary and the People's Government of Shifang City.			Nil
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	07 April 2022	To consider the Resolution on the Internal Integration of the Precision Mechanics Business of the Company and the Resolution on the Changes in Accounting Policies.			Nil
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	11 April 2022	To consider the Resolution on Considering the 2021			Nil

				<p>Annual Report of the Company and its Summary, the Resolution on Considering the 2021 Final Financial Report of the Company, the Resolution on Considering the 2021 Profit Distribution Plan of the Company, the Resolution on Making Provision for Impairment of Assets for 2021, the Resolution on Considering the 2021 Self-Assessment Report on Internal Control of the Company, the Resolution on Considering the 2021 Special Report on the Deposit and Use of Proceeds of the Company, the Resolution on Providing Guarantees</p>			
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				for Subsidiaries, the Resolution on Considering the 2021 Special Report on Securities and Derivatives Considered, the Resolution on the Re-appointment of Accounting Firms for 2022, the Resolution on the Estimated New Ordinary Related Party Transactions for 2022, the Resolution on considering the 2021 Corporate Social Responsibility Report of the Company, the Audit Report on the Management and Use of Proceeds in 2021 and the Resolution on Considering the 2021 Compliance Management Summary Report of the Company.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing,	21	25 April 2022	To consider the Resolution			Nil

	Wang Wei			<p>on Changes in Accounting Policies, the Resolution on Considering the 2022 First Quarterly Report of the Company, the Resolution on Repurchase and Cancellation of Restricted Shares Granted to Certain Incentive Participants but Not Yet Unlocked, the Resolution on the Cancellation of Part II Restricted Shares and Cancellation of Part II Share Options under the 2022 Restricted Share and Share Option Incentive Scheme, the Resolution on Amendments to the Articles of Association, the Resolution on Considering the Special Report on the Use of</p>			
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				Proceeds in the First Quarter of 2022 of Sunwoda Electronic Co., Ltd., the Resolution on Considering the Audit Report on the Management and Use of Proceeds in the First Quarter of 2022 of the Company, the Resolution on Considering the Internal Audit Work Report for the First Quarter of 2022 of the Company, the Resolution on Considering the Compliance Management Work Report for the First Quarter of 2022 of the Company.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	31 May 2022	To consider the Resolution on the Capital Increase of Sunwoda Electric Vehicle Battery Co., Ltd., the Resolution on the External Investment in			Nil

				the Construction of High-performance cylindrical Li-ion Battery Project, the Resolution on the Signing of the Project Investment Agreement between the Subsidiary and the People's Government of Jinwan District, and the Resolution on the Change of the Collateral Used for Counter Guarantee by the Wholly-owned Subsidiary.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	17 June 2022	To consider the Resolution on Joint Investment by Subsidiaries, Dongfeng Group and Dongfeng Hongtai to Establish Joint Venture, the Resolution on Write-off of Certain Accounts Receivable, the Resolution on the Company's Application for Loans			Nil

				from Banks with Self-owned Assets Mortgage and the Resolution on the Provision of Guarantees for Subsidiaries.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	27 June 2022	To consider the Proposal on the Company's Issuance of GDR, Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion into a Limited Stock Company of Overseas Shares, the Resolution on the Issuance of GDR and Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion, the Resolution on Considering the Report on the Use of Previously Raised Proceeds as of 31 March 2022, the Resolution on the Use of Proceeds from the			Nil

				<p>Issuance of GDR of the Company, the Resolution on the Validity Period of the Resolution on the Issuance of GDR and Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion, the Resolution on the Accumulated Profit Distribution Plan before the Company's Issuance of GDR and Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion, the Resolution on matters relating to the Company's Issuance of GDR and Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion, Resolution on the</p>			
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				Insurance of Liability for Directors, Supervisors, Senior Management and Other Personnel and the Prospectus Statement Liability Insurance, Resolution on the Formulation of the Confidentiality and Archives Management System in Relation to the Issuance and Listing of Overseas Securities, Resolution on the Amendments to the Articles of Association of Sunwoda Electronics Co., Ltd. and its Appendixes, Resolution on the Amendments to the Articles of Association of Sunwoda Electronics Co., Ltd. (Draft) and its Appendixes Applicable upon the Listing of GDR of the Company.			
Audit Committee	Zhang Jianjun, Liu	21	14 July 2022	To consider the			Nil

of the Board	Zhengbing, Wang Wei			Resolution on Joint Investment and Establishment of Joint Venture Company by Zhejiang Liwinon Energy Technology Co., Ltd., a Wholly-owned Subsidiary, and Related Party Transaction, and the Resolution on the Application for Loans from Banks by Pledge of the Company's Own Assets.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	29 July 2022	To consider the Resolution on the Supplemental Confirmation of Related Party Transactions and the Estimation of New Ordinary Related Party Transactions for 2022.			Nil
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	04 August 2022	To consider the Resolution in Relation to the Proposed Joint Investment and Construction of Laterite Nickel Ore			Nil

				Smelting Project in Indonesia with an Annual Production Capacity of 40,000 tonnes of High-nickel-containing Metal by Xinwei Hong Kong, a Subsidiary of the Company, together with Weiming and Merit, and the Resolution in Relation to the Acquisition of Equity Interests in the Joint Venture Company and Participation in the Investment and Construction of the New Materials Project of Lithium Battery.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	24 August 2022	To consider the Resolution on Considering the Company's 2022 Interim Report and its Summary, the Resolution on Considering the Company's			Nil

				<p>Special Report on the Deposit and Use of Proceeds for the First Half of 2022, the Resolution on the Estimated New Ordinary Related Party Transactions for 2022, the Resolution on Capital Increase to Sunwoda Electric Vehicle Battery Co., Ltd. by Sunwoda Huizhou New Energy Co., Ltd. and Related Party Transaction, the Resolution on Capital Increase to Sunwoda Electric Vehicle Battery Co., Ltd. by External Investors, the Resolution on Convertible Bond Loan and Related Party Transaction of Sunwoda Electric Vehicle Battery Co., Ltd., a Subsidiary, the Proposal on the Interim Compliance</p>			
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				Management Report, Proposal on Considering the Internal Audit Work Report for the First Half of 2022 and Proposal on Considering the Audit Report on the Management and Use of Proceeds for the First Half of 2022.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	14 September 2022	To consider the Proposal Regarding the Proposed Signing of the Yichang Project Investment Agreement between the Subsidiary and the Yichang Municipal People's Government.			Nil
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	19 September 2022	To consider the Proposal on the Proposed Signing of the Project Investment Agreement between the Subsidiary and the People's Government of Yiwu City and the Resolution on the Provision of Guarantee for the Subsidiary.			Nil
Audit Committee	Zhang Jianjun, Liu	21	25 October 2022	To consider the			Nil

of the Board	Zhengbing, Wang Wei			Resolution on Considering the 2022 Third Quarterly Report of the Company, the Resolution on Amending the Articles of Association, the Resolution on Considering the 2022 Third Quarterly Audit Report on the Management and Use of Proceeds of the Company, the Resolution on Considering the 2022 Third Quarterly Internal Audit Work Report of the Company and the Resolution on Considering the 2022 Third Quarterly Compliance Work Report of the Company.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	02 December 2022	To consider the Resolution in Relation to the Signing of the Project Investment			Nil

				Agreement between the Subsidiary and the People's Government of Dianbai District and the Resolution in Relation to the Cash Management of the Company and its Wholly-owned Subsidiary with Certain Idle Proceeds.			
Audit Committee of the Board	Zhang Jianjun, Liu Zhengbing, Wang Wei	21	16 December 2022	To consider the Resolution in Relation to the Provision of Guarantees for Subsidiaries, the Resolution in Relation to the Application for Loans from Banks by the Company with Pledge of Self-owned Assets and the Resolution in Relation to the Consideration of the 2023 Internal Audit Work Plan of the Company.			Nil
Strategy Committee of the Board	Wang Wei, Zhou Xiaoxiong, Zhang	3	11 April 2022	To consider the Resolution on	Unanimous agreement	The Strategy Committee carried out its work in	Nil

	Jianjun, Zeng Jie, Liu Zhengbing			Considering the 2022 Strategic Planning Report.		strict compliance with the Company Law, the Securities Law and other laws and regulations as well as the Articles of Association, the Working Rules for the Strategy Committee and other rules and regulations, and put forward relevant suggestions on the Company's major capital operation and other projects.	
Strategy Committee of the Board	Wang Wei, Zhou Xiaoxiong, Zhang Jianjun, Zeng Jie, Liu Zhengbing	3	27 June 2022	To consider the Proposal on the Company's Issuance of GDR, Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion into a Limited Stock Company of Overseas Shares, the Resolution on the Issuance of GDR and Listing on the SIX Swiss Exchange/Lo			Nil

				<p>London Stock Exchange, the Resolution on Considering the Report on the Use of Previously Raised Proceeds as of 31 March 2022, the Resolution on the Use of Proceeds from the Issuance of GDR of the Company, the Resolution on the Validity Period of the Resolution on the Issuance of GDR and Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion, the Resolution on the Accumulated Profit Distribution Plan before the Company's Issuance of GDR and Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion, the</p>			
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				<p>Resolution on matters relating to the Company's Issuance of GDR and Listing on the SIX Swiss Exchange/London Stock Exchange and Conversion, Resolution on the Insurance of Liability for Directors, Supervisors, Senior Management and Other Personnel and the Prospectus Statement Liability Insurance, Resolution on the Formulation of the Confidentiality and Archives Management System in Relation to the Issuance and Listing of Overseas Securities, Resolution on the Amendments to the Articles of Association of Sunwoda Electronics Co., Ltd. and its Appendixes, Resolution on the</p>			
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				Amendments to the Articles of Association of Sunwoda Electronics Co., Ltd. (Draft) and its Appendixes Applicable upon the Listing of GDR of the Company.			
Strategy Committee of the Board	Wang Wei, Zhou Xiaoxiong, Zhang Jianjun, Zeng Jie, Liu Zhengbing	3	24 August 2022	To consider the Resolution on Considering the Strategic Planning Report for the Second Half of 2022 and the Resolution on Revising the Terms of Reference of the Remuneration and Appraisal Committee of the Board.			Nil
Remuneration and Appraisal Committee of the Board	Liu Zhengbing, Yu Qun, Xiao Guangyu	5	19 January 2022	To consider the Resolution on the 2022 Restricted Share and Share Option Incentive Scheme (Draft) of the Company and its Summary, the Resolution on the Assessment Management Measures for the Implementati	Unanimous agreement	The Remuneration and Appraisal Committee carried out its work in strict compliance with the Company Law, the Securities Law and other laws and regulations as well as the Articles of Association, the Terms of	Nil

				on of the 2022 Restricted Share and Share Option Incentive Scheme of the Company, and the Resolution on Requesting the General Meeting to Authorise the Board to Handle Matters Related to the 2022 Restricted Share and Share Option Incentive Scheme of the Company.		Reference of the Remuneration and Appraisal Committee and other rules and regulations, and reviewed the remuneration system of the Directors, Supervisors and independent Directors of the Company and whether the procedures related to the implementation of the employee stock ownership plans of the Company are in compliance.	
Remuneration and Appraisal Committee of the Board	Liu Zhengbing, Yu Qun, Xiao Guangyu	5	24 August 2022	To consider the Resolution on the Amendments to the Terms of Reference of the Remuneration and Appraisal Committee of the Board.			Nil
Remuneration and Appraisal Committee of the Board	Liu Zhengbing, Yu Qun, Xiao Guangyu	5	07 September 2022	To consider the Resolution on the Unlocking of the Second Phase of the Reserved Restricted Shares under the 2019 Restricted			Nil

				Share Incentive Scheme of the Company.			
Remuneration and Appraisal Committee of the Board	Liu Zhengbing, Yu Qun, Xiao Guangyu	5	25 October 2022	To consider the Resolution on Repurchase and Cancellation of Restricted Shares Granted to Certain Participants But Not Yet Unlocked, the Resolution on the Cancellation of Part II Restricted Shares and Cancellation of Part II Share Options under the 2022 Restricted Share and Share Option Incentive Scheme and the Resolution on the Remuneration Plan for Directors, Supervisors and Senior Management.			Nil
Remuneration and Appraisal Committee of the Board	Liu Zhengbing, Yu Qun, Xiao Guangyu	5	02 December 2022	To consider the Resolution on the Adjustment to the Grant Price of the Restricted Shares and the Exercise Price of the			Nil

				Share Options under the 2022 Restricted Share and Share Option Incentive Scheme and the Resolution on the Grant of the Reserved Restricted Shares and Share Options under the 2022 Restricted Share and Share Option Incentive Scheme to the Participants.			
Nomination Committee of the Board	Zhang Jianjun, Yu Qun, Xiao Guangyu	1	24 August 2022	To consider the Resolution on the Amendments to the Terms of Reference of the Nomination Committee of the Board.	Unanimous agreement	The Nomination Committee carried out its work in strict compliance with the Company Law, the Securities Law and other laws and regulations as well as the Articles of Association, the Terms of Reference of the Nomination Committee and other rules and regulations, and reviewed the background information,	Nil

						qualifications and compliance of nomination procedures of the nominated Directors.	
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X. Work of the Supervisory Committee

Whether the Supervisory Committee discovered any risks of the Company in its supervision activities during the Reporting Period

Yes No

The Supervisory Committee had no objection to the supervision matters during the Reporting Period.

XI. Employees of the Company

1. Number of employees, professional composition and education level

Number of employees of the parent company at the end of the Reporting Period	14,489
Number of employees of major subsidiaries at the end of the Reporting Period	30,353
Total number of employees at the end of the Reporting Period	44,842
Total number of employees receiving remuneration in the current period	44,842
Number of retired employees whose expenses are borne by the parent company and major subsidiaries	0
Composition of professions	
Type of profession	Number of profession
Production staff	28,656
Sales staff	498
Technical staff	8,364
Finance staff	270
Executive officer	7,054
Total	44,842
Education level	
Type of education level	Number of persons
Doctor's degree	107
Master's degree	1,360
Bachelor's degree	7,570
Junior college	7,216
Junior college and below	28,589
Total	44,842

2. Remuneration policy

- (1) According to the Company's strategic orientation, the talent demand of each business segment, the remuneration of regional industries and the Company's performance, the Company formulated annual salary adjustment plan, year-end bonus plan and incentive plan to ensure the competitiveness of remuneration and the stable growth of employee remuneration.
- (2) The Company paid attention to the improvement of the welfare system, and implemented a number of welfare policies such as internal welfare housing, meal subsidies, employee life insurance, childcare leave and nursing leave, which improved the perception of the Company's employee benefits.
- (3) The Company will implement a number of medium and long-term incentive schemes such as equity incentive and employee stock ownership plan, fully mobilise the enthusiasm of the Company's management personnel and core backbone employees, effectively combine the interests of shareholders, the Company and core team members, and achieve win-win development of the Company and employees.

3. Training plan

According to the overall development strategy of the Company, Sunwoda University organises and promotes the construction of training system. Internally, we support the implementation of corporate strategies, business development and human capital appreciation through the training of various employees and management personnel; Externally, we provide customers and partners with comprehensive technical and management training solutions in line with business development and customer service strategies. In order to improve the efficiency and effectiveness of talent management, the Company has realised the construction of IT and data throughout the talent training chain. In 2022, the Company completed key training projects: Six Sigma project, gold team leader Project, star project, supervisor empowerment, Internal lecturer certification and empowerment, new employee trainings and other training projects. The Company trained a total of 32,189 employees, with a total of 26,756.5 training hours.

In order to deepen the integration of industry and education, the Company actively explores the training model of skilled talents, actively responds to the government's policy, vigorously promotes the recognition of vocational skills, and has formed a set of standardised evaluation standard process and system. It has built a team of high-quality appraisers and supervisors, and created a good atmosphere where everyone wants to pass and everyone can pass. In the future, it will strengthen the construction of a high-skilled talent team above senior level, and cultivate and deliver talents for the Company. In 2022, the Company evaluated more than 2,000 people.

With the rapid development of the intelligent manufacturing and industrial internet industries, the level of intelligent manufacturing in each business division of the Company is getting higher and higher, and the shortage of skilled talents related to automation positions is also increasing. In order to introduce automation skilled talents, the Company has entered into cooperation with middle and high level vocational colleges such as Guangdong Technician College, Guizhou Light Industry Vocational and Technical College, Lanzhou City College, Shenzhen Vocational and Technical College and Shenzhen First Vocational and Technical School in respect of the Sunwoda Zhan Lan Programme (Intern Training) Project, forming a training model of joint school-enterprise training and integrated education, and cultivating a group of middle and senior technicians suitable for the position requirements of the Company in advance. In 2022, the Company launched a total of 10 sessions of the "Zhan Lan" programme, with over 300 employees participating in the joint customised pre-training programmes.

Industrial Internet has become an important force to promote the digital transformation of the manufacturing industry and support the high-quality development of the economy. In order to further stimulate the innovation and creation vitality of skilled talents, connect the industrial chain and innovation chain with the talent chain, and accelerate the construction of a high ground for the cultivation of industrial Internet talents, the Company actively hosted the 12th Shenzhen Employee Technology Innovation Games and the 2022 Shenzhen Skills Competition — Industrial Internet Technology (Data Collection Direction) Vocational Skills Competition. The competition was themed "New Era, New Skills, New Dreams". The competition was held as a two-person

competition, which was held in two stages: the first and the final. The first competition was a theoretical knowledge competition, and the final competition was a practical operation competition. The competition successfully attracted 54 enterprises and colleges to participate, with a total of 144 players (72 groups), covering all districts of the city.

4. Labour outsourcing

Applicable Not applicable

XII. Profit distribution and conversion of capital reserve into share capital during the year

Formulation, implementation or adjustment of profit distribution policy, especially cash dividend policy during the Reporting Period

Applicable Not applicable

Implementation of the cash dividend policy during the Reporting Period: According to the relevant dividend policy of the Company, based on the actual operating conditions of the Company and the future cash use needs of the Company, the Company implemented the cash dividend plan upon approval by the general meeting. Subject to compliance with the relevant provisions and conditions of laws and regulations, the Articles of Association and systems, the profit distributed by the Company in cash shall not be less than 10% of the distributable profit realised in the current year in principle, and the accumulated profit distributed by the Company in cash in the last three years shall not be less than 30% of the average annual distributable profit realised in the last three years. 1. On 11 April 2022, the 30th meeting of the fifth session of the Board considered and approved the distribution plan of the Company for 2021 as follows: based on the existing share capital of 1,718.9573 million shares, a cash dividend of RMB0.70 (tax inclusive) for every 10 shares will be distributed, with a total cash dividend of RMB120.327 million (tax inclusive). The profit distribution plan has been considered and approved at the 2021 annual general meeting. The implementation of such profit distribution plan was completed in July 2022.

Special description of cash dividend policy	
Compliance with the Articles of Association or the resolutions of the general meeting:	Yes
Whether the criteria and proportion of dividend distribution are clear and definite:	Yes
Whether the relevant decision-making procedures and mechanisms are complete:	Yes
Whether the independent directors fulfilled their duties and played their due role:	Yes
Whether minority shareholders have the opportunity to fully express their opinions and appeals, and whether their legitimate rights and interests have been fully protected:	Yes
If the cash dividend policy is adjusted or changed, whether the conditions and procedures are compliant and transparent:	N/A

The Company's profit distribution plan and proposal for conversion of capital reserve into share capital during the Reporting Period are consistent with the relevant provisions of the Articles of Association and the Administrative Measures for Dividend Distribution

Yes No Not applicable

The Company's profit distribution plan and plan for conversion of capital reserve into share capital during the Reporting Period are in compliance with the relevant requirements of the Articles of Association.

Profit distribution and conversion of capital reserve into share capital during the year

Number of bonus shares for every 10 shares (share)	0
Dividend per 10 shares (RMB) (tax inclusive)	0.80

Number of shares converted for every 10 shares (share)	0
Share capital base for the distribution plan (share)	1,862,421,656
Amount of cash dividends (RMB) (tax inclusive)	148,993,732.48
Amount of cash dividends distributed by other means (such as repurchase of shares) (RMB)	0.00
Total cash dividends (including other means) (RMB)	148,993,732.48
Distributable profit (RMB)	4,237,639,223.62
Percentage of total cash dividend (including other means) to total profit distribution	100.00%
Cash dividend distribution	
Others	
Details of plans for profit distribution or conversion of capital reserve into share capital	
<p>As audited by ShineWing Certified Public Accountants LLP, the Company achieved a net profit attributable to shareholders of the parent company of RMB1,063,753,672.60 and a net profit of the parent company of RMB1,493,870,652.18 in 2022. In accordance with the Self-Regulatory Guidelines for Listed Companies of the Shenzhen Stock Exchange No. 2 – the Compliant Operation of Listed Companies of the ChiNext Market and other regulations, the lower of the distributable profit of the parent company and the distributable profit in the consolidated financial statements shall be used as the basis for profit distribution. In addition, the undistributed profit at the beginning of the period after retrospective adjustment according to the Accounting Standards for Business Enterprises and relevant new regulations amounted to RMB3,445,778,924.09. After deducting the profit distribution of RMB119,506,307.85 for 2021, the Company appropriated RMB3,000,000.00 to the general risk reserve fund. After the Company appropriated 10% of the net profit of the parent company to the surplus reserve fund of RMB149,387,065.22, the actual distributable profit at the end of the Reporting Period amounted to RMB 4,237,639,223.62.</p> <p>According to the Company Law of the People’s Republic of China and the Articles of Association of Sunwoda Electronics Co., Ltd., and taking into account the actual operation of the Company, it is proposed to distribute cash of RMB0.80 (tax inclusive) for every 10 shares to all shareholders based on the total share capital of 1,862,421,656 shares of the Company as at 31 December 2022, totaling RMB148,993,732.48 (tax inclusive). The remaining undistributed profits will be carried forward to the next year.</p> <p>If, after the announcement of the scheme and prior to its implementation, there are circumstances such as exercise of share incentive, conversion of convertible bonds, share repurchase, etc., the Company will disclose the allocation ratio calculated based on the latest total share capital of the Company in the implementation announcement of the scheme in accordance with the principle of “the total amount of cash dividends, the total amount of bonus shares to be distributed and the total amount of capital reserve converted into share capital remains unchanged”.</p>	

The Company was profitable during the Reporting Period and the distributable profit of the parent company was positive but no cash dividend distribution plan was proposed

Applicable Not applicable

XIII. Implementation of the Company’s share option incentive scheme, employee stock ownership scheme or other employee incentive measures

Applicable Not applicable

1. Share incentive

1. On January 19, 2022, the Company convened the 23th meeting of the fifth session of the Board, at which the Resolution on the 2022 Restricted Share and Share Option Incentive Scheme (Draft) of the Company and its Summary, the Resolution on the Assessment Management Measures for the Implementation of the 2022 Restricted Share and Share Option Incentive Scheme of the Company, and the Resolution on Requesting the General Meeting to Authorise the Board to Handle Matters Related to the 2022 Restricted Share and Share Option Incentive Scheme of the Company were considered and approved. The Company proposed to grant 8.24 million Class II Restricted Shares to 2,254 participants at the grant price of RMB19.60 per share; 16.69 million share options are

proposed to be granted to 1,059 participants at the exercise price of RMB39.19 per share. The independent Directors of the Company have expressed their independent opinions. The independent Directors of the Company expressed independent opinions on relevant matters.

2. On 19 January 2022, the Company convened the 23th meeting of the fifth session of the Supervisory Committee, at which the Resolution on the 2022 Restricted Share and Share Option Incentive Scheme (Draft) of the Company and its Summary, the Resolution on the Assessment Management Measures for the Implementation of the 2022 Restricted Share and Share Option Incentive Scheme of the Company and the Resolution on Verifying the List of Participants of the 2022 Restricted Share and Share Option Incentive Scheme of the Company were considered and approved. The Company proposed to grant 8.24 million Class II Restricted Shares to 2,254 participants at the grant price of RMB19.60 per share and 16.69 million share options to 1,059 participants at the exercise price of RMB39.19 per share.

3. From 20 January 2022 to 30 January 2022, the Company published the names and positions of the proposed Participants on the Company's internal website. During the publication period, the Supervisory Committee of the Company did not receive any objection in relation to the proposed Participants under the Incentive Scheme. On February 7, 2022, the Company disclosed the Verification Opinions of the Supervisory Committee on the List of Participants of the 2022 Restricted Share and Share Option Incentive Scheme and the Explanation on the Publication.

4. On February 11, 2022, the Company convened the 2022 second extraordinary general meeting, at which the Resolution on the 2022 Restricted Share and Share Option Incentive Scheme (Draft) of the Company and its Summary, the Resolution on the Assessment Management Measures for the Implementation of the 2022 Restricted Share and Share Option Incentive Scheme of the Company, the Resolution on Requesting the General Meeting to Authorise the Board to Handle Matters Related to the 2022 Restricted Share and Share Option Incentive Scheme of the Company were considered and approved, and the Self-Inspection Report on the Trading of Shares of the Company by Insiders of the 2022 Restricted Share and Share Option Incentive Scheme was disclosed.

5. On February 11, 2022, the Company convened the 25th meeting of the fifth session of the Board and the 25th meeting of the fifth session of the Supervisory Committee, at which the Resolution on Adjusting the List of Participants and the Number of Restricted Shares and Share Options to be Granted under the 2022 Restricted Share and Share Option Incentive Scheme and the Resolution on Granting Type II Restricted Shares and Share Options to Participants were considered and approved. In view of the list of Participants determined in the 2022 Restricted Share and Share Option Incentive Scheme (Draft) of Sunwoda Electronic Co., Ltd., 6 Participants waived 6,000 Restricted Shares granted under the Incentive Scheme due to resignation or personal reasons, and 10 Participants waived 20,000 Share Options granted under the Incentive Scheme due to resignation or personal reasons, the Company adjusted the number of Participants and the total number of Restricted Shares and Share Options granted under the Incentive Scheme. After the adjustment, the number of incentive participants to be granted the Type II Restricted Shares was adjusted from 2,254 to 2,248, and the number of the Type II Restricted Shares under the first grant was adjusted from 8.24 million to 8.234 million, with the grant price unchanged. The number of participants of the Share Options granted was adjusted from 1,059 to 1,049, and the number of Share Options granted under the first grant was adjusted from 16.69 million to 16.67 million, with the exercise price unchanged. The independent Directors of the Company expressed independent opinions on relevant matters, and the Supervisory Committee verified the list of Participants and the grant arrangements of the 2022 Restricted Share and Share Option Incentive Scheme. On 21 February 2022, the Company completed the registration of the first grant of the 2022 Share Options.

6. On 25 April 2022, the Company convened the 31th meeting of the fifth session of the Board and the 31th meeting of the fifth session of the Supervisory Committee, at which the Resolution on the Cancellation of Part II Restricted Shares and Cancellation of Part of Share Options under the 2022 Restricted Share and Share Option Incentive Scheme was considered and approved. The Company will cancel and withdraw the Restricted Shares and Share Options of a total of 91 incentive participants (including one incentive participant who owns both Type II Restricted Shares and Share Options). Among which, 75 incentive participants of Type II Restricted Shares were forfeited and 81,000 Restricted Shares of Type II Restricted Shares granted but not yet attributed were cancelled, and 17 incentive participants of Share Options were cancelled and 200,000.0 Share Options granted but not yet exercised were cancelled. The

independent directors of the Company expressed independent opinions on relevant matters. On 5 May 2022, the Company completed the cancellation of the above share options.

7. On October 25, 2022, the Company convened the 42th meeting of the fifth session of the Board and the 42th meeting of the fifth session of the Supervisory Committee, at which the Resolution on the Cancellation of Part II Restricted Shares and Cancellation of Part of Share Options under the 2022 Restricted Share and Share Option Incentive Scheme was considered and approved. The Company will cancel and withdraw the Restricted Shares and Share Options of a total of 284 participants (including 1 participant who owns both Type II Restricted Shares and Share Options). Among them, 228 participants of Type II Restricted Shares were forfeited and 886,000 Restricted Shares of Type II were granted but not yet attributed, and 57 participants of the Share Options were cancelled and 1.096 million Share Options granted but not yet exercised were cancelled. The independent directors of the Company expressed independent opinions on relevant matters. On 3 November 2022, the Company completed the cancellation of the above share options.

8. On 2 December 2022, the Company convened the 43th meeting of the fifth session of the Board and the 43th meeting of the fifth session of the Supervisory Committee to consider and approve the Resolution on Adjusting the Grant Price of Restricted Shares and Exercise Price of Share Options under the 2022 Restricted Share and Share Option Incentive Scheme and the Resolution on Granting Reserved Restricted Shares and Share Options under the 2022 Restricted Share and Share Option Incentive Scheme to Participants. In view of the completion of the Company's equity distribution plan, the grant price and exercise price of the share options under the 2022 Restricted Share and Share Option Incentive Scheme shall be adjusted. The grant price of the restricted shares (including the reserved portion) shall be adjusted from RMB19.60 per share to RMB19.53 per share, and the exercise price of the share options (including the reserved portion) shall be adjusted from RMB39.19 per share to RMB39.12 per share. The conditions for the reserved grant under the Incentive Scheme of the Company have been satisfied, and it was agreed that on 2 December 2022, being the date of reserved grant of the second category of Restricted Shares and the date of reserved grant of the Share Options, 350,000 second category of Restricted Shares be granted to 37 eligible participants and 500,000 Share Options be granted to 3 eligible participants. The Independent Directors of the Company have expressed their independent opinions of consent on the relevant resolutions, and the Supervisory Committee has verified the list of Participants of the reserved grant under the 2022 Restricted Share and Share Option Incentive Scheme and the grant arrangements and other relevant matters.

Share incentive received by Directors and Senior Management

Applicable Not applicable

Unit: share

Name	Position	Number of share options held at the beginning of the year	Number of share options newly granted during the Reporting Period	Exerciseable shares during the Reporting Period	Exercise d shares during the Reporting Period	Exercise price of exercise d shares during the Reporting Period (RMB/share)	Number of share options held at the end of the period	Market price at the end of the Reporting Period (RMB/share)	Number of Restricted Shares held at the beginning of the period	Number of shares unlocked during the period	Number of Restricted Shares newly granted during the Reporting Period	Grant price of Restricted Shares (RMB/share)	Number of Restricted Shares held at the end of the period
Xiao Guangyu	Director, Chief Financial Officer, Deputy General Manager	0	150,000	0	0	0	150,000	21.15	50,000	50,000	0	0	0
Zeng Di	Director, Board Secretary	0	230,000	0	0	0	230,000	21.15	130,000	130,000	0	0	0

	Deputy General Manager												
Total	--	0	380,000	0	0	--	380,000	--	180,000	180,000	0	--	0
Note (if any)	On 7 September 2022, the Company announced the "Announcement on the Unlocking of the Second Tranche of the Reserved Restricted Shares under the 2019 Restricted Share Incentive Scheme of the Company".												

Appraisal mechanism and incentives for Senior Management

The Company convened the 42th meeting of the fifth session of the Board and the 42th meeting of the fifth session of the Supervisory Committee on 25 October 2022, at which the Resolution on the Remuneration Plan for Directors, Supervisors and Senior Management was considered and approved. The Company convened the ninth extraordinary general meeting of 2022 on 15 November 2022, at which the resolution was considered and approved.

2. Implementation of the employee stock ownership plans

Applicable Not applicable

Effective employee stock ownership scheme during the Reporting Period

Scope of employees	Number of employees	Total number of shares held (share)	Changes	Percentage of total share capital of the listed company	Fund source of the implementation plan
Core management and key employees of the Company and its subsidiaries (consolidated subsidiaries)	1,174	11,630,000	Nil	0.68%	Legal remuneration of the Company's employees, self-raised funds and funds obtained by other means permitted by laws and administrative regulations.

Shareholdings of Directors, Supervisors and Senior Management in the Employee Stock Ownership Scheme during the Reporting Period

Name	Position	Number of shares held at the beginning of the Reporting Period	Number of shares held at the end of the Reporting Period	Percentage of total share capital of the listed company
Zeng Di	Director, Board Secretary, Deputy General Manager	0	581,500	0.03%
Yuan Huiqiong	Chairman of the Supervisory Committee	0	58,150	0.00%

Changes in asset management authorities during the Reporting Period

Applicable Not applicable

Changes in equity due to disposal of shares by holders during the Reporting Period

Applicable Not applicable

Exercise of shareholders' rights during the Reporting Period

On June 30, 2022, the Company implemented the 2021 equity distribution plan. Based on the total share capital of 1,718,626,656 shares of the Company as at the application date for the implementation of the equity distribution, the Company distributed RMB0.700134 (tax inclusive) for every 10 shares to all shareholders, and the total cash dividend distributed amounted to RMB814,255.84 (tax inclusive).

Other information and explanation of the employee stock ownership plan during the Reporting Period

Applicable Not applicable

Change of members of the management committee of the employee share ownership plan

Applicable Not applicable

Financial impact of the employee stock ownership plan on the listed company and relevant accounting treatment during the Reporting Period

Applicable Not applicable

Termination of the employee share ownership plan during the Reporting Period

Applicable Not applicable

Other explanation:

Nil

3. Other employee incentives

Applicable Not applicable

XIV. Establishment and implementation of internal control system during the Reporting Period

1. Establishment and implementation of internal control

2. Particulars of material deficiencies in internal control discovered during the Reporting Period

Yes No

XV. Management and control over subsidiaries of the Company during the Reporting Period

Name of company	Integration plan	Progress of integration	Issues encountered during integration	Solution taken	Progress in solution	Subsequent solution
N/A	N/A	N/A	N/A	N/A	N/A	N/A

XVI. Self-assessment report on internal control or audit report on internal control

1. Self-assessment report on internal control

Date of disclosure of the full text of the internal control assessment report	27 April 2023
Disclosure index of full text of internal control assessment report	CNINFO: 2022 Self-assessment Report on Internal Control
Proportion of total assets of the entities included in the evaluation scope to total assets in the consolidated financial	98.62%

statements of the Company		
Proportion of the operating revenue of the entities included in the evaluation scope to the operating revenue in the consolidated financial statements of the Company	95.38%	
Defect identification standards		
Category	Financial reporting	Non-financial reporting
Qualitative criteria	<p>Material defects indicators related to internal control in financial reporting include ① The Company was punished by regulatory authorities for any material non-compliance in respect of the Company's accounting statements, financial reports and information disclosure;</p> <p>② the supervision of internal control over financial report by the Audit Committee of Internal Control Assessment and the internal audit department was invalid;</p> <p>③ information disclosure of the Company for correction of material errors in published financial reports;</p> <p>④ certified public accountants found that there was a material misstatement in the financial report and the internal control was unable to identify the misstatement during the operation.</p> <p>Important defects indicators related to internal control in financial reporting include:</p> <p>① The preparation of the Company's account statements and financial reports was not in full compliance with the Accounting Standards for Business Enterprises and disclosure requirements, resulting in material misstatement in the financial statements;</p> <p>② the Company has not established anti-fraud procedures and control measures, and the audit has not played a supervisory role;</p> <p>③ There are one or more defects in the control of the financial reporting process at the end of the period and there is no reasonable assurance that the financial statements prepared are true and accurate. Retrospective adjustment is required for material misstatement of the financial statements announced by the Company in the previous year.</p> <p>General defects indicators related to internal control in financial reporting</p>	<p>Material defects indicators related to internal control in non-financial reporting include: ① Directors, supervisors and senior management were found to have violated national laws and regulations, subject to criminal penalties or major administrative penalties and economic penalties from regulatory authorities during their term of office with the Company;</p> <p>② lack of system control or failure of system for material business of the Company;</p> <p>③ the Company's business activities seriously violate national laws and regulations and are subject to material administrative penalties by regulatory authorities;</p> <p>④ the decision-maker has made significant decision-making mistakes in the operation, resulting in significant loss of core technical personnel and business, and resulting in significant deviation from the Company's business objectives or budgets;</p> <p>⑤ media frequently presents negative news, which is widely covered and the negative impact has not been eliminated, bringing irreparable damage to the Company's reputation and image.</p> <p>Important defects indicators related to internal control in non-financial reporting include:</p> <p>① There are significant defects or safety hazards in important business systems or important systems of the Company;</p> <p>② the Company failed to rectify important deficiencies or a number of general deficiencies arising from internal control assessment in a timely manner;</p> <p>③ media presents negative news, which has brought certain reputation and economic damage to the Company, but can be eliminated in time after occurrence.</p> <p>General defects indicators related to</p>

	include: Other internal control defects not constituting the standard of material defect and important defect.	internal control in non-financial reporting include: Other control defects other than material defects and important defects that generally affect or cause minor losses.
Quantitative criteria	The Company uses total assets as the judgement of the importance of misstatement and omission of financial report. Quantitative criteria for material defects: misstatement $\geq 2\%$ of total assets; quantitative criteria for important defects: 1% of total assets \leq misstatement $< 2\%$ of total assets; quantitative criteria for general defects: misstatement $< 1\%$ of total assets.	The Company determines the materiality criteria based on the absolute amount that the defect may cause direct property loss. Quantitative criteria for material defects: loss $\geq 2\%$ of total assets; quantitative criteria for important defects: 1% of total assets \leq loss $< 2\%$ of total assets; quantitative criteria for general defects: loss $< 1\%$ of total assets.
Number of material defects in financial reports		0
Number of material defects in non-financial reports		0
Number of important defects in financial reports		0
Number of important defects in non-financial reports		0

2. Internal control audit report or assurance report

Internal Control Assurance Report

Review opinions in the Internal Control Assurance Report	
We believe that, as at 31 December 2022, the Group has maintained, in all material respects, effective internal control over financial reporting in accordance with the Basic Standard for Enterprise Internal Control and relevant requirements.	
Disclosure of Internal Control Assurance Report	Disclosure
Date of Disclosure of Internal Control Assurance Report	27 April 2023
Index of full text disclosure of Internal Control Assurance Report	The 2022 Internal Control Assurance Report of the Company was published on the designated information disclosure website http://www.cninfo.com.cn on 27 April 2023.
Type of opinion on Internal Control Assurance Report	Standard unqualified opinion
Whether there are material defects in non-financial reports	No

Whether the accounting firm issues a non-standard internal control assurance report

Yes No

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

Yes No

XVII. Rectification of self-examination problems of special actions for governance of listed companies

Section V Environmental and Social Responsibility

I. Major environmental issues

Whether the listed company and its subsidiaries are key pollutant discharging units announced by the environmental protection department

Yes No

Administrative penalties due to environmental issues during the Reporting Period

Name of company or subsidiary	Reason for punishment	Non-compliance	Penalty results	Impact on the production and operation of the listed company	Rectification measures of the Company
Nil	Nil	Nil	Nil	Nil	Nil

Reference to other environmental information disclosed by key pollutant discharging units

(1) Construction and operation of pollution prevention facilities

According to the requirements of the environmental impact assessment of its construction projects, each subsidiary of the Group has built collection and treatment facilities for wastewater and exhaust gas, which are in good operating condition.

(2) Environmental impact assessment of construction projects and other administrative licences for environmental protection

All subsidiaries and branches of the Group have completed all environmental protection procedures, including completing environmental impact assessment and obtaining approval/reply slip for new, renovated and expanded projects, completing pollutant discharge permit/registration, environmental protection acceptance and other procedures for completed construction projects.

(3) Contingency plans for environmental emergencies

Subsidiaries and branches that are included in the list of enterprises for filing environmental emergency plans or specified in the environmental impact assessment approval have completed the preparation of environmental emergency plans and filed with the local ecological and environmental authorities.

(4) Environmental self-monitoring plan

In accordance with laws and regulations and customer requirements, each subsidiary and branch of the Group formulates appropriate monitoring plans based on the principle of following the strictest standards, and regularly conducts tests on wastewater, exhaust gas and noise. The test results are all up to standard.

(5) Administrative penalties for environmental issues during the Reporting Period

The Company strictly complied with the requirements of laws and regulations, and there was no environmental administrative penalty in 2022.

Measures taken to reduce its carbon emissions during the Reporting Period and their effects

Applicable Not applicable

During the Reporting Period, the Company's energy conservation work mainly focused on six aspects, namely management energy conservation, technological transformation energy conservation, energy management system, energy conservation assessment, energy conservation training and energy conservation promotion. The Company has formulated the annual energy conservation work direction to promote energy conservation management in an all-round and refined manner. Set an overall target of 8% reduction in energy consumption per unit of RMB0'000 output value during the Reporting Period as compared with 2021. The energy consumption

per unit of output value of the Group decreased by 8.2% as compared with 2021, achieving the set target value. As at the end of the Reporting Period, the Company planned to implement 86 management/technological transformation projects, and completed 79 projects with a revenue of RMB1,631, reducing carbon dioxide emissions by 17,488 tonnes of carbon dioxide equivalent. In the future, the Energy Conservation Committee will always keep in mind the corporate mission of "To become a respected world-class new energy enterprise", and contribute to the construction of a green earth with the guidance of implementing the development concept of innovation, coordination, green, openness and sharing!

Since the release of the "dual carbon" commitment by the state, the clean energy source, terminal electrification and energy digitization in the energy field have been continuously deepened. Sunwoda has actively responded to the national call for "carbon neutrality and carbon peak" and effectively implemented carbon reduction and energy conservation. In 2022, Boluo Sunwoda's rooftop photovoltaic power station of Sunwoda Huizhou has an operation scale of 12MW, with an annual power generation of approximately 13.6 million kWh, which is equivalent to saving 4,400 ton of standard coal (calculated based on the average standard coal consumption of 642g/KWh), and correspondingly reducing carbon dioxide emissions of approximately 10,700 ton, sulphur dioxide emissions of approximately 2.51 ton, nitrogen oxides 5.02 ton, mercury and its compounds 1.51 ton, and smoke and dust emissions of 1.51 ton, as compared to thermal power of the same power generation. During the Reporting Period, the Company completed the construction of the Smart Energy team of Sunwoda, with the core value of "satisfying customers' needs for green electricity and reducing comprehensive energy consumption costs", focusing on the two major business scenarios of "zero-carbon park" and "zero-carbon travel". At the same time, we have signed strategic cooperation agreements with the Management Committee of Zaozhuang High-tech Industrial Development Zone and the People's Government of Lanxi City for the "Integration of source, network, load and storage" project, which will help various enterprises in the park to reduce carbon emissions and costs, and strive for the promotion of the national "Carbon Peak" and "Carbon Neutrality" strategies.

As a pioneer of faithfully practising the goal of "dual carbon" and committed to building a harmonious and happy society, Sunwoda has formulated and released the "Sunwoda Carbon Peak and Carbon Neutrality Action Plan" based on the principle of "deep understanding of policy trends, full satisfaction of customer requirements, and excellent performance of social responsibilities". It has officially set the goal of "achieving carbon peak at the operational level in 2029 and carbon neutrality at the operational level in 2050", and formulated 8 major measures and 30 projects to promote carbon reduction.

In accordance with the Group's dual carbon strategy, the Company has gradually improved the dual carbon management system. In August 2022, the Company established the Dual Carbon Strategy Committee, the dual carbon management office and the implementation teams of each segment to promote the implementation of dual carbon projects step by step. In October, the Company held the first meeting of the 2022 Dual Carbon Strategy Committee and officially appointed the person in charge of the project teams of each segment.

Sunwoda continued to cooperate with the government and industry associations to carry out in-depth research on double carbon topics and promote regional dual carbon practise development, so as to achieve sustainable development of win-win cooperation. In

cooperation with the government, the Company has reached strategic cooperation with Zaozhuang High-tech Zone, Lanxi Municipal Government and Boluo Government of Huizhou on the “Integration of source, network, load and storage” project, and planned to build a zero-carbon park to help local governments achieve carbon reduction goals. In terms of standard formulation, the Company joined the “Carbon Emission Standard Working Group for Battery Industry” and the “Guangdong-Hong Kong-Macao Greater Bay Area Product Carbon Footprint Assessment Standard Working Group” of the China Chemical and Physical Power Supply Industry Association, and actively participated in the revision of standards such as the “Assessment Standard for Carbon Footprint of Products Certified by Carbon Footprint Labelling in the Guangdong-Hong Kong-Macao Greater Bay Area” and the “Implementation Guide for Energy Efficiency Benchmarking in the Battery Industry” as a core member. The senior management of the Company served as the vice chairman of the Technology Committee of the Environmental Product Statement (EDP) Platform of China Battery Industry, and participated in the determination of PCR for battery products. At the same time, the Company actively participated in the sharing and exchange of industry forums, and participated in important activities such as the China EV 100 Forum and the 2022 Carbon Peak and Carbon Neutrality and Shenzhen International Low Carbon City Forum. In addition, the Company established Sunwoda Smart Energy Co., Ltd. to provide Smart Energy services focusing on “zero-carbon park and zero-carbon travel” and contribute to the dual carbon goals.

During the Reporting Period, the Company was awarded as one of the 2022 Forbes China Top 50 Sustainable Industrial Enterprises, the first batch of 2022 China’s Industrial Carbon Peak Leader Enterprises, the 2022 China’s Top 50 Enterprises in terms of Contribution to Carbon Neutrality (China Energy News) and the 37th in China’s Corporate Social Responsibility List (2021) (Southern Weekly), and was also selected as the excellent case of the “Carbon Road Sustainability: Enterprise Dual Carbon Action 2022” by Southern Weekly.

In the future, the Company will work together with all stakeholders to build a harmonious, green and sustainable future, and contribute to the smooth implementation of China’s “3060” strategy.

Reasons for not disclosing other environmental information

N/A

II. Social responsibility

As one of the leading enterprises in the new energy industry, Sunwoda is well aware of the principle of “the larger the enterprise, the greater the responsibility”. In the context of the severe situation of complex and ever-changing international situation, economic downturn, market turmoil, frequent extreme climate events, and significant fluctuations in the prices of energy and raw materials, we still adhere to the core values of “Customer Success, Self Criticism, Honesty First, Passionate Endeavor, Team Work” and adhere to the core business philosophy of sustainable development while pursuing continuous growth in business performance. We respond to the United Nations Sustainable Development Goals and combine the Company's core advantages, actively practise the concept of ESG (Environmental, Social and Corporate Governance), undertake corporate social responsibility, and strive to become a

"respected world-class new energy enterprise". During the Reporting Period, the Company's practise of social responsibility was mainly in the following aspects:

Sunwoda adheres to scientific governance, compliant and stable operation, and strictly abides by business ethics. (Sunwoda attaches great importance to governance responsibility and stable operation.) At the beginning of its establishment, Sunwoda strictly complied with the requirements of relevant laws and regulations for listed companies, continuously improved the corporate governance structure based on the actual operation situation, and continued to carry out in-depth corporate governance activities. Adhering to the compliance policy of "complying with laws and regulations, operating with integrity, managing the enterprise in compliance with laws and regulations, and creating value", Sunwoda takes multiple measures and focuses on prevention to operate in compliance with laws and regulations. The Company has established a compliance management system with four pillars, namely organisational structure, system, operation mechanism and compliance culture. The Company vigorously promotes the corporate culture of integrity and honesty, and continues to deepen the integrity awareness of all employees through face-to-face training, video publicity, figure and text push and organisation publicity month, so as to create a good working atmosphere.

Sunwoda attaches great importance to green and sustainable development and implements green actions of low-carbon emission reduction. Sunwoda takes into account the impact of management and activities on the environment as a whole, and is committed to reducing the impact of its production and operation on the environment and climate. The Company attaches great importance to energy conservation and utilisation. Starting from management energy conservation, technological transformation energy conservation, energy conservation assessment and energy management system, the Company improves energy efficiency in production and operation and promotes energy conservation management. The Company implements the concept of green, low-carbon and environmentally-friendly economy in daily operation, supports employees to start from small things around them, practise the concept of environmental protection, and carry out green office. As a pioneer in practising the goal of "dual carbon" and committed to building a harmonious and happy society, Sunwoda has formulated the dual carbon goal of "achieving carbon peak at the operation level in 2029 and carbon neutrality at the operation level in 2050". From the two directions of direct emission reduction and indirect emission reduction, the Company proposed 8 key measures and planned a total of 30 projects to help the Company achieve carbon peak and carbon neutrality goals. Sunwoda gradually improves the dual carbon management system and is committed to continuously reducing greenhouse gas emissions and reducing climate impact. In the future, the Company will work together with all stakeholders to build a harmonious, green and sustainable future, and contribute to the smooth implementation of China's "3060" strategy.

Sunwoda attaches great importance to customers and creates greater value for them. With a customer-centric approach, Sunwoda fully listens to customers' voices and maintains good customer relations. It has formulated the Regulations on Customer Relations Management to clarify the responsibilities and processes of developing and maintaining customers, and maintain customer relations through a variety of ways. In addition, in terms of customer service employees, the Company promotes monthly meetings and irregular meetings to enhance the team's awareness of responsible marketing and improve customer service quality.

Sunwoda respects employees and creates a happy workplace for them. The Company always adheres to the employment concept of "value creation-oriented" and respects employees, aiming to create a diverse and fair working environment as well as a safe and healthy workplace. We attract and retain talents through a competitive remuneration structure, a sound employee rights and benefits protection system, and a professional talent training mechanism. We set up Sunwoda University to empower employees and reserve future talents; We continue to carry out the "Spring Rain Action", actively listen to the voices of employees, and create a healthy and

happy working atmosphere through diversified employee care activities such as employee mental health surveys, security plans, health month free medical consultations, table tennis competitions and basketball leagues.

Sunwoda actively participates in social welfare activities, adheres to the responsibility and puts it into practise. Based on the platform of the "Shenzhen Sunwoda Charity Foundation", the Company focuses on public welfare services in the fields of helping the poor, subsidising students, caring for diseases, helping doctors and disaster relief. We carried out public welfare activities such as caring for frontline medical workers, sanitation workers, frontline anti-epidemic workers and rural elderly. In 2022, we donated a total of RMB6.869 million to the public, and donated over RMB48 million over the years.

III. Consolidating and expanding the achievements of poverty alleviation and rural revitalization

In 2022, in response to the implementation of the national rural revitalization strategy, Sunwoda actively cooperated with the local government authorities to carry out rural revitalization work. According to its own planning and actual situation, Sunwoda carried out rural revitalization work in Luo Cheng County, Dahua County and Duan County in Hechi, Guangxi, mainly for employment revitalization, education revitalization and social revitalization. The details are as follows:

In terms of employment revitalization: As a provincial demonstration employment poverty alleviation base, Sunwoda actively implements various assistance measures and undertakes the social responsibility of promoting employment. During the Reporting Period, more than 50 people were recruited through poverty alleviation.

In terms of education revitalization: to implement rural revitalization, talents are the key, Sunwoda cares for and supports the development of rural education, continues to deepen education assistance, and donates a batch of table tennis tables, basketball, volleyball and other sports equipment to the primary school of Nongping Village, Dahua County, Guangxi, to further promote the sports development of rural schools; We donated school uniforms to all teachers and students of the Primary School of Baoan Village, Du'an County, Guangxi, to promote physical and mental health, physical strength, and healthy and happy growth.

In terms of social revitalization: During the Spring Festival, Sunwoda delivered warm gift packages for the Spring Festival to 200 elderly people in 11 villages and towns in Luo Cheng County, Hechi, Guangxi. The gift packages contained blankets, vacuum cups, scarves, and other condolences to help improve their living conditions, and also sent them warm blessings for the Spring Festival.

Section VI Significant Events

I. Performance of commitments

1. Commitments performed during the Reporting Period and not yet performed as at the end of the Reporting Period by the de facto controller of the Company, shareholders, related parties, acquirers, the Company and other commitment related parties

Applicable Not applicable

Reason for commitments	Commitment parties	Type of commitments	Content of commitments	Time of commitments	Term of commitments	Performance
Commitments made upon IPO or refinancing	Controlling shareholder, de facto controller	Other commitments	(I) 1. Wang Mingwang and Wang Wei, the de facto controllers of the Company, issued a letter of commitment on 30 January 2012, pursuant to which they jointly committed that if the Company is unable to continue the lease of the plant during the lease term at No. 2 Yihe Road, Shilong Community, Shiyan Street, Baoan District, Shenzhen due to factory demolition or other reasons, resulting in damage to its production and operation, Wang Mingwang and Wang Wei shall bear the losses caused by the relocation of the plant in cash on a pro rata basis, of which Wang	30 January 2012	Long-term	During the Reporting Period, each commitment party strictly fulfilled the commitment

			Mingwang shall bear 74% of the losses and Wang Wei shall bear 26% of the losses.			
commitments made upon IPO or refinancing	Controlling shareholder and de facto controller	Commitment to avoid horizontal competition	(II) Commitment made by the de facto controller to avoid horizontal competition: the Brothers Wang Mingwang and Wang Wei, the joint controlling shareholders and de facto controllers of the Company, issued the Letter of Commitment to Avoid Horizontal Competition to the Company on 7 June 2010: “1. I currently do not engage in or participate in any business or conduct which competes with the Company; I will not in any way, directly or indirectly, engage or participate in any business and activity that is the same as, similar to or in any commercial competition with the Company, or own any interest in any economic entity, institution or	07 June 2010	Long-term	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>economic organisation that competes with the Company, or otherwise obtain control of such economic entity, institution or economic organisation, or hold any position in such economic entity, institution or economic organisation. 2. From the date of issuance, this commitment shall remain effective until I cease to be the de facto controller of the Company. 3. I am willing to bear all economic losses caused to the Company due to violation of the above commitments.</p>			
commitments made upon IPO or refinancing	Shareholder, controlling shareholder and de facto controller before listing	Commitment on lock-up of shares	<p>(III) 1. Wang Mingwang, Wang Wei, Xiao Guangyu, Xiang Haibiao, Sun Wei and Li Canhui, being shareholders of the Company's Directors, Supervisors and Senior Management, also commit that they will transfer no more than 25% of the total number of shares of the</p>	21 April 2014	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>issuer held by them in each year during their term of office upon expiry of the above commitment period; they will not transfer the shares of the issuer held by them within half a year after their resignation. 2. Yao Yuwen, sister-in-law of Zhou Xiaoxiong, a Director of the Company, has also committed that, during the Zhou Xiaoxiong's term of office, she will transfer no more than 25% of the total number of shares of the issuer held by her each year; and she will not transfer the shares of the issuer held by her within half a year after the resignation of Zhou Xiaoxiong. 3. Wang Yu, Lai Xin, Wang Lin, Cai Di'e, Wang Hua and Lai Xing, the relatives of Wang Mingwang and Wang Wei, the joint controlling shareholders and de facto controllers of</p>			
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			the Company, also committed that: during the term of office of Wang Mingwang and Wang Wei, they will transfer no more than 25% of the total number of shares of the issuer held by them each year upon expiry of the above commitment period; and they will not transfer the shares of the issuer held by them within half a year after the resignation of Wang Mingwang and Wang Wei.			
commitments made upon IPO or refinancing	Controlling shareholder, de facto controller	Other commitments	(IV) Commitments by the de facto controller of the Company in relation to the assumption of relocation losses: Wang Mingwang and Wang Wei, the de facto controllers of the Company, issued a letter of commitment on 31 May 2010, pursuant to which they jointly committed that if Sunwoda, Xinwei Electronic and Hui Chuang Da are unable to continue to lease the plant due to factory	31 May 2014	Long-term	During the Reporting Period, each commitment party strictly fulfilled the commitment

			demolition or other reasons before the completion of the construction of the new plant, resulting in damage to production and operation, Mr. Wang Mingwang and Mr. Wang Wei shall bear the losses caused by the relocation of the plant in cash on a pro rata basis, of which Wang Mingwang shall bear 74% of the losses and Wang Wei shall bear 26% of the losses.			
commitments made upon IPO or refinancing	Controlling shareholder, de facto controller	Other commitments	(V) Commitments by the de facto controller of the Company in relation to income tax: Mr. Wang Mingwang and Mr. Wang Wei, the joint controlling shareholders and de facto controllers of the Company prior to the Issuance, have issued the Letter of Commitment, pursuant to which, if the competent tax authorities demand for tax relief due to the preferential corporate income tax	21 April 2014	Long-term	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>policies enjoyed by the issuer and its subsidiaries prior to the listing, they will promptly and unconditionally bear the supplementary tax payment and/or all related expenses incurred therefrom in proportion to the amount in cash, of which, Wang Mingwang shall bear 74% and Wang Wei shall bear 26%.</p>			
<p>commitments made upon IPO or refinancing</p>	<p>Controlling shareholder, de facto controller</p>	<p>Other commitments</p>	<p>(VI) Commitment of the de facto controllers of the Company in relation to the supplementary payment of social insurance and housing provident fund: Wang Mingwang and Wang Wei, the joint controlling shareholders and de facto controllers of the Company before the Issuance, have committed that if required or decided by the relevant competent authorities, the Company shall make supplementary payment of</p>	<p>21 April 2014</p>	<p>Long-term</p>	<p>During the Reporting Period, each commitment party strictly fulfilled the commitment</p>

			<p>social insurance and housing provident fund for the previous years for the employees and bear any fines or losses in relation thereto.</p> <p>Wang Mingwang and Wang Wei are willing to bear such legal liabilities in cash on a pro rata basis without the Company paying the consideration, among which, Wang Mingwang shall bear 74% and Wang Wei shall bear 26%.</p>			
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Related party transaction commitments	<p>The Company's commitment in relation to the related transactions with Wangbo Technology:</p> <p>The Company issued a Letter of Commitment on 5 March 2011, committed that:</p> <p>(1) since 5 March 2011, the connected transactions in relation to the purchase of goods by the Company from Wangbo Technology will no longer occur; (2) since 5 March 2011, the related party transactions in relation to the</p>	5 March 2011	Long-term	During the Reporting Period, each commitment party strictly fulfilled the commitment

			sale of goods by the Company to Wangbo Technology will no longer occur.			
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Quasi-financial investments	From the date of this feedback reply to 24 months after the proceeds from the Non-public Issuance are in place, the Company will not conduct equity transfer/paid-in registered capital/capital increase in any quasi-financial enterprises, nor provide any form of financial support.	10 July 2017	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment
commitments made upon IPO or refinancing	De facto controller, shareholders holding more than 5% shares of the Company, Directors, Supervisors and Senior Management	Horizontal competition	1. I and other enterprises under my control will not directly or indirectly operate any business that competes or may compete with the business operated by the Company and its subsidiaries, nor will I and other enterprises under my control participate in investment in any other enterprises that compete or may compete with the business operated by the Company and	18 April 2017	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>its subsidiaries. The business of the Company competes with that of its subsidiaries. If the expanded business competes with the business of the Company and its subsidiaries, I and the companies under my control will avoid horizontal competition by ceasing to operate competing business, or incorporating competing business into the Company's operation, or transferring competing business to unrelated third parties.</p>			
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Use of proceeds	<p>The Company committed that after the proceeds from the public issuance of convertible corporate bonds on the ChiNext are in place, the Company will use and manage the proceeds in strict accordance with relevant laws and regulations and the administrative measures for the proceeds, and regularly</p>	27 June 2019	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>check the use of proceeds to ensure that the proceeds are properly and legally used in accordance with the disclosed use of proceeds. The proceeds raised from the Issuance of the Company will be deposited in a special account established by the Board of the Company and supervised in accordance with relevant requirements. The use of proceeds from the Non-public Issuance for the investment projects is to meet the actual needs of the Company's main business development. The Company committed not to replenish working capital through the proceeds to implement major investments, asset purchases or quasi-financial investments.</p>			
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Cash dividend commitments	The Company committed that the profit to be distributed in cash for each year from 2019 to 2021 shall not be less than 10% of the	27 June 2019	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>distributable profit realised in that year, and the cumulative profit to be distributed in cash for three consecutive years shall not be less than 30% of the average annual distributable profit realised in that three years.</p>			
<p>commitments made upon IPO or refinancing</p>	<p>Controlling shareholder, de facto controller</p>	<p>Dilution of current returns</p>	<p>1. Not to interfere with the Company's operation and management activities beyond its authority and not to misappropriate the Company's interests. 2. To effectively implement the relevant measures on recovering dilution to returns formulated by the Company and any commitments made in relation to the measures on recovering dilution to returns in this regard. If they violate such commitments and cause losses to the Company or investors, they are willing to bear the liability of compensation to the Company</p>	<p>27 June 2019</p>	<p>Until the end of the commitment period</p>	<p>During the Reporting Period, each commitment party strictly fulfilled the commitment</p>

			<p>or investors in accordance with the law. 3. From the date of this commitment to the completion of the public issuance of convertible bonds of the Company, if the CSRC makes other new regulations on measures on recovering dilution to returns and its commitments and the above commitments fail to meet such regulations of the CSRC, they hereby commit to issue supplemental commitments in accordance with the latest regulations of the CSRC.</p>			
commitments made upon IPO or refinancing	Directors and Senior Management	Dilution of current returns	<p>1. They committed not to transfer benefits to other entities or individuals for free or on unfair terms, nor to damage the interests of the Company in any other way. 2. They committed to restrain their duty consumption behaviour. 3. They committed not to use the Company's assets for</p>	27 June 2019	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>investment and consumption activities unrelated to the performance of their duties. 4. They committed that the remuneration system formulated by the Board or the Remuneration and Appraisal Committee will be linked to the implementation of the Company's measures on recovering dilution to returns. 5. They committed that the exercise conditions of the equity incentive of the Company to be announced are linked to the implementation of the Company's measures on recovering dilution to returns. 6. From the date of this commitment to the completion of the public issuance of convertible bonds of the Company, if the CSRC makes other new regulations on the Company's measures on recovering dilution to returns and its commitments</p>			
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			and the above commitments fail to meet such regulations of the CSRC, they hereby commit to issue supplemental commitments in accordance with the latest regulations of the CSRC.			
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Quasi-financial investments	Before the use of the proceeds or within 36 months from the receipt of the proceeds, no additional capital investment in quasi-financial business (including capital investment in various forms such as capital increase, borrowings and guarantees) will be made.	08 November 2019	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Other commitments	I. Relevant commitments of the Issuer to guarantee the repayment of the bonds: As resolved at the 2020 fourth extraordinary general meeting of the Issuer held on 27 March 2020, in order to further protect the interests of the bondholders, during the term of the bonds, in the event that the Issuer expects to be unable to repay	15 June 2020	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>the principal and interest of the bonds on time or fails to pay the principal and interest of the bonds on time at maturity, the Issuer will at least adopt the following measures: 1. not to distribute profits to the shareholders; 2. to suspend the implementation of capital expenditure projects such as major external investments, acquisitions and mergers; 3. to reduce or suspend the payment of salaries and bonuses of the Directors and Senior Management; 4. the main responsible persons related to the corporate bonds shall not be transferred.</p> <p>II. commitment in relation to the use of proceeds: the Issuer committed that the proceeds raised from the Bonds will be used in the fields that comply with the national industrial policies, and will not be used for on-lending to others,</p>			
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			public welfare projects that do not generate operating income, making up losses and non-productive expenditures, controlling shareholders and de facto controllers, small loan business, entrusted loan business, factoring business or financing guarantee business. The proceeds raised from the Bonds will not be used for land acquisition or directly or indirectly used for real estate business, and there will be no disruption to the local real estate market by the Company. The Issuer committed that it will not increase non-operating current account or fund lending during the term of the bonds.			
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Use of proceeds	The Company committed that after the proceeds raised from the issuance of shares to specific targets in 2021 are in place, the Company will use and manage	10 November 2021	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>the proceeds in strict accordance with relevant laws and regulations and the management measures for the proceeds, and regularly check the use of proceeds to ensure that the proceeds are properly and legally used in accordance with the disclosed use of proceeds. The proceeds raised from the Issuance will be deposited in a special account established by the Board of the Company and supervised in accordance with relevant requirements. The use of proceeds from the Non-public Issuance for the investment projects is to meet the actual needs of the Company's main business development. The Company committed not to replenish working capital through the proceeds to implement major investments, asset purchases or quasi-financial investments.</p>			
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commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Cash dividend commitments	The Company committed that the profit to be distributed in cash for each year from 2021 to 2023 shall not be less than 10% of the distributable profit realised in that year, and the cumulative profit to be distributed in cash for three consecutive years shall not be less than 30% of the average annual distributable profit realised in that three years.	05 February 2021	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment
commitments made upon IPO or refinancing	Controlling shareholder and de facto controller of the Company	Dilution of current returns	1. Not to interfere with the Company's operation and management activities beyond its authority and not to misappropriate the Company's interests. 2. To effectively implement the relevant measures on recovering dilution to returns formulated by the Company and any commitments made in relation to the measures on recovering dilution to returns in this regard. If they violate such commitments	25 February 2021	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>and cause losses to the Company or investors, they are willing to bear the liability of compensation to the Company or investors in accordance with the law. If the commitment party violates the above commitments or refuses to perform the above commitments, the commitment party agrees to impose relevant penalties or take relevant management measures on the commitment party in accordance with the relevant provisions formulated by the CSRC, the Shenzhen Stock Exchange and other securities regulatory authorities. 3. From the date of this commitment to the completion of the issuance of shares to specific target, if the CSRC and the Shenzhen Stock Exchange issue other new regulatory requirements on the measures</p>			
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			<p>on recovering dilution to returns and their commitments, and this commitment fails to meet such requirements of the CSRC and the Shenzhen Stock Exchange, they commit to issue supplemental commitments in accordance with the latest requirements of the CSRC and the Shenzhen Stock Exchange.</p>			
<p>commitments made upon IPO or refinancing</p>	<p>Directors and Senior Management</p>	<p>Dilution of current returns</p>	<p>1. They committed not to transfer benefits to other entities or individuals for free or on unfair terms, nor to damage the interests of the Company in any other way. 2. They committed to restrain their duty consumption behaviour. 3. They committed not to use the Company's assets for investment and consumption activities unrelated to the performance of their duties. 4. They committed that the remuneration</p>	<p>25 February 2021</p>	<p>Until the end of the commitment period</p>	<p>During the Reporting Period, each commitment party strictly fulfilled the commitment</p>

			<p>system formulated by the Board or the Remuneration and Appraisal Committee will be linked to the implementation of the Company's measures on recovering dilution to returns. 5. They committed that the exercise conditions of the equity incentive of the Company to be announced are linked to the implementation of the Company's measures on recovering dilution to returns. 6. From the date of this commitment to the completion of the issuance of shares to specific target, if the CSRC and the Shenzhen Stock Exchange make other new regulatory provisions on the measures on recovering dilution to returns and their commitments, and the above commitments fail to meet the requirements of the CSRC and the Shenzhen Stock Exchange, they</p>			
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			<p>committed to issue supplemental commitments in accordance with the latest regulations of the CSRC and the Shenzhen Stock Exchange, and actively promote the Company to make new regulations to meet the requirements of the CSRC and the Shenzhen Stock Exchange. If the commitment party violates the above commitments or refuses to perform the above commitments, the commitment party agrees to impose relevant penalties or take relevant management measures on the commitment party in accordance with the relevant provisions formulated by the CSRC, the Shenzhen Stock Exchange and other securities regulatory authorities.</p>			
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Use of proceeds	Before the use of the proceeds or within 36 months from the receipt of	10 November 2021	Until the end of the commitment period	During the Reporting Period, each commitment party strictly

			the proceeds, no additional capital investment in quasi-financial business (including capital investment in various forms such as capital increase, borrowings and guarantees) will be made.			fulfilled the commitment
commitments made upon IPO or refinancing	Sunwoda Electronic Co., Ltd.	Other commitments	1. As at the date of this commitment, neither the Company nor any companies in which the Company controls or participates in shares is engaged in real estate development, operation or sales and other real estate businesses, nor is it qualified for real estate development. 2. As at the date of this commitment, except for the business apartment located at 3701, 37/F and 3906, 39/F, Unit A, Building 6, the intersection of Hongli West Road and Nongyuan Road, Futian District, Shenzhen, which is used for the office and product display of the	31 August 2021	Until the end of the commitment period	During the Reporting Period, each commitment party strictly fulfilled the commitment

			<p>sales department, the housing located at 1202, 1213, 2009, 2615, 3009, 3017 and 3210 of Zhongzhou Huafu in the intersection of Yu' an Second Road and Gongyuan Road, Baocheng District 26, Baoan District, Shenzhen and the housing located at 1B7B, 1B8C, 1B11B, 1C3B, 1C16B, 1C18B, 2D18C, 2F5C, 2F7D, 2F7E and 2F12D of Zhongmin Yuan in the intersection of Songgang Avenue and Songbai Road, Songgang Sub-district, Baoan District, Shenzhen, which are used for staff dormitory, the Company does not hold other residential land, business service land and commercial real estate. 3. The Company has established a management system for the proceeds. The proceeds will be deposited into a special account decided by the Board of the</p>			
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			<p>Company. The Company will comply with the plans for the investment projects and the relevant requirements for the use of proceeds, focus on the main business, serve the real economy, and ensure that the proceeds will not be lent, lent, invested or otherwise directly or indirectly flow into the real estate development field. 4. The Company committed that the above contents are true, accurate and complete, and it is willing to bear corresponding legal responsibilities. 5. This letter of commitment shall take effect from the date of the Company's seal and shall be irrevocable.</p>			
commitments made upon IPO or refinancing	Dajia Asset Management Co., Ltd. (Dajia Asset - Minsheng Bank-Dajia Asset-Shengshi Selected No. 2 Collective Asset Management Product (Phase II)), Dangtu Guxin	Commitment on lock-up of shares	The shares issued to specific targets shall not be transferred within six months from the listing date of the new shares.	29 November 2021	29 May 2022	During the Reporting Period, each commitment party strictly fulfilled the commitment

	<p>Industrial Cluster Innovation Development Fund Partnership (L.P.), Jinan Jiangshan Investment Partnership (Limited Partnership), Dajia Asset Management Co., Ltd. (Dajia Asset -ICBC- Dajia Asset-Blue Chip Selected No. 5 Collective Asset Management Product)), Three Gorges Capital Holdings Co., Ltd., UBS AG, Nuode Asset Management Co., Ltd., Bosera Asset Management Co., Ltd., Shenwan Hongyuan Securities Co., Ltd., Rosefinch Fund Management Co., Ltd., Galaxy Derivatives Company, Barclays Bank PLC, E Fund Management Co., Ltd., Caitong Fund Management Co., Ltd., Tianjin Huaren Investment Management Co., Ltd. - Huaren Hesheng No. 2 Private Equity</p>					
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	Fund, Zhejiang Huayou Holding Group Co., Ltd.					
Equity incentive commitment	Sunwoda Electronic Co., Ltd.	Equity incentive commitment	The Company committed not to provide loans, loan guarantees and any other forms of financial assistance to the Participants to obtain the Type II Restricted Shares and Share Options under the Scheme.	20 January 2022	Commencing from the date of the first grant, and ending on the last trading day of the 48-month period	During the Reporting Period, each commitment party strictly fulfilled the commitment
Equity incentive commitment	Sunwoda Electronic Co., Ltd.	Equity incentive commitment	The Company committed not to provide loans or any other forms of financial assistance to the Participants, including not to provide guarantee for their loans	23 November 2019	Commencing from the date of the first grant, and ending on the last trading day of the 48-month period	During the Reporting Period, each commitment party strictly fulfilled the commitment
Whether the commitment is performed on time	Yes					
If the commitment is not fulfilled within the time limit, the specific reasons for not completing the performance and the work plan for the next step shall be explained in detail	Nil					

2. Where there is a profit forecast for the Company's assets or projects, and the Reporting Period is still within the period of profit forecast, the Company makes explanations on whether the assets or projects reach the original profit forecast and its reasons

Applicable Not applicable

II. Non-operating appropriation of funds of the listed company by the controlling shareholder and other related parties

Applicable Not applicable

During the Reporting Period, the controlling shareholder and other related parties did not occupy any non-operating funds of the listed company.

III. Illegal external guarantees

Applicable Not applicable

The Company had no illegal external guarantees during the Reporting Period.

IV. Explanation of the Board on the latest “non-standard audit report”

Applicable Not applicable

V. Explanation from the Board, Board of Supervisors and the Independent Director (if any) on the “non-standard audit report” of the accounting firm during the Reporting Period

Applicable Not applicable

VI. Explanation of the Board on changes in accounting policies, accounting estimates or correction of major accounting errors during the Reporting Period

Applicable Not applicable

VII. Explanation on changes in the scope of consolidated statements as compared with the financial report of the previous year

Applicable Not applicable

Name of company	Acquisition and disposal of subsidiaries during the Reporting Period	Impact on overall production, operation and performance
Shenzhen Xinyi Zhilian Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Xinzhi Wangjia Technology Co., Ltd.	Newly established	No significant impact
Shandong Xingatou Energy Development Co., Ltd.	Newly established	No significant impact
Shandong Xinneng Power Service Co., Ltd.	Newly established	No significant impact

Shandong Xinzhi New Energy Co., Ltd.	Newly established	No significant impact
Zaozhuang Xinding New Energy Co., Ltd.	Newly established	No significant impact
Zaozhuang Xinyue New Energy Co., Ltd.	Newly established	No significant impact
Huizhou PTL Testing Technology Co., Ltd.	Newly established	No significant impact
Huizhou Yingchuang Precision Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Sunwoda Smart Energy Co., Ltd.	Newly established	No significant impact
Zhuhai Sunwoda New Energy Co., Ltd.	Newly established	No significant impact
Shenzhen Xinwei Zhiwang Technology Co., Ltd.	Newly established	No significant impact
Deyang Sunwoda New Energy Co., Ltd.	Newly established	No significant impact
Zhejiang Lixin Energy Technology Co., Ltd.	Newly established	No significant impact
Shenzhen Sunwoda Resources Development Co., Ltd.	Newly established	No significant impact
Zhejiang Sunwoda Power Battery Co., Ltd.	Newly established	No significant impact
Superstar (Shandong) Intelligent Equipment Co., Ltd.	Newly established	No significant impact
Zaozhuang Sunwoda Venture Capital Partnership (Limited Partnership)	Newly established	No significant impact
Zhuhai Sunwinon Electronic Co., Ltd.	Newly established	No significant impact
Shenzhen Bosheng Investment Partnership (Limited Partnership)	Newly established	No significant impact
Hubei Dongyu Xinsheng New Energy Co., Ltd.	Newly established	No significant impact

Sunwoda Japan New Energy Co., Ltd.	Newly established	No significant impact
Guangdong Wanhong Power Engineering Co., Ltd.	Acquisition	No significant impact
Sunwoda (Liuzhou) New Energy Co., Ltd.	Cancellation	No significant impact
Dongguan Hongsheng Technology Co., Ltd.	Cancellation	No significant impact
Huizhou Xinwei Intelligent Technology Co., Ltd.	Cancellation	No significant impact
Hong Kong Xinzhawang Electronics Co., Ltd.	Establishment and transfer of non-operating subsidiaries	No significant impact
Sunwoda Japan Co., Ltd.	Subsidiary disposed of by transfer of equity	No significant impact

VIII. Appointment and dismissal of accounting firms

Accounting firm currently engaged

Name of domestic accounting firm	ShineWing Certified Public Accountants LLP
Remuneration of domestic accounting firm (RMB0'000)	180
Continued term of audit service of domestic accounting firm	2
Name of certified public accountant of domestic accounting firm	Wang Jianxin, Li Wenqian
Continued term of audit service of certified public accountant of domestic accounting firm	1

Whether appointed another accounting firm

Yes No

Particulars on appointment of accounting firms, financial consultants or sponsors for internal control and auditing purposes

Applicable Not applicable

IX. Delisting after disclosure of annual report

Applicable Not applicable

X. Matters related to bankruptcy and reorganisation

Applicable Not applicable

During the Reporting Period, the Company had no bankruptcy or reorganisation related matters.

XI. Material litigation and arbitration

Applicable Not applicable

Basic information of litigation (arbitration)	Amount involved (RMB0'000)	Whether estimated liabilities are formed	Progress of litigation (arbitration)	Trial result and impact of litigation (arbitration)	Enforcement of judgement of litigation (arbitration)	Date of disclosure	Disclosure Index
Dispute over Sale and Purchase Contract between Sunwoda Electronic Co., Ltd. against Gionee Communication Equipment Co, Ltd., Dongguan Jinming Electronics Co., Ltd. and Liu Lirong	14,578.69	No	Concluded	Successful and applied for enforcement	Jinming was insolvent and conducted reorganisation and the Company had received the distribution of RMB5.0028 million	27 April 2022	N/A
Sale and purchase contract dispute between Sunwoda Electronic Co., Ltd. against Gionee Communication Equipment Co, Ltd. and Dongguan Goldex Communication Technology Co., Ltd.	3,180.4	No	Concluded	Successful and applied for enforcement	Goldex was insolvent and conducted reorganisation and has no assets available for enforcement by all creditors	27 April 2022	N/A
Sale and purchase contract dispute between Sunwoda Electronic Co., Ltd. against ZEROTECH (Beijing) Intelligence Technology Co., Ltd	3,391.83	No	Concluded	Applied for enforcement	ZEROTECH had declared insolvent, and the Company had claimed such rights to ZEROTECH and received RMB3.0457 million according to the restructuring	27 April 2022	N/A

					plan		
Sale and purchase contract dispute between Sunwoda Electronic Co., Ltd. against Dongguan PowerWise New Energy Co., Ltd. and Dongguan PowerWise Technology Co., Ltd.	537.83	No	Concluded	Successful and applied for enforcement	Such companies have been included in the list of dishonest persons by the Company and its legal representative	27 April 2022	N/A
Sale and Purchase Contract Dispute between Sunwoda Electronics Co., Ltd. against Lemobile Information Technology (Beijing) Co., Ltd.	1,036.69	No	Concluded	Successful and applied for enforcement	Such companies have been included in the list of dishonest persons by the Company and its legal representative	27 April 2022	N/A
Sale and purchase contract dispute between Dongguan Liwinon Energy Technology Co., Ltd. against Hipad Intelligent Technology Co., Ltd.	1,299.3	No	Concluded	Successful and applied for enforcement	Hipad Intelligent is in the stage of bankruptcy and has declared claims. According to the final bankruptcy property distribution plan, the Company, as an ordinary creditor, cannot obtain any property distribution	27 April 2022	N/A
Dongguan Liwinon Energy Technology Co., Ltd.	1,540.16	No	Closed	Successful and applied for enforcement	In July 2021, Nanchang Zhenhua was declared bankrupt. In	27 April 2022	N/A

sued Nanchang Zhenhua Communication Equipment Co., Ltd. and Shanghai Yude Technology Co., Ltd.					June 2022, the court confirmed the debt distribution plan. Dongguan Liwinon received RMB34527.06, and such case was closed.		
Sale and purchase contract dispute between Sunwoda Electric Vehicle Battery Co., Ltd. against Suzhou Xingruihe Electric Co., Ltd.	2,836.2	No	Concluded and executed	The defendant in the second trial withdrew the appeal	The Company received RMB28.362 million from the defendant and such case was closed	27 April 2022	N/A
Sunwoda Electronic Co., Ltd. against Shenzhen Xinning Modern Logistics Co., Ltd. for damages	590.34	No	Concluded and executed	The court of first trial supported the Company with RMB5.9034 million, and the counterparty refused and submitted to appeal to the Shenzhen Intermediate Court	The appeal of the second trial shall remain the original judgement. The Company received RMB5.9034 million from Xinning based on repayment schedule and such case was closed	27 April 2022	N/A
Sale and purchase contract dispute between Sunwoda Electric Vehicle Battery Co., Ltd. against Fujian Automobile Industry	1,614.57	No	Settlement by both parties	Both parties settled the case and the other party paid the amount on time every month	Counterparty paid RMB16.1457 million and such case was closed	27 April 2022	N/A

Group YUDO Auto Co., Ltd.							
Trademark rights ownership and infringement dispute between Shenzhen Huisen Toys Co., Ltd. against Xiaomi Communicati ons Co., Ltd., 6th Branch of Xiaomi Communicati ons Co., Ltd., Zhejiang Tmall Network Co., Ltd., Shenzhen Danni Toys Co., Ltd., Chongqing Jingmiao Information Technology Co., Ltd.	3,000	No	Second trial in progress	The first trial was ruled that our 6th branch of the Company was jointly and severally liable within the scope of 130,000, and has appealed and the second trial was heard	The second trial has not been concluded and there is no progress at present	27 April 2022	N/A

The Company shall comply with the disclosure requirements of “lithium-ion battery industry chain-related business” in the “Guide on Self-supervision of Companies Listed on the Shenzhen Stock Exchange No.4 – Industry Information Disclosure on ChiNext ”

XII. Punishment and rectification

Applicable Not applicable

There were no punishment and rectification for the Company during the Reporting Period.

XIII. Integrity of the Company and its controlling shareholders and de facto controllers

Applicable Not applicable

XIV. Material affiliated party transactions

1. Affiliated party transactions in relation to daily operations

Applicable Not applicable

During the Reporting Period, the Company did not have any affiliated party transactions related to daily operations.

2. Affiliated party transactions in relation to acquisition and disposal of assets or equity interests

Applicable Not applicable

During the Reporting Period, the Company did not have any affiliated transactions in relation to acquisition or disposal of assets or equity interests.

3. Affiliated party transactions of joint external investment

Applicable Not applicable

Co-investors	Affiliated relationship	Name of investee	Principal business of the investee	Registered capital of the investee	Total assets of the investee (RMB0'000)	Net assets of the investee (RMB0'000)	Net profit of the investee (RMB0'000)
Xinrui Hongsheng, Qianhai Hanlong, Xinrui Hongrui, Darui Xinneng, Xinrui Hengtai	A company under control of the Controlling Shareholder of the Company	Electric Vehicle Battery	R&D. production and sales of power battery	408,825.00	876,271.44	227,358.36	-106,402.43
Xinrui Hongsheng, Qianhai Hanlong, Xinrui Hongrui, Darui Xinneng, Xinrui Hengtai	A company under control of the Controlling Shareholder of the Company	Electric Vehicle Battery	R&D. production and sales of power battery	642,698.60	1,448,323.01	485,940.28	-50,483.4
Bifang No. 2	A company under control of the Controlling Shareholder of the Company	Hubei BJR New Materials Co., Ltd.	R&D. production and sales of rare alkali metal products such as lithium salt and others	8,510.00	47,154.82	11,051.16	3,268.82
Qianhai Haotian	A company under control of the Controlling Shareholder of the Company	Zhejiang Lixin	High-performance cylindrical lithiumion battery	5,000.00			
Progress of significant ongoing projects of the investee (if any)	Nil						

4. Claims and liabilities between related parties

Applicable Not applicable

During the Reporting Period, there was no non-operating affiliated claims and liabilities of the Company.

5. Transactions with related financial companies

Applicable Not applicable

There were no deposits, loans, credit facilities or other financial businesses between the Company and the related financial companies.

6. Transactions between financial companies controlled by the Company and related parties

Applicable Not applicable

There were no deposits, loans, credit facilities or other financial businesses between the Company and the related financial companies.

7. Other material affiliated party transactions

Applicable Not applicable

The Company had no other material affiliated transactions during the Reporting Period.

XV. Material contracts and their performance**1. Trust, contracting and leasing matters****(1) Trust**

Applicable Not applicable

There was no trusteeship of the Company during the Reporting Period.

(2) Contracting

Applicable Not applicable

There was no contracting of the Company during the Reporting Period.

(3) Leasing

Applicable Not applicable

Description of leases

Item	Amount of Year 2022
Interest expense on lease liabilities	123,995,876.09
Short-term lease expenses with simplified treatment included in the cost of the related assets or in current profit or loss	
Lease expenses for low-value assets included in the cost of the related assets or in current profit or loss for simplified treatment (except short-term lease expenses for low-value assets)	48,453,786.66

Variable lease payments not included in the measurement of the lease liability that are included in the cost of the related asset or in current profit or loss	
portion arising from sale-and-leaseback transactions	
Income from sublease of right-to-use assets	
Total cash outflows related to leases	229,539,430.07
Related profits and losses arising from sale-leaseback transactions	
Cash inflow from sale-and-leaseback transactions	50,000,000.00
Cash outflow from sale-and-leaseback transactions	143,150,452.24

Items contributing more than 10% of the total profit of the Company during the Reporting Period

Applicable Not applicable

There were no lease items contributing more than 10% of the total profit of the Company during the Reporting Period.

2. Material guarantees

Applicable Not applicable

Unit: RMB0'000

External guarantees of the Company and its subsidiaries (excluding guarantees for subsidiaries)										
Name of guaranteed party	Date of disclosure of the announcement in relation to the guarantee amount	Guarantee amount	Actual date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Performance completed or not	Related party guarantee or not
Guarantees provided by the Company to its subsidiaries										
Name of guaranteed party	Date of disclosure of the announcement in relation to the guarantee amount	Guarantee amount	Actual date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Performance completed or not	Related party guarantee or not
Yuzhou Yuke PV Power Co., Ltd.	14 November 2016	29,400	30 November 2016	29,400	Counter guarantee	Nil	Yes	10 years	No	Yes
Xinwei (Hong Kong) Electronic Co., Ltd.	19 July 2018	28,353.2			Counter guarantee	Nil	Yes	5 years	No	Yes
Sunwoda	24	56,706.4			Counter	Nil	Yes	5 years	No	Yes

Electronic India Co., Ltd.	September 2019				guarantee					
Sunwoda Huizhou Power New Energy Co., Ltd.	22 February 2020	100,000	15 April 2020	3,790.26	Counter guarantee	Nil	Yes	5 years	No	Yes
Shenzhen Sunwoda Electrical Technology Co., Ltd.	29 April 2020	20,000			Counter guarantee	Nil	Yes		No	Yes
Sunwoda Huizhou Electric Vehicle Battery Co., Ltd.	29 April 2020	30,000			Counter guarantee	Nil	Yes		No	Yes
Shenzhen Sunwoda Intelligent Technology Co., Ltd.	29 April 2020	50,000			Counter guarantee	Nil	Yes		No	Yes
Shenzhen Sunwoda Energy Technology Co., Ltd. (Shenzhen Sunwoda Integrated Energy Services Co., Ltd.)	29 April 2020	20,000			Counter guarantee	Nil	Yes		No	Yes
Huizhou Sunwoda Intelligent Industry Co., Ltd.	29 April 2020	20,000	15 February 2022	10,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Shenzhen Sunwoda Intelligent Hardware Co., Ltd.	29 April 2020	30,000			Counter guarantee	Nil	Yes		No	Yes
Huizhou Sunwoda Intelligent Hardware Co., Ltd.	29 April 2020	30,000			Counter guarantee	Nil	Yes		No	Yes
Shenzhen Xinwei Intelligence Co., Ltd.	29 April 2020	30,000			Counter guarantee	Nil	Yes		No	Yes
Dongguan Sunwoda Intelligent	20 August 2020	30,000			Counter guarantee	Nil	Yes		No	Yes

Hardware Co., Ltd.										
Sunwoda Huizhou New Energy Co., Ltd.	12 December 2020	300,000	16 December 2020	249,500	Counter guarantee	Nil	Yes	10 years	No	Yes
Sunwoda Intelligent Hardware Co., Ltd./ Huizhou Liwinon New Energy Technology Co., Ltd.	09 July 2020	25,000	05 August 2020	25,000	Counter guarantee	Nil	Yes	5 years	No	Yes
Sunwoda Intelligent Hardware Co., Ltd./ Huizhou Liwinon New Energy Technology Co., Ltd.	09 July 2020	50,000	14 November 2021	20,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Unknown (overseas wholly-owned subsidiary intends to issue overseas bonds)	25 February 2021	196,224			Counter guarantee	Nil	Yes	5 years	No	Yes
Zhejiang Liwinon Energy Technology Co., Ltd.	25 February 2021	130,000	01 June 2021	130,000	Counter guarantee	Nil	Yes	6 years	No	Yes
Dongguan Liwinon Energy Technology Co., Ltd./Huizhou Liwinon Energy Technology Co., Ltd./Zhejiang Liwinon Energy Technology Co., Ltd.	25 February 2021	170,000	07 June 2021	103,500	Counter guarantee	Nil	Yes	3 years	No	Yes
Zhejiang Xindong Energy Technology	16 March 2021	10,000			Counter guarantee	Nil	Yes	5 years	No	Yes

Co., Ltd.										
Zhejiang Xindong Energy Technology Co., Ltd.	16 March 2021	50,000	29 September 2022	10,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Huizhou Winone Precision Technology Co., Ltd.	10 August 2021	100,000	17 August 2021	15,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Sunwoda Electronic India Co., Ltd.	10 August 2021	10,000			Counter guarantee	Nil	Yes	5 years	No	Yes
Nanjing Sunwoda New Energy Co., Ltd.	08 September 2021	300,000	28 November 2021	28,784.59	Counter guarantee	Nil	Yes	10 years	No	Yes
Nanjing Sunwoda New Energy Co., Ltd.	08 September 2021	80,000	20 June 2022	26,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Sunwoda Huizhou Power New Energy Co., Ltd.	08 September 2021	100,000	10 February 2022	5,740.81	Counter guarantee	Nil	Yes	10 years	No	Yes
Sunwoda Huizhou Power New Energy Co., Ltd.	08 September 2021	80,000	15 April 2022	5,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Sunwoda Electric Vehicle Battery Co., Ltd.	08 September 2021	80,000	26 January 2022	60,400	Counter guarantee	Nil	Yes	3 years	No	Yes
Zhejiang Xindong Energy Technology Co., Ltd.	12 November 2021	5,000			Counter guarantee	Nil	Yes	5 years	No	Yes
Nanchang Sunwoda New Energy Co., Ltd.	12 November 2021	10,000	29 July 2022	65,000	Counter guarantee	Nil	Yes	10 years	No	Yes
Nanchang Sunwoda New Energy Co., Ltd.	12 November 2021	80,000	16 June 2022	40,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Nanchang Sunwoda New Energy Co., Ltd.	30 December 2021	31,520			Counter guarantee	Nil	Yes		No	Yes
Huizhou Sunwinon	20 January 2022	50,000	29 March 2022	15,000	Counter guarantee	Nil	Yes	3 years	No	Yes

Electronic Co., Ltd.										
Huizhou Winone Precision Technology Co., Ltd.	20 January 2022	100,000	15 April 2022	80,500	Counter guarantee	Nil	Yes	3 years	No	Yes
Shenzhen PTL Testing Technology Co., Ltd.	20 January 2022	20,000	19 August 2022	1,500	Counter guarantee	Nil	Yes	3 years	No	Yes
Superstar (Shenzhen) Automation Co., Ltd.	20 January 2022	20,000	08 June 2022	37,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Zhejiang Sunwoda Electronic Co., Ltd.	13 April 2022	50,000	18 May 2022	32,000	Counter guarantee	Nil	Yes	10 years	No	Yes
Zhejiang Sunwoda Electronic Co., Ltd.	13 April 2022	100,000	20 June 2022	44,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Shandong Sunwoda New Energy Co., Ltd.	17 June 2022	300,000			Counter guarantee	Nil	Yes	10 years	No	Yes
Shandong Sunwoda New Energy Co., Ltd.	17 June 2022	100,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Nanchang Sunwoda New Energy Co., Ltd.	17 June 2022	500,000			Counter guarantee	Nil	Yes	10 years	No	Yes
Nanchang Sunwoda New Energy Co., Ltd.	17 June 2022	100,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Huizhou Winone Precision Technology Co., Ltd.	17 June 2022	30,000			Counter guarantee	Nil	Yes	5 years	No	Yes
Huizhou Winone Precision Technology Co., Ltd.	17 June 2022	100,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Deyang Sunwoda New Energy Co., Ltd.	21 September 2022	100,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Deyang Sunwoda New Energy Co., Ltd.	21 September 2022	400,000			Counter guarantee	Nil	Yes	11 years	No	Yes

Sunwoda Electric Vehicle Battery Co., Ltd.	16 December 2022	300,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Total amount of guarantees for subsidiaries approved during the Reporting Period (B1)		2,270,000		Total actual amount of guarantees provided to subsidiaries during the Reporting Period (B2)		437,140.81				
Total amount of guarantees for subsidiaries approved at the end of the Reporting Period (B3)		4,552,203.6		Total balance of guarantees provided to subsidiaries at the end of the Reporting Period (B4)		1,037,115.66				
Guarantees provided by subsidiaries to subsidiaries										
Name of guaranteed party	Date of disclosure of the announcement in relation to the guarantee amount	Guarantee amount	Actual date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Performance completed or not	Related party guarantee or not
Huizhou Liwinon New Energy Technology Co., Ltd.	31 December 2019	80,000	05 August 2020	73,500	Counter guarantee	Nil	Yes	5 years	No	Yes
Huizhou Winone Precision Technology Co., Ltd.	22 February 2020	50,000			Counter guarantee	Nil	Yes	1 year	No	Yes
Sunwoda Huizhou Power New Energy Co., Ltd.	22 February 2020	100,000			Counter guarantee	Nil	Yes	10 years	No	Yes
Huizhou Winone Precision Technology Co., Ltd.	02 March 2022	100,000	15 April 2022	10,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Huizhou Sunwinon Electronic Co, Ltd.	02 March 2022	50,000	15 April 2022	15,000	Counter guarantee	Nil	Yes	3 years	No	Yes
Huizhou Sunwoda Intelligent Industry Co., Ltd.	02 March 2022	20,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Sunwoda Huizhou Power New	02 March 2022	80,000	15 April 2022	5,000	Counter guarantee	Nil	Yes	3 years	No	Yes

Energy Co., Ltd.										
Sunwoda Huizhou Power New Energy Co., Ltd.	02 March 2022	100,000			Counter guarantee	Nil	Yes	10 years	No	Yes
Nanjing Sunwoda New Energy Co., Ltd.	02 March 2022	80,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Nanjing Sunwoda New Energy Co., Ltd.	02 March 2022	300,000			Counter guarantee	Nil	Yes	10 years	No	Yes
Nanchang Sunwoda New Energy Co., Ltd.	02 March 2022	80,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Nanchang Sunwoda New Energy Co., Ltd.	02 March 2022	100,000	29 July 2022	65,000	Counter guarantee	Nil	Yes	10 years	No	Yes
Deyang Sunwoda New Energy Co., Ltd.	21 September 2022	400,000			Counter guarantee	Nil	Yes	11 years	No	Yes
Deyang Sunwoda New Energy Co., Ltd.	21 September 2022	100,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Shenzhen Sunwoda Smart Energy Co., Ltd.	29 December 2022	10,000			Counter guarantee	Nil	Yes	3 years	No	Yes
Total amount of guarantees for subsidiaries approved during the Reporting Period (C1)		1,420,000			Total actual amount of guarantees provided to subsidiaries during the Reporting Period (C2)					95,000
Total amount of guarantees for subsidiaries approved at the end of the Reporting Period (C3)		1,650,000			Total balance of guarantees provided to subsidiaries at the end of the Reporting Period (C4)					168,500
Total amount of corporate guarantees (i.e. the sum of the top 3 items)										
Total guarantee amount approved during the Reporting Period (A1 + B1 + C1)		3,690,000			Total actual amount of guarantees provided during the Reporting Period (A2 + B2 + C2)					532,140.81
Total guarantee amount approved at the end of the Reporting Period (A3 + B3 + C3)		6,202,203.6			Total actual guarantee balance at the end of the Reporting Period (A4 + B4 + C4)					1,205,615.66
Total actual guarantee amount (A4 + B4 + C4) as a										60.11%

percentage of the Company's net assets	
Including:	

Explanation on guarantee by compound method

3. Entrusted cash asset management

(1) Entrusted wealth management

Applicable Not applicable

There was no entrusted wealth management of the Company during the Reporting Period.

(2) Entrusted loans

Applicable Not applicable

There was no entrusted loans of the Company during the Reporting Period.

4. Other material contracts

Applicable Not applicable

There was no any other material contracts of the Company during the Reporting Period.

XVI. Other significant events

Applicable Not applicable

There was no any other significant events need to be disclosed by the Company during the Reporting Period.

XVII. Significant events of subsidiaries of the Company

Applicable Not applicable

Section VII Changes in Shares and Information on Shareholders

I. Changes in shares

1. Changes in shares

Unit: share

	Before the change		Changes (+ , -)					After the change	
	Number	Percentage	Issuance of new shares	Bonus issue	Conversion from reserves	Others	Sub-total	Number	Percentage
I. Shares with selling restrictions	256,663,936	14.93%	0	0	0	- 108,859,291	- 108,859,291	147,804,645	7.94%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. State-owned legal person shares	10,501,192	0.61%	0	0	0	- 10,501,192	- 10,501,192	0	0.00%
3. Other domestically owned shares	231,661,552	13.48%	0	0	0	- 83,856,907	- 83,856,907	147,804,645	7.94%
Including: Shares owned by domestic legal persons	18,519,387	1.08%	0	0	0	- 18,519,387	- 18,519,387	0	0.00%
Shares owned by domestic natural persons	163,225,703	9.49%	0	0	0	- 15,421,058	- 15,421,058	147,804,645	7.94%
4. Foreign shareholding	14,501,192	0.84%	0	0	0	- 14,501,192	- 14,501,192	0	0.00%
Including: Overseas legal person shares	14,501,192	0.84%	0	0	0	- 14,501,192	- 14,501,192	0	0.00%

Overs eas natural person shares	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares without selling restriction	1,462,293,340	85.07%	143,795,000	0	0	108,528,671	252,323,671	1,714,617,011	92.06%
1. RMB ordinary shares	1,462,293,340	85.07%	143,795,000	0	0	108,528,671	252,323,671	1,714,617,011	92.06%
2. Foreign shares listed domestically	0	0.00%	0	0	0	0	0	0	0.00%
3. Foreign shares listed overseas	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total number of shares	1,718,957,276	100.00%	143,795,000	0	0	-330,620	143,464,380	1,862,421,656	100.00%

Reasons for changes

Applicable Not applicable

1. On 25 April 2022, the Company convened the 31st meeting of the fifth session of the Board and the 31st meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company repurchased and cancelled 330,620 Restricted Shares granted but not yet unlocked, which were held by a total of 40 Incentive Participants, including Cheng Zhihua, Yang Xiaoping, Yin Liang and Zhang Zhigao (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 218,620 Restricted Shares were held by 28 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Cheng Zhihua, Yang Xiaoping, Yan Shimin and Li Guo, and 112,000 Restricted Shares were held by 13 Incentive Participants of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan, including Yin Liang, Zhang Zhigao, Hu Yifan and Xu Jiang. The Company completed the registration of repurchase and cancellation of Restricted Shares on 29 June 2022, and the total share capital of the Company decreased from 1,718,957,276 shares to 1,718,626,656 shares.

2. On 11 May 2022, the Company convened the 2021 annual general meeting, at which the 2021 Equity Distribution Plan of the Company was considered and approved, and it was agreed to distribute a cash dividend of RMB0.7 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,957,276 shares as at 31 December 2021. As the Company has

repurchased and cancelled a total of 330,620 Restricted Shares granted during the period from 31 December 2021 to the date of application for the implementation of the equity distribution, the Company adjusted the distribution ratio based on the principle that the total distribution amount remains unchanged, and distributed a cash dividend of RMB0.700134 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,626,656 shares after the adjustment. On 8 July 2022, the equity distribution was completed.

As a result of the above equity distribution, the grant price of the First Grant under the 2019 Restricted Shares Incentive Plan of the Company has been adjusted from RMB7.48 per share to RMB7.41 per share, and the grant price of the reserved Restricted Shares has been adjusted from RMB12.77 per share to RMB12.70 per share.

3. On 27 June 2022, the Company convened the 34th meeting of the fifth session of the Board, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and the Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

4. On 14 July 2022, the Company convened the sixth extraordinary general meeting of 2022, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

5. On 25 October 2022, the Company convened the 42nd meeting of the fifth session of the Board and the 42nd meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company will repurchase and cancel 102,600 Restricted Shares granted but not yet unlocked, which were held by a total of 17 Incentive Participants, including Zou Lingyun, Dai Hengwei, Yang Yang and Wang Mo (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 97,600 Restricted Shares were held by 17 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Zou Lingyun, Dai Hengwei, Yang Yang and Li Hangtao, and 5,000 Restricted Shares were held by Wang Mo, an Incentive Participant of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan. Upon completion of the registration of repurchase and cancellation of Restricted Shares, the total share capital of the Company will decrease from 1,718,626,656 shares to 1,718,524,056 shares.

6. The Global Depositary Receipts (the “GDRs”) were issued by the Company and listed on the SIX Swiss Exchange on 14 November 2022 (Central European Time), with Sunwoda Electronic Co., Ltd. as its full name and SWD as its ticker symbol. The total

number of GDRs under the Issuance is 28,759,000, and the corresponding underlying securities are 143,795,000 A Shares of the Company. After the Issuance, the total share capital of the Company will increase from 1,718,524,056 shares to 1,862,319,056 shares.

7. The Company convened the 42nd meeting of the fifth session of the Board on 25 October 2022 and the 9th extraordinary general meeting of 2022 on 15 November 2022, at which the Resolution on Amendments to the Articles of Association was considered and approved. The Company has determined to repurchase and cancel 102,600 Restricted Shares granted under the 2019 Restricted Shares Incentive Plan. Upon completion of the repurchase and cancellation, the total share capital of the Company will decrease by 102,600 shares from 1,718,626,656 shares to 1,718,524,056 shares, and the registered capital of the Company will decrease by RMB102,600 from RMB1,718,626,656 to RMB1,718,524,056.

The number of GDRs issued by the Company is 28,759,000, of which each GDR represents 5 A Shares of the Company, and the corresponding underlying securities are 143,795,000 A Shares, which have been listed on the SIX Swiss Exchange on 14 November 2022. Due to the issuance and listing of GDRs, the total share capital of the Company increased by 143,795,000 shares from 1,718,524,056 shares to 1,862,319,056 shares, and the registered capital of the Company increased by RMB143,795,000 from RMB1,718,524,056 to RMB1,862,319,056.

In combination with the repurchase and cancellation of Restricted Shares granted under the 2019 Restricted Shares Incentive Plan and the issuance of new GDRs, the total share capital of the Company will increase from 1,718,626,656 shares to 1,862,319,056 shares, and the registered capital of the Company will increase from RMB1,718,626,656 to RMB1,862,319,056. As of 31 December 2022, the total share capital of the Company was 1,862,421,656 shares, because the repurchase and cancellation of 102,600 shares was completed on 9 January 2023.

Approval for changes in shares

Applicable Not applicable

1. On 25 April 2022, the Company convened the 31st meeting of the fifth session of the Board and the 31st meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company repurchased and cancelled 330,620 Restricted Shares granted but not yet unlocked, which were held by a total of 40 Incentive Participants, including Cheng Zhihua, Yang Xiaoping, Yin Liang and Zhang Zhigao (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 218,620 Restricted Shares were held by 28 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Cheng Zhihua, Yang Xiaoping, Yan Shimin and Li Guo, and 112,000 Restricted Shares were held by 13 Incentive Participants of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan, including Yin Liang, Zhang Zhigao, Hu Yifan and Xu Jiang. The Company completed the registration of repurchase and cancellation of Restricted Shares on 29 June 2022, and the total share capital of the Company decreased from 1,718,957,276 shares to 1,718,626,656 shares.

2. On 11 May 2022, the Company convened the 2021 annual general meeting, at which the 2021 Equity Distribution Plan of the Company was considered and approved, and it was agreed to distribute a cash dividend of RMB0.7 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,957,276 shares as at 31 December 2021. As the Company has repurchased and cancelled a total of 330,620 Restricted Shares granted during the period from 31 December 2021 to the date of application for the implementation of the equity distribution, the Company adjusted the distribution ratio based on the principle that the total distribution amount remains unchanged, and distributed a cash dividend of RMB0.700134 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,626,656 shares after the adjustment. On 8 July 2022, the equity distribution was completed.

As a result of the above equity distribution, the grant price of the First Grant under the 2019 Restricted Shares Incentive Plan of the Company has been adjusted from RMB7.48 per share to RMB7.41 per share, and the grant price of the reserved Restricted Shares has been adjusted from RMB12.77 per share to RMB12.70 per share.

3. On 27 June 2022, the Company convened the 34th meeting of the fifth session of the Board, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and the Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

4. On 14 July 2022, the Company convened the sixth extraordinary general meeting of 2022, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

5. On 25 October 2022, the Company convened the 42nd meeting of the fifth session of the Board and the 42nd meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company will repurchase and cancel 102,600 Restricted Shares granted but not yet unlocked, which were held by a total of 17 Incentive Participants, including Zou Lingyun, Dai Hengwei, Yang Yang and Wang Mo (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 97,600 Restricted Shares were held by 17 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Zou Lingyun, Dai Hengwei, Yang Yang and Li Hangtao, and 5,000 Restricted Shares were held by Wang Mo, an Incentive Participant of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan. Upon completion of the registration of repurchase and cancellation of Restricted Shares, the total share capital of the Company will decrease from 1,718,626,656 shares to 1,718,524,056 shares.

6. The Global Depositary Receipts (the “GDRs”) were issued by the Company and listed on the SIX Swiss Exchange on 14 November 2022 (Central European Time), with Sunwoda Electronic Co., Ltd. as its full name and SWD as its ticker symbol. The total number of GDRs under the Issuance is 28,759,000, and the corresponding underlying securities are 143,795,000 A Shares of the Company. After the Issuance, the total share capital of the Company will increase from 1,718,524,056 shares to 1,862,319,056 shares.

7. The Company convened the 42nd meeting of the fifth session of the Board on 25 October 2022 and the 9th extraordinary general meeting of 2022 on 15 November 2022, at which the Resolution on Amendments to the Articles of Association was considered and approved. The Company has determined to repurchase and cancel 102,600 Restricted Shares granted under the 2019 Restricted Shares Incentive Plan. Upon completion of the repurchase and cancellation, the total share capital of the Company will decrease by 102,600 shares from 1,718,626,656 shares to 1,718,524,056 shares, and the registered capital of the Company will decrease by RMB102,600 from RMB1,718,626,656 to RMB1,718,524,056.

The number of GDRs issued by the Company is 28,759,000, of which each GDR represents 5 A Shares of the Company, and the corresponding underlying securities are 143,795,000 A Shares, which have been listed on the SIX Swiss Exchange on 14 November 2022. Due to the issuance and listing of GDRs, the total share capital of the Company increased by 143,795,000 shares from 1,718,524,056 shares to 1,862,319,056 shares, and the registered capital of the Company increased by RMB143,795,000 from RMB1,718,524,056 to RMB1,862,319,056.

In combination with the repurchase and cancellation of Restricted Shares granted under the 2019 Restricted Shares Incentive Plan and the issuance of new GDRs, the total share capital of the Company will increase from 1,718,626,656 shares to 1,862,319,056 shares, and the registered capital of the Company will increase from RMB1,718,626,656 to RMB1,862,319,056. As of 31 December 2022, the total share capital of the Company was 1,862,421,656 shares, because the repurchase and cancellation of 102,600 shares was completed on 9 January 2023.

Transfer of changes in shares

Applicable Not applicable

1. On 25 April 2022, the Company convened the 31st meeting of the fifth session of the Board and the 31st meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company repurchased and cancelled 330,620 Restricted Shares granted but not yet unlocked, which were held by a total of 40 Incentive Participants, including Cheng Zhihua, Yang Xiaoping, Yin Liang and Zhang Zhigao (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 218,620 Restricted Shares were held by 28 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Cheng Zhihua, Yang Xiaoping, Yan Shimin and Li Guo, and 112,000 Restricted Shares were held by 13 Incentive Participants of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan, including Yin Liang, Zhang

Zhigao, Hu Yifan and Xu Jiang. The Company completed the registration of repurchase and cancellation of Restricted Shares on 29 June 2022, and the total share capital of the Company decreased from 1,718,957,276 shares to 1,718,626,656 shares.

2. On 11 May 2022, the Company convened the 2021 annual general meeting, at which the 2021 Equity Distribution Plan of the Company was considered and approved, and it was agreed to distribute a cash dividend of RMB0.7 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,957,276 shares as at 31 December 2021. As the Company has repurchased and cancelled a total of 330,620 Restricted Shares granted during the period from 31 December 2021 to the date of application for the implementation of the equity distribution, the Company adjusted the distribution ratio based on the principle that the total distribution amount remains unchanged, and distributed a cash dividend of RMB0.700134 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,626,656 shares after the adjustment. On 8 July 2022, the equity distribution was completed.

As a result of the above equity distribution, the grant price of the First Grant under the 2019 Restricted Shares Incentive Plan of the Company has been adjusted from RMB7.48 per share to RMB7.41 per share, and the grant price of the reserved Restricted Shares has been adjusted from RMB12.77 per share to RMB12.70 per share.

3. On 27 June 2022, the Company convened the 34th meeting of the fifth session of the Board, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and the Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

4. On 14 July 2022, the Company convened the sixth extraordinary general meeting of 2022, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

5. On 25 October 2022, the Company convened the 42nd meeting of the fifth session of the Board and the 42nd meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company will repurchase and cancel 102,600 Restricted Shares granted but not yet unlocked, which were held by a total of 17 Incentive Participants, including Zou Lingyun, Dai Hengwei, Yang Yang and Wang Mo (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 97,600 Restricted Shares were held by 17 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Zou Lingyun, Dai Hengwei, Yang Yang and Li Hangtao, and 5,000 Restricted Shares were held by Wang Mo, an Incentive Participant of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan. Upon completion of the

registration of repurchase and cancellation of Restricted Shares, the total share capital of the Company will decrease from 1,718,626,656 shares to 1,718,524,056 shares.

6. The Global Depositary Receipts (the “GDRs”) were issued by the Company and listed on the SIX Swiss Exchange on 14 November 2022 (Central European Time), with Sunwoda Electronic Co., Ltd. as its full name and SWD as its ticker symbol. The total number of GDRs under the Issuance is 28,759,000, and the corresponding underlying securities are 143,795,000 A Shares of the Company. After the Issuance, the total share capital of the Company will increase from 1,718,524,056 shares to 1,862,319,056 shares.

7. The Company convened the 42nd meeting of the fifth session of the Board on 25 October 2022 and the 9th extraordinary general meeting of 2022 on 15 November 2022, at which the Resolution on Amendments to the Articles of Association was considered and approved. The Company has determined to repurchase and cancel 102,600 Restricted Shares granted under the 2019 Restricted Shares Incentive Plan. Upon completion of the repurchase and cancellation, the total share capital of the Company will decrease by 102,600 shares from 1,718,626,656 shares to 1,718,524,056 shares, and the registered capital of the Company will decrease by RMB102,600 from RMB1,718,626,656 to RMB1,718,524,056.

The number of GDRs issued by the Company is 28,759,000, of which each GDR represents 5 A Shares of the Company, and the corresponding underlying securities are 143,795,000 A Shares, which have been listed on the SIX Swiss Exchange on 14 November 2022. Due to the issuance and listing of GDRs, the total share capital of the Company increased by 143,795,000 shares from 1,718,524,056 shares to 1,862,319,056 shares, and the registered capital of the Company increased by RMB143,795,000 from RMB1,718,524,056 to RMB1,862,319,056.

In combination with the repurchase and cancellation of Restricted Shares granted under the 2019 Restricted Shares Incentive Plan and the issuance of new GDRs, the total share capital of the Company will increase from 1,718,626,656 shares to 1,862,319,056 shares, and the registered capital of the Company will increase from RMB1,718,626,656 to RMB1,862,319,056. As of 31 December 2022, the total share capital of the Company was 1,862,421,656 shares, because the repurchase and cancellation of 102,600 shares was completed on 9 January 2023.

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

Applicable Not applicable

Other information which the Company considered necessary or are required to be disclosed by the securities regulatory authorities

Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

Unit: share

Name of shareholder	Restricted shares at the beginning of the period	Restricted shares increased during the period	Restricted shares released during the period	Restricted shares at the end of the period	Reason for restriction	Date of release from restriction
Wang Wei	99,334,950	0	0	99,334,950	Lock-up shares for senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Cai Di'e	9,021,795	0	0	9,021,795	Lock-up class shares of senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Yao Yuwen	186,850	0	-46,713	140,137	Lock-up class shares of senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Lai Xin	5,767,180	0	-1,441,795	4,325,385	Lock-up class shares of senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Lai Xing	645,007	0	-161,250	483,757	Restricted class shares for senior management and restricted shares under share incentive scheme	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Wang Yu	15,001,957	0	0	15,001,957	Lock-up class shares of senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Wang Hua	3,505,612	0	0	3,505,612	Lock-up class shares of senior management	25% of the total number of shares held at the end of the

						previous year to be unlocked at the beginning of each year
Xiao Guangyu	1,556,797	0	-172,800	1,383,997	Lock-up shares for senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Liang Rui	232,585	0	0	232,585	Lock-up shares for senior management and restricted shares under share incentive scheme	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Zeng Di	624,000	0	0	624,000	Lock-up shares for senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Yuan Huiqiong	2,550	0	0	2,550	Lock-up shares for senior management	25% of the total number of shares held at the end of the previous year to be unlocked at the beginning of each year
Other equity incentive shares	120,784,653	0	-107,036,733	13,747,920	Restricted shares under share incentive scheme	The grant date of the first grant of the restricted shares under the 2019 Restricted Share Incentive Scheme of the Company was determined on 27 December 2019 and the grant completion date was 15 January 2020. The restricted shares can be unlocked in three tranches

						<p>upon satisfaction of the unlocking conditions under the restricted share incentive scheme: the first unlocking period is from 12 months to 24 months after the grant date, and the unlocking quantity is 30% of the total number of the target shares granted; the second unlocking period is from 24 months to 36 months after the grant date, and the unlocking quantity is 30% of the total number of the target shares granted; the third unlocking period is from 36 months to 48 months after the grant date, and the unlocking quantity is 40% of the total number of the target shares granted. The grant date of the reserved restricted shares under the 2019 Restricted Share Incentive Scheme was determined on 4 September 2020 and the grant</p>
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						completion date was 24 September 2020. The reserved portion of the Restricted Shares can be unlocked in two phases after the unlocking conditions stipulated in the Restricted Share Incentive Scheme are fulfilled: the first unlocking period is from 12 months to 24 months after the grant date, and the unlocking quantity is 50% of the total number of the target shares granted; the second unlocking period is from 24 months to 36 months after the grant date, and the unlocking quantity is 50% of the total number of the target shares granted.
Total	256,663,936	0	-108,859,291	147,804,645	--	--

II. Issuance and Listing of Securities

1. Description of issuance of securities (excluding preferred shares) during the Reporting Period

Applicable Not applicable

Name of shares and tis derivative securities	Date of issuance	Issue price (or interest rate)	Number of shares issued	Date of listing	Number of shares approved for listing and trading	Date of termination	Disclosure Index	Date of disclosure
Type of equity								

Issuance of Global Depository Receipts	08 November 2022	US\$15.30	143,795,000	14 November 2022	143,795,000		CNINFO: Announcement dated 15 November 2022 in relation to the Announcement of Sunwoda Electronics Co., Ltd. on the Issuance and Admission of GDRs on the SIX Swiss Exchange	15 November 2022
Convertible corporate bonds, detachable convertible corporate bonds and corporate bonds								
Other derivative securities								

Explanation on the issuance of securities (excluding preference shares) during the reporting period

The Company convened the 34th meeting of the fifth session of the Board on 27 June 2022 and the sixth extraordinary general meeting of 2022 on 14 July 2022, at which the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

On 26 July 2022, the Company received the China Securities Regulatory Commission's Acceptance Notice of the Application for Administrative Permission (Acceptance No.: 221716) from the China Securities Regulatory Commission. On 1 September 2022, the Company received the Approval for the Initial Public Offering and Listing of Global Depository Receipts on the SIX Swiss Exchange by Sunwoda Electronic Co., Ltd. (Zheng Jian Xu Ke [2022] No. 1961) issued by the China Securities Regulatory Commission (the "CSRC"). According to the Approval, the Company shall issue not more than 171,862,665 new underlying A Shares corresponding to the Global Depository Receipts (the "GDRs"), and the corresponding number of GDRs shall not exceed 34,372,533 based on the conversion ratio determined by the Company. If the conversion ratio is adjusted, the number of GDRs to be issued may be adjusted accordingly. Upon completion of the Issuance, the Company's shares can be listed on the SIX Swiss Exchange. During the term of GDRs of the Company, the maximum number of GDRs shall be the same as the number of GDRs finally issued under the Issuance. If the number of GDRs increases or decreases due to the Company's bonus issue, share split or consolidation, adjustment of conversion ratio and other reasons, the maximum number of GDRs shall be adjusted accordingly. On 7 November 2022, the Company was in the process of applying for the issuance and listing of Global Depository Receipts on the SIX Swiss Exchange. The prospectus was approved by the Prospectus Office of the SIX Swiss Exchange on 7 November 2022 (Central European Time). On November 8,

2022, the Company determined that the final price of the Issuance was US\$15.30 per GDR. The number of GDRs under the Issuance was 28,759,000, representing 143,795,000 underlying A Shares of the Company, and the gross proceeds were approximately US\$440 million. There is no over-allotment option in the Issuance.

The GDRs issued by the Company were listed on the SIX Swiss Exchange on 14 November 2022 (Central European Time), with Sunwoda Electronic Co., Ltd. as its full name and SWD as its ticker symbol. The total number of GDRs under the Issuance is 28,759,000, and the corresponding underlying securities are 143,795,000 A Shares of the Company. The gross proceeds from the Issuance are approximately US\$440 million.

2. Explanation on changes in the total number of shares, shareholding structure, and assets and liabilities of the Company

Applicable Not applicable

(I) On 25 April 2022, the Company convened the 31st meeting of the fifth session of the Board and the 31st meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company repurchased and cancelled 330,620 Restricted Shares granted but not yet unlocked, which were held by a total of 40 Incentive Participants, including Cheng Zhihua, Yang Xiaoping, Yin Liang and Zhang Zhigao (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 218,620 Restricted Shares were held by 28 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Cheng Zhihua, Yang Xiaoping, Yan Shimin and Li Guo, and 112,000 Restricted Shares were held by 13 Incentive Participants of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan, including Yin Liang, Zhang Zhigao, Hu Yifan and Xu Jiang. The Company completed the registration of repurchase and cancellation of Restricted Shares on 29 June 2022, and the total share capital of the Company decreased from 1,718,957,276 shares to 1,718,626,656 shares.

(II) On 11 May 2022, the Company convened the 2021 annual general meeting, at which the 2021 Equity Distribution Plan of the Company was considered and approved, and it was agreed to distribute a cash dividend of RMB0.7 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,957,276 shares as at 31 December 2021. As the Company has repurchased and cancelled a total of 330,620 Restricted Shares granted during the period from 31 December 2021 to the date of application for the implementation of the equity distribution, the Company adjusted the distribution ratio based on the principle that the total distribution amount remains unchanged, and distributed a cash dividend of RMB0.700134 for every 10 shares to all shareholders based on the total share capital of the Company of 1,718,626,656 shares after the adjustment. On 8 July 2022, the equity distribution was completed.

As a result of the above equity distribution, the grant price of the First Grant under the 2019 Restricted Shares Incentive Plan of the Company has been adjusted from RMB7.48 per share to RMB7.41 per share, and the grant price of the reserved Restricted Shares has been adjusted from RMB12.77 per share to RMB12.70 per share.

(III) On 27 June 2022, the Company convened the 34th meeting of the fifth session of the Board, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and the Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

(IV) On 14 July 2022, the Company convened the sixth extraordinary general meeting of 2022, at which the Resolution on the Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and Conversion of the Company into an Overseas Subscription Joint Stock Limited Company, the Resolution on the Plan for Issuance and Listing of GDRs on the SIX Swiss Exchange/London Stock Exchange and other resolutions in relation to the Issuance and Listing were considered and approved.

(V) On 25 October 2022, the Company convened the 42nd meeting of the fifth session of the Board and the 42nd meeting of the fifth session of the Board of Supervisors to consider and approve the Resolution on the Repurchase and Cancellation of Part of Restricted Shares Granted to Incentive Participants but Not Yet Unlocked. Pursuant to which, the Company will repurchase and cancel 102,600 Restricted Shares granted but not yet unlocked, which were held by a total of 17 Incentive Participants, including Zou Lingyun, Dai Hengwei, Yang Yang and Wang Mo (one of them owns Restricted Shares under the First Grant and reserved Restricted Shares); among which, 97,600 Restricted Shares were held by 17 Incentive Participants of the First Grant under the 2019 Restricted Shares Incentive Plan, including Zou Lingyun, Dai Hengwei, Yang Yang and Li Hangtao, and 5,000 Restricted Shares were held by Wang Mo, an Incentive Participant of reserved Restricted Shares under the 2019 Restricted Shares Incentive Plan. Upon completion of the registration of repurchase and cancellation of Restricted Shares, the total share capital of the Company will decrease from 1,718,626,656 shares to 1,718,524,056 shares.

(VI) The Global Depository Receipts (the "GDRs") were issued by the Company and listed on the SIX Swiss Exchange on 14 November 2022 (Central European Time), with Sunwoda Electronic Co., Ltd. as its full name and SWD as its ticker symbol. The total number of GDRs under the Issuance is 28,759,000, and the corresponding underlying securities are 143,795,000 A Shares of the Company. After the Issuance, the total share capital of the Company will increase from 1,718,524,056 shares to 1,862,319,056 shares.

(VII) The Company convened the 42nd meeting of the fifth session of the Board on 25 October 2022 and the 9th extraordinary general meeting of 2022 on 15 November 2022, at which the Resolution on Amendments to the Articles of Association was considered and approved. The Company has determined to repurchase and cancel 102,600 Restricted Shares granted under the 2019 Restricted Shares Incentive Plan. Upon completion of the repurchase and cancellation, the total share capital of the Company will decrease by

102,600 shares from 1,718,626,656 shares to 1,718,524,056 shares, and the registered capital of the Company will decrease by RMB102,600 from RMB1,718,626,656 to RMB1,718,524,056.

The number of GDRs issued by the Company is 28,759,000, of which each GDR represents 5 A Shares of the Company, and the corresponding underlying securities are 143,795,000 A Shares, which have been listed on the SIX Swiss Exchange on 14 November 2022. Due to the issuance and listing of GDRs, the total share capital of the Company increased by 143,795,000 shares from 1,718,524,056 shares to 1,862,319,056 shares, and the registered capital of the Company increased by RMB143,795,000 from RMB1,718,524,056 to RMB1,862,319,056.

In combination with the repurchase and cancellation of Restricted Shares granted under the 2019 Restricted Shares Incentive Plan and the issuance of new GDRs, the total share capital of the Company will increase from 1,718,626,656 shares to 1,862,319,056 shares, and the registered capital of the Company will increase from RMB1,718,626,656 to RMB1,862,319,056. As of 31 December 2022, the total share capital of the Company was 1,862,421,656 shares, because the repurchase and cancellation of 102,600 shares was completed on 9 January 2023.

3. Existing internal employee shares

Applicable Not applicable

III. Shareholders and De Facto Controller

1. Number of shareholders and shareholdings of the Company

Unit: share

Total number of ordinary shareholders at the end of the Reporting Period	109,771	Total number of ordinary shareholders at the end of the month prior to the disclosure date of the annual report	122,624	Total number of holders of preferred shares with restored voting rights at the end of the Reporting Period (if any) (see Note 9)	0	Total number of holders of preference shares with voting rights restored as at the end of the month prior to the disclosure date of the annual report (if any) (see Note 9)	0	Total number of shareholders with special voting rights (if any)	0
Shareholdings of shareholders holding more than 5% shares or top ten shareholders									
Name of	Nature	Percentage	Number	Changes	Number	Number of	Pledged, marking or freezing		

shareholder	of shareholder	percentage of shareholding	of shares held at the end of the Reporting Period	during the Reporting Period	of shares held with selling restrictions	shares held without selling restrictions	Status of shares	Number
Wang Mingwang	Domestic natural person	19.43%	361,779,557	-11630000	0	361,779,557	Pledged	65,580,000
Citibank, National Association	Foreign legal person	7.72%	143,795,000	143795000	0	143,795,000		0
Wang Wei	Domestic natural person	7.11%	132,446,600	0	99,334,950	33,111,650	Pledged	15,400,000
Hong Kong Securities Clearing Company Limited	Foreign legal person	3.66%	68,190,594	-39912347	0	68,190,594		0
GF Fund Management Co., Ltd. – Social Security Fund 420 Portfolio	Others	1.09%	20,215,707	9148361	0	20,215,707		0
Wang Yu	Domestic natural person	1.07%	20,002,610	0	15,001,957	5,000,653		0
Shanghai Pudong Development Bank Co., Ltd. – Invesco Great Wall New Energy Industry Equity Securities Investment Fund	Others	1.05%	19,607,465	4637392	0	19,607,465		0
Industrial and Commercial Bank of China Limited – GF Manufacturing	Others	0.97%	18,029,859	13453681	0	18,029,859		0

Selected Hybrid Securities Investment Fund								
Invesco Great Wall Fund. — China Life Insurance Co., Ltd. — Participating Insurance — Invesco Great Wall Fund China Life Growth Equity Portfolio List — Asset Management Plan (available for sale)	Others	0.85%	15,770,018	15770018	0	15,770,018		0
China Life Insurance Company Limited – Traditional – Ordinary insurance product – 005 L-CT001 Shenzhen	Others	0.69%	12,931,141	6001443	0	12,931,141		0
Strategic investors or general legal persons becoming the top 10 shareholders due to placing of new shares (if any) (see Note 4)	Citibank, National Association is the depository bank for overseas investors of the Global Depositary Receipts (GDRs) issued by the Company in 2022. The shareholding period is from November 14, 2022 to the present.							
Related party relationship or acting in concert among the above shareholders	Among the above shareholders, Wang Mingwang and Wang Wei are brothers; Wang Yu is the younger brother of Wang Mingwang and the elder brother of Wang Wei. It is not aware that any remaining shareholders are related to each other or persons acting in concert as required in the Administrative Measures for Information Disclosure of Listed Company.							
Explanation on the	Citibank, National Association is the depository bank for overseas investors of the Global Depositary Receipts (GDRs) issued by the Company in 2022 and is entrusted by overseas investors of GDRs with							

above shareholders' delegation of/ being entrusted with and waiver of voting rights	voting rights.		
Special description for the existence of special repurchase account among the top 10 shareholders (if any) (see Note 10)	Nil		
Shareholding of top 10 shareholders without selling restrictions			
Name of shareholder	Number of shares without selling restrictions held at the end of the Reporting Period	Class of shares	
		Class of shares	Number
Wang Mingwang	361,779,557	RMB ordinary shares	361,779,557
Citibank, National Association	143,795,000	Foreign shares listed overseas	143,795,000
Hong Kong Securities Clearing Company Limited	68,190,594	RMB ordinary shares	68,190,594
Wang Wei	33,111,650	RMB ordinary shares	33,111,650
GF Fund Management Co., Ltd. – Social Security Fund 420 Portfolio	20,215,707	RMB ordinary shares	20,215,707
Shanghai Pudong Development Bank Co., Ltd. – Invesco Great Wall New Energy Industry Equity Securities Investment Fund	19,607,465	RMB ordinary shares	19,607,465
Industrial and Commercial Bank of China Limited – GF Manufacturing Selected Hybrid Securities Investment Fund	18,029,859	RMB ordinary shares	18,029,859
Invesco Great Wall Fund. — China Life Insurance Co., Ltd. — Participating Insurance — Invesco Great Wall Fund China Life Growth Equity Portfolio List — Asset Management Plan (available for sale)	15,770,018	RMB ordinary shares	15,770,018
China Life Insurance Company Limited – Traditional – Ordinary insurance product – 005 L-CT001 Shenzhen	12,931,141	RMB ordinary shares	12,931,141

Bank of Ningbo Co., Ltd.- Invesco Great Wall Growth Leader One-Year Holding Period Hybrid Securities Investment Fund	12,562,528	RMB ordinary shares	12,562,528
Description of connected relationship or concerted action among the top 10 holders of shares without selling restriction, and between the top 10 holders of shares without selling restriction and the top 10 shareholders	Among the above shareholders, Wang Mingwang and Wang Wei are brothers, Wang Yu is the younger brother of Wang Mingwang and the elder brother of Wang Wei. It is not aware that any remaining shareholders are related to each other or persons acting in concert as required in the Administrative Measures for Information Disclosure of Listed Company.		
Description of shareholders involved in margin financing and securities lending business (if any) (see Note 5)	Nil		

Whether the Company has voting rights difference arrangement

Applicable Not applicable

Whether the top 10 ordinary shareholders and the top 10 ordinary shareholders without selling restriction of the Company conduct any agreed repurchase transactions during the Reporting Period.

Yes No

The top 10 ordinary shareholders and the top 10 ordinary shareholders without selling restrictions of the Company did not conduct any agreed repurchase transactions during the Reporting Period.

2. Information on the controlling shareholder of the Company

Nature of controlling shareholder: natural person holding

Type of controlling shareholder: natural person

Name of controlling shareholder	Nationality	Whether has acquired rights of residence in other countries or regions
Wang Mingwang	The PRC	No
Wang Wei	The PRC	No
Principal job and position	<p>Wang Mingwang: male, born in May 1967, Chinese nationality with no permanent residency abroad. He obtained EMBA from Sun Yat-sen University. From July 1991 to June 1993, he worked in Hongkong Jingsen (Shenzhen) Electronics Co., Ltd.*; he founded Shenzhen Jialida Electronic Processing Factory and served as the general manager in November 1993; he co-founded Sunwoda with Wang Wei and served as executive director in December 1997, and served as the chairman and president of Sunwoda in October 2016. He is currently the controlling shareholder and de facto controller of Sunwoda.</p> <p>Wang Wei: male, born in January 1975, Chinese nationality without permanent residency abroad. He graduated from the Executive Master of Business Administration Programme at Tsinghua University. He served as the sales director of Shenzhen Jialida Electronic Processing Factory from September 1994 to December</p>	

	1997. In December 1997, he co-founded Sunwoda with Mr. Wang Mingwang and served as the marketing and sales director of Sunwoda; from August 2008 to October 2016, he was a Director and the vice president of Sunwoda; he has been the Chairman and the president of Sunwoda since October 2016. He is also a deputy to the 13th People's Congress of Guangdong Province, the vice chairman of the Shenzhen Industry and Commerce Association, the standing vice chairman of Shenzhen Entrepreneurs Association and the vice chairman of the Industry and Commerce Association (Chamber of Commerce) of Shiyan Street, Bao'an District.
Shareholdings in other domestic and overseas listed companies controlled or invested during the Reporting Period	Nil

Change of controlling shareholder during the Reporting Period

Applicable Not applicable

There was no change in the controlling shareholder of the Company during the Reporting Period.

3. De facto controller of the Company and parties acting in concert

Nature of actual controller: Domestic natural person

Type of actual controller: Natural person

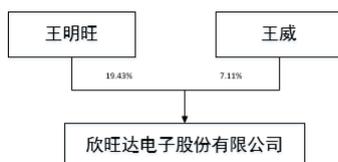
Name of actual controller	Relationship with the de facto controller	Nationality	Whether has acquired rights of residence in other countries or regions
Wang Mingwang	Self	The PRC	No
Wang Wei	Acting in concert (including agreement, relative, common control)	The PRC	No
Principal job and position	<p>Wang Mingwang: male, born in May 1967, Chinese nationality with no permanent residency abroad. He obtained EMBA from Sun Yat-sen University. From July 1991 to June 1993, he worked in Hongkong Jingsen (Shenzhen) Electronics Co., Ltd.*; he founded Shenzhen Jialida Electronic Processing Factory and served as the general manager in November 1993; he co-founded Sunwoda with Wang Wei and served as executive director in December 1997, and served as the chairman and president of Sunwoda in October 2016. He is currently the controlling shareholder and de facto controller of Sunwoda.</p> <p>Wang Wei: male, born in January 1975, Chinese nationality without permanent residency abroad. He graduated from the Executive Master of Business Administration Programme at Tsinghua University. He served as the sales director of Shenzhen Jialida Electronic Processing Factory from September 1994 to December 1997. In December 1997, he co-founded Sunwoda with Mr. Wang Mingwang and served as the marketing and sales director of Sunwoda; from August 2008 to October 2016, he was a Director and the vice president of Sunwoda; he has been the Chairman and the president of Sunwoda since October 2016. He is also a deputy to the 13th People's Congress of Guangdong Province, the vice chairman of the Shenzhen Industry and Commerce Association, the standing vice chairman of Shenzhen Entrepreneurs Association and the vice chairman of the Industry and Commerce Association (Chamber of Commerce) of Shiyan Street, Bao'an District.</p>		
Domestic and overseas listed companies controlled by the Company in the past 10 years	Nil		

Change of de facto controller during the Reporting Period

Applicable Not applicable

There was no change in the de facto controller of the Company during the Reporting Period.

Diagram of the equity and controlling relationship between the Company and the de facto controller



王明旺	Wang Mingwang
王威	Wang Wei
欣旺达电子股份有限公司	Sunwoda Electronics Co., Ltd.

The de facto controller controls the Company through trust or other asset management methods

Applicable Not applicable

4. The accumulated number of pledged shares held by the controlling shareholder or the largest shareholder of the Company and its person acting in concert reached 80%

Applicable Not applicable

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

Applicable Not applicable

6. Restrictions on reduction of shareholding by controlling shareholders, de facto controllers, restructuring parties and other undertaking parties

Applicable Not applicable

IV. Implementation of share repurchase during the Reporting Period

Implementation progress of share repurchase

Applicable Not applicable

Progress of implementation of reduction of repurchase shares by centralised bidding

Applicable Not applicable

Section VIII Preference Shares

Applicable Not Applicable

The Company had no preferred Shares during the reporting period.

Section IX Information on Bonds

Applicable Not applicable

I. Enterprise bonds

Applicable Not applicable

The Company had no enterprise bonds during the Reporting Period.

II. Corporate Bonds

Applicable Not applicable

1. Basic information on Corporate Bonds

Unit: RMB

Name of bond	Bond abbreviation	Bond code	Issue date	Value date	Maturity date	Outstanding amount of the bonds	Interest rate	Payment method	Trading venue
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds)	20 Xin Wang 01	149157	23 June 2020	23 June 2020	23 June 2023	390,000,000.00	3.98%	Bonds of the tranche adopt single interest on annual basis with no compound interest counted. Interest will be paid once a year and the capital will be returned in a lump sum at the date of expiry	Shenzhen Stock Exchange
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional	20 Xin Wang 02	149218	31 August 2020	31 August 2020	31 August 2023	210,000,000.00	3.68%	Bonds of the tranche adopt single interest on annual basis with no	Shenzhen Stock Exchange

al Investors (Second Tranche)								compound interest counted. Interest will be paid once a year and the capital will be returned in a lump sum at the date of expiry	
2020 Corporate Bonds of Sunwoda Electronic s Co., Ltd. Publicly Issued to Professional Investors (Third Tranche)	20 Xin Wang 03	149219	31 August 2020	31 August 2020	31 August 2025	400,000,0 00.00	4.83%	Bonds of the tranche adopt single interest on annual basis with no compound interest counted. Interest will be paid once a year and the capital will be returned in a lump sum at the date of expiry	Shenzhen Stock Exchange
Investor suitability arrangement (if any)	"20 Xin Wang 01", "20 Xin Wang 02" and "20 Xin Wang 03" are publicly issued to professional investors as stipulated in the Administrative Measures for the Issuance and Trading of Corporate Bonds, the Rules Governing the Listing of Corporate Bonds of the Shenzhen Stock Exchange, the Administrative Measures for the Suitability of Securities and Futures Investors and the Administrative Measures for the Suitability of Investors in the Bond Market of the Shenzhen Stock Exchange.								
Applicable trading mechanism	Centralised bidding and block trade								
Whether there are delisting risks (if any) and countermeasures	Nil								

Overdue and outstanding bonds

Applicable Not applicable

2. Triggering and execution of issuer's or investor's option clause or investor protection clause

Applicable Not applicable

1. Bond Offering Prospectus of Corporate Bonds 20 Xin Wang 01. The Bond Offering Prospectus of 2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds)

stipulates that this tranche of bonds has a term of 3 years, with the issuer's option to adjust the coupon rate and the investors' option to sell back at the end of the second year. The issuer did not choose to adjust the coupon rate. The bondholders sold back part of the "20 Xin Wang 01" to Sunwoda Electronic Co., Ltd. The number of bonds sold back was 1,395,000.

According to the Announcement on Repurchase Results of the "20 Xin Wang 01" Corporate Bonds of Sunwoda Electronic Co., Ltd., the Company decided to resell the repurchased bonds in accordance with relevant regulations from 24 June 2022 to 21 July 2022, and the number of bonds to be resold shall not exceed 1,395,000. This tranche resold 1,395,000 bonds with the net weighted average price for resale was RMB100.2773 per bond. The number of bonds resold through the "sale-back and resale" column of the Shenzhen Stock Exchange trading system was 1,395,000. After the completion of the resale of "20 Xin Wang 01" bonds, the remaining bonds under custody of "20 Xin Wang 01" remained at 3,900,000.

2. Bond Offering Prospectus of Corporate Bonds 20 Xin Wang 02. The Bond Offering Prospectus of 2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds) stipulates that this tranche of bonds has a term of 3 years, with the issuer's option to adjust the coupon rate and the investors' option to sell back at the end of the second year. The issuer choose to adjust the coupon rate to 3.68%. The bondholders sold back part of the "20 Xin Wang 02" to Sunwoda Electronic Co., Ltd. The number of bonds sold back was 300,000.

According to the Announcement on the Results of Sale-back of "20 Xin Wang 02" Corporate Bonds of Sunwoda Electronic Co., Ltd., bondholders have registered to sell back "20 Xin Wang 02" of RMB30 million (excluding interest) through the system of Shenzhen Stock Exchange from 3 August 2022 to 5 August 2022, and the sale-back amount of the bonds is RMB30 million (excluding interest), which will be distributed on 31 August 2022. From 1 September 2022 to 29 September 2022, the Company resold 300,000 bonds in accordance with relevant regulations, of which the number of bonds resold through the "sale-back and resale" column of the Shenzhen Stock Exchange trading system was 300,000. After the completion of the resale of "20 Xin Wang 02" bonds, the remaining bonds under custody of "20 Xin Wang 02" remained at 2,100,000.

3. Particulars of intermediary organisations

Bond name	Name of the intermediary organisation	Business address	Name of signing accountant	Contact person of the intermediary organisation	Contact no.
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds); 2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional	Lead underwriter/Bond trustee/Manager: First Capital Investment Banking Co., Ltd.	10/F, Excel Centre, No.6 Wudinghou Street, Xicheng District, Beijing	Chen Yanbo, Lu Zhiqing, Zhong Yu, Song Baojun, Yang Zhiguo	Wang Fei	010-63212001

Investors (Second Tranche); 2020 Corporate Bonds of Sunwoda Electronics Co., Ltd. Publicly Issued to Professional Investors (Third Tranche)					
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds); 2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (Second Tranche); 2020 Corporate Bonds of Sunwoda Electronics Co., Ltd. Publicly Issued to Professional Investors (Third Tranche)	Law Firm: Shu Jin Law Firm	12th Floor, Taiping Finance Tower, No. 6001 Yitian Road, Futian District, Shenzhen	Chen Yanbo, Lu Zhiqing, Zhong Yu, Song Baojun, Yang Zhiguo	Zhang Jiong	0755-88265288
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds); 2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (Second Tranche); 2020 Corporate Bonds	Accounting firm: BDO China Shu Lun Pan Certified Public Accountants LLP	4/F, 61 Nanjing Road East, Huangpu District, Shanghai	Chen Yanbo, Lu Zhiqing, Zhong Yu, Song Baojun, Yang Zhiguo	Yang Zhiguo	0755-82854500

of Sunwoda Electronics Co., Ltd. Publicly Issued to Professional Investors (Third Tranche)					
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds); 2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (Second Tranche); 2020 Corporate Bonds of Sunwoda Electronics Co., Ltd. Publicly Issued to Professional Investors (Third Tranche)	Credit rating agency: CSCI Pengyuan Credit Rating Co., Ltd.	3/F, Yangguang Golf Building, No. 7008 Shennan Boulevard, Futian District, Shenzhen	Chen Yanbo, Lu Zhiqing, Zhong Yu, Song Baojun, Yang Zhiguo	Ma Linli	010-66216006
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds); 2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (Second Tranche); 2020 Corporate Bonds of Sunwoda Electronics Co., Ltd. Publicly	Guarantor of the Bonds: Shenzhen Credit Guarantee Group Co., Ltd.	21JK, Block A, Yueshang Centre, No. 8 Donghuan Second Road, Longhua Sub-district, Longhua District, Shenzhen	Chen Yanbo, Lu Zhiqing, Zhong Yu, Song Baojun, Yang Zhiguo	Chi Zhenhua	0755-27757172

Issued to Professional Investors (Third Tranche)					
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Whether the above institutions changed during the Reporting Period

Yes No

4. Use of proceeds

Unit: RMB

Bond name	Total proceeds	Utilized proceeds	Unutilized proceeds	Operation of special account for proceeds (if any)	Rectification of irregularities in the use of proceeds (if any)	Whether it is consistent with the purpose, intended use and other agreements committed in the offering prospectus
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (First Tranche) (Epidemic Prevention and Control Bonds)	390,000,000.00	390,000,000.00	0.00			Yes
2020 Corporate Bonds of Sunwoda Electronic Co., Ltd. Publicly Issued to Professional Investors (Second Tranche) 2020 Corporate Bonds	210,000,000.00	210,000,000.00	0.00			Yes
2020 Corporate Bonds of Sunwoda Electronics Co., Ltd. Publicly Issued to Professional Investors (Third Tranche)	400,000,000.00	400,000,000.00	0.00			Yes

Proceeds to be used for construction projects

Applicable Not applicable

Change in the use of proceeds from the above bonds during the Reporting Period

Applicable Not applicable

5. Adjustment of credit rating results during the Reporting Period

Applicable Not applicable

6. Implementation of and changes in guarantee, debt repayment plan and other repayment guarantee measures during the Reporting Period and their impacts on the rights and interests of bond investors

Applicable Not applicable

III. Non-financial corporate debt financing instruments

Applicable Not applicable

The Company had no non-financial corporate debt financing instruments during the Reporting Period.

IV. Convertible bonds

Applicable Not applicable

The Company had no convertible bonds during the Reporting Period.

V. The loss in the scope of the consolidated financial statements during the Reporting Period exceeding 10% of the net assets as at the end of the prior year

Applicable Not applicable

VI. Overdue interest-bearing debts other than bonds at the end of the Reporting Period

Applicable Not applicable

VII. Breaches of the regulations during the Reporting Period

Yes No

VIII. Major accounting data and financial indicators of the Company over the past two years as at the end of the Reporting Period

Unit: RMB0'000

Item	As at the end of the Reporting Period	As at the end of the prior year	Increase/decrease as at the end of the reporting period as compared to the end of the prior year
Current ratio	1.1575	1.1008	5.15%
Gearing ratio	64.69%	67.75%	-3.06%
Quick ratio	0.9043	0.7835	15.42%
	The Reporting Period	The corresponding period of	Increase/decrease of the

		the prior year	reporting period as compared to corresponding period of the prior year
Net profit after non-recurring profit or loss	54,265.25	46,736.98	16.11%
Proportion of EBITDA to total debts	10.92%	16.56%	-5.64%
Interest coverage ratio	1.53	3.2	-52.19%
Cash interest coverage ratio	1.70	3.98	-57.29%
EBITDA interest coverage ratio	4.01	5.48	-26.82%
Loan payment ratio	100.00%	100.00%	0.00%
Interest payment ratio	100.00%	100.00%	0.00%

Section X Financial Report

I. Audit report

Type of audit opinion	Standard unqualified opinion
Name of auditor	ShineWing Certified Public Accountants LLP
Name of certified public accountants	Wang Jianxin, Li Wenqian

Text of the Audit Report

I. Opinion

We have audited the financial statements of Sunwoda Electronic Co., Ltd. (“the Company”), which comprise the consolidated and the Company’s balance sheet as at 31 December 2022, the consolidated and the Company’s income statement as at 31 December 2022, the consolidated and the Company’s cash flow statement, and the consolidated and the Company’s statement of changes in shareholders’ equity for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and the Company’s financial position as at 31 December 2022, the consolidated and the Company’s results of operations and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

2. Basis for Opinion

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

3. Key Audit Matters

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

1. Revenue Recognition	
Key Audit Events	Countermeasure in the Process of Audit
The annual revenue of SUNWODA in this year is RMB 52.162 billion, which is increased by RMB 37.359 billion, a year-on-year increase of 39.63%. Revenue is one of key performance indications of the Company and is an important composition of the consolidated income statement, moreover, it has a great impact on the business harvests of the Company. Therefore, there would be inherent risk that some Management would operate the	The audit procedures related to revenue recognition are shown below: (1) Know, evaluate and test the procedures from the approval of customers’ orders to the recognition of operating revenue, and the key internal controls of the Company; (2) Choose samples to check the sales contract, identify the contract terms and conditions related with the customer’s

<p>recognition time of revenue for reaching a specific target or an expectation. Also, there may be potential misstatements whether the revenue recognition enters the accounting during the appropriate period of financial statements or not.</p> <p>Please refer to the Notes to Financial Statements: “4.27 Accounting policies mentioned in 4. Significant accounting policies and accounting estimates of the Company”; “6.48 in 6. Notes to items in the consolidated financial statements” and “16.6 in 16. Notes to major items of financial statements of the Company.</p>	<p>acquisition of control right over relevant commodities or services, and evaluate whether the revenue recognition time of the Company meets the requirements of the <i>Accounting Standards for Business Enterprises</i>;</p> <p>(3) Choose samples and check the supporting documents related with revenue recognition, including sales contracts, purchase orders, sales invoices, goods delivery orders, customer account statements and customs declaration forms; evaluate whether the revenue recognition of the Company meets the accounting policy of revenue recognition;</p> <p>(4) Implement procedures for the confirmation of operating revenue of important customers this year, and the balance of accounts receivable at the end of the year according to the characteristics and nature of customers’ transactions.</p> <p>(5) Select samples, check statements, custom declarations and other supporting documents for the revenue transactions occurred before and after the balance sheet date so as to evaluate whether the revenue is recorded in the appropriate accounting period;</p> <p>(6) Made an analytical review to check the rationality of growth of operating revenue, the changes in gross margin and the ratio of revenue and cost.</p>
<p>2. deferred tax assets Recognition</p>	
<p>Key Audit Events</p>	<p>Countermeasure in the Process of Audit</p>
<p>As of 31 December 2022, the deferred tax assets presented in the consolidated balance sheet of SUNWODA is RMB 763 million. The recognition of deferred tax assets depends on the significant judgment of the Management, who need to assess whether there is sufficient taxable income in the future, and the possibility of generating the above taxable income and the temporary difference in tax response in the future. Since the significant judgment and estimation of the Management are involved in the prediction of the taxable income in the future, we recognize it as a key audit event. Please refer to the Notes to Financial Statements: “4.30 Accounting policies mentioned in 4. Significant accounting policies and accounting estimates of the Company” and “6.22 in 6. Notes to items in the consolidated financial statements”.</p>	<p>The following procedures are included in the audit procedures related to evaluation of the recognition of deferred tax assets.</p> <p>(1) We interviewed the Company's Management to understand the development of each business segment and the company's future business plan.</p> <p>(2) We obtained the Company's forecast on the future earnings approved by the Management, evaluated whether its preparation was in line with the overall trend of the industry and the Company's own situation, whether the selection of key parameters such as sales growth rate and gross profit margin was reasonable, and also evaluated its achievability.</p> <p>(3) We reviewed whether deferred tax assets were recognized to the extent that taxable income that would be likely to be obtained in future periods to offset the deductible losses and deductible temporary differences.</p> <p>(4) We communicated with the Company's tax experts to determine the basis and calculation of the amount of deductible loss, and also reviewed the calculation result.</p> <p>(5) We performed audit procedures such as inspection and recalculation to review the accuracy of accounting treatment related to deferred tax assets to be recognized by the Company.</p>

2. Other Information

The management of SUNWODA (hereinafter referred to as the “Management”) is responsible for the other information. The other information comprises the information included in the *SUNWODA 2022 Annual Report*, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or

otherwise appears to be materially misstated.

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

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

The Management is responsible for the preparation of the financial statements in accordance with Accounting Standards for Business Enterprises to achieve fair presentation; and designing, implementing and maintaining internal control which is necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate SUNWODA or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible to overseeing the Company's financial reporting process.

3. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

During the course of audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also carry out the following works:

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

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

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

(4) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 in accordance with the auditing standards or, if such disclosures are inadequate, we shall 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 the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and also whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within SUNWODA to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance audit of the group. 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 etc., 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 those relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and related safeguards, where applicable.

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

ShineWing Certified Public
Accountants LLP

Certified Public Accountant of China: (Project Partner)

Certified Public Accountant of China:

Beijing, China

April 25, 2023

II. Financial statements

Unit in the notes to the financial statements: RMB

1. Consolidated balance sheet

Prepared by: Sunwoda Electronic Co., Ltd.

Unit: RMB

Item	31 December 2022	1 January 2022
Current assets:		
Cash at bank and on hand	19,354,002,997.18	8,367,662,296.66
Settlement deposits		
Placements with banks and non-bank financial institutions		
Financial assets held for trading	110,000,000.00	
Derivative financial assets		
Notes receivable	984,418,163.36	
Accounts receivable	12,447,604,874.95	8,551,739,821.22
Receivable financing	295,691,269.69	214,371,645.95
Advances to suppliers	428,410,287.53	388,571,701.52
Premiums receivable		
Reinsurance receivables		
Reinsurance contract reserves receivable		
Other receivables	244,180,013.37	241,177,975.56
Including: Interest receivable		
Dividend receivable		
Financial assets held under resale agreements		
Inventories	9,874,546,956.50	7,635,337,445.87
Contract assets	39,856,854.37	
Assets held for sale		
Non-current assets due within one year	106,642,216.22	124,558,611.19
Other current assets	1,263,905,930.80	959,843,597.85
Total current assets	45,149,259,563.97	26,483,263,095.82
Non-current assets:		
Loans and advances to customers		
Creditor's rights investment		
Other creditor's rights investment		
Long-term receivables	285,906,425.24	331,931,851.41
Long-term equity investments	551,292,014.27	216,363,626.87
Other equity instrument investments	91,897,000.00	
Other non-current financial assets	1,102,712,269.61	815,605,738.60
Investment property		
Fixed assets	11,080,076,114.27	8,428,367,873.76
Construction in progress	8,040,856,161.48	2,015,739,313.97
Bearer biological assets		

Oil and gas assets		
Right of use assets	1,634,501,952.85	648,842,691.24
Intangible assets	642,163,181.72	648,196,203.51
Development expenditures		
Goodwill	70,728,600.15	70,728,600.15
Long-term prepaid expenses	3,315,325,774.84	1,417,033,023.87
Deferred tax assets	763,090,339.87	273,540,701.17
Other non-current assets	1,766,653,060.83	1,278,818,713.13
Total non-current assets	29,345,202,895.13	16,145,168,337.68
Total assets	74,494,462,459.10	42,628,431,433.50
Current liabilities:		
Short-term borrowings	8,364,695,082.36	6,296,494,585.04
Borrowings from central bank		
Placements from banks and non-bank financial institutions		
Financial liabilities held for trading	1,144,000,000.00	25,674.94
Derivative financial liabilities		
Notes payable	8,007,783,640.08	3,680,833,300.96
Accounts payable	15,164,888,664.10	9,684,699,872.84
Advances from customers		
Contract liabilities	595,557,798.98	408,878,458.94
Financial assets sold under repurchase agreements		
Deposits from customers and from banks and non-bank financial institutions		
Accounts payable to customers for securities trading		
Funds payable to securities issuers		
Employee benefits payable	860,067,201.61	672,124,282.12
Taxes payable	121,920,887.99	95,563,787.70
Other payables	635,362,745.51	533,265,218.34
Including: Interest payable		
Dividends payable		
Fee and commission payable		
Reinsurance payable		
Liabilities held for sale		
Non-current liabilities due within one year	2,946,074,344.85	1,579,756,235.56
Other current liabilities	1,166,848,518.93	1,105,613,295.10
Total current liabilities	39,007,198,884.41	24,057,254,711.54
Non-current liabilities:		
Reserves for insurance contracts		
Long-term borrowings	3,725,767,354.97	2,204,968,691.24
Bonds payable	387,840,834.27	994,393,616.16

Including: Preferred stocks		
Perpetual debts		
Lease liabilities	1,653,803,908.57	572,228,765.81
Long-term payables	1,537,576,020.75	213,192,010.39
Long-term employees' benefits payable		
Provisions	383,830,770.09	127,493,020.40
Deferred income	676,954,985.84	523,167,839.50
Deferred tax liabilities	202,100,652.31	82,909,399.95
Other non-current liabilities	612,734,542.21	104,716,455.57
Total non-current liabilities	9,180,609,069.01	4,823,069,799.02
Total liabilities	48,187,807,953.42	28,880,324,510.56
Owners' equity:		
Share capital	1,862,421,656.00	1,718,957,276.00
Other equity instrument		
Including: Preferred stocks		
Perpetual debts		
Capital reserves	13,267,875,366.10	7,453,485,081.14
Less: Treasury stocks	106,243,810.70	226,359,606.70
Other comprehensive income	3,802,446.97	-158,017.64
Special reserves		
Surplus reserves	787,749,561.83	638,362,496.61
General risk reserves	3,000,000.00	
Undistributed profits	4,237,639,223.62	3,445,778,924.09
Total equity attributable to owners of the parent company	20,056,244,443.82	13,030,066,153.50
Minority interests	6,250,410,061.86	718,040,769.44
Total owners' equity	26,306,654,505.68	13,748,106,922.94
Total liabilities and owners' equity	74,494,462,459.10	42,628,431,433.50

Legal Representative: Wang Wei Chief Financial Officer: Xiao Guangyu Head of Accounting Department: Liu Jie

2. Balance sheet of the parent company

Unit: RMB

Item	31 December 2022	1 January 2022
Current assets:		
Cash at bank and on hand	6,441,295,965.68	3,587,066,790.04
Financial assets held for trading		
Derivative financial assets		
Notes receivable	321,693,924.39	
Accounts receivable	9,420,174,186.60	8,229,407,771.51
Receivable financing	45,952,778.80	32,152,050.21
Advances to suppliers	69,199,510.00	59,067,303.93
Other receivables	6,687,256,097.84	5,312,253,217.88
Including: Interest receivable		
Dividend receivable		
Inventories	2,226,131,608.52	2,528,724,013.04

Contract assets		
Assets held for sale		
Non-current assets due within one year	29,503,992.70	45,394,873.83
Other current assets	82,958,502.99	92,459,510.47
Total current assets	25,324,166,567.52	19,886,525,530.91
Non-current assets:		
Creditor's rights investment		
Other creditor's rights investment		
Long-term receivables		29,232,081.25
Long-term equity investments	8,746,948,474.98	8,523,809,746.18
Other equity instrument investments	91,897,000.00	
Other non-current financial assets	105,382,554.63	408,132,297.50
Investment property		
Fixed assets	3,005,754,850.09	2,758,099,608.28
Construction in progress	672,017,206.57	277,134,814.46
Bearer biological assets		
Oil and gas assets		
Right of use assets	193,226,141.60	182,825,074.02
Intangible assets	129,577,489.59	138,369,362.61
Development expenditures		
Goodwill		
Long-term prepaid expenses	155,743,377.58	175,797,624.21
Deferred tax assets		13,306,220.38
Other non-current assets	248,036,322.32	145,530,921.92
Total non-current assets	13,348,583,417.36	12,652,237,750.81
Total assets	38,672,749,984.88	32,538,763,281.72
Current liabilities:		
Short-term borrowings	6,277,851,080.51	4,911,820,262.63
Financial liabilities held for trading		25,674.94
Derivative financial liabilities		
Notes payable	2,052,944,796.88	2,886,367,450.86
Accounts payable	5,741,368,651.04	6,086,270,841.44
Advances from customers		
Contract liabilities	220,541,492.91	291,055,443.25
Employee benefits payable	156,570,181.42	134,169,846.22
Taxes payable	16,638,458.42	27,413,112.69
Other payables	1,074,221,633.47	737,815,776.53
Including: Interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	1,650,826,464.07	980,848,851.77

Other current liabilities	89,910,300.07	128,544,255.18
Total current liabilities	17,280,873,058.79	16,184,331,515.51
Non-current liabilities:		
Long-term borrowings	1,215,585,458.99	365,908,883.49
Bonds payable	387,840,834.27	994,393,616.16
Including: Preferred stocks		
Perpetual debts		
Lease liabilities	127,375,139.94	113,222,534.90
Long-term payables		
Long-term employees' benefits payable		
Provisions		
Deferred income	117,024,040.71	125,857,954.06
Deferred tax liabilities	76,792,069.17	
Other non-current liabilities		
Total non-current liabilities	1,924,617,543.08	1,599,382,988.61
Total liabilities	19,205,490,601.87	17,783,714,504.12
Owners' equity:		
Share capital	1,862,421,656.00	1,718,957,276.00
Other equity instrument		
Including: Preferred stocks		
Perpetual debts		
Capital reserves	10,864,687,717.51	7,790,421,632.43
Less: Treasury stocks	106,243,810.70	226,359,606.70
Other comprehensive income		
Special reserves		
Surplus reserves	787,749,561.83	638,362,496.61
Undistributed profits	6,058,644,258.37	4,833,666,979.26
Total owners' equity	19,467,259,383.01	14,755,048,777.60
Total liabilities and owners' equity	38,672,749,984.88	32,538,763,281.72

3. Consolidated income statement

Unit: RMB

Item	Year 2022	Year 2021
I. Total operating income	52,162,269,313.89	37,358,723,512.07
Including: Revenue	52,162,269,313.89	37,358,723,512.07
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating costs	51,244,635,780.24	36,612,070,911.42
Including: Operating costs	44,942,949,296.33	31,871,755,704.21
Interest expenses		
Fee and commission expenses		
Surrenders		
Net claims expenses		

Net provision for insurance contract liabilities		
Policyholder dividends		
Reinsurance expenses		
Tax and surcharges	138,304,386.81	117,529,553.20
Selling expenses	598,186,457.23	280,389,676.14
Administrative expenses	2,148,852,678.31	1,493,521,414.51
Research and development expenses	2,741,803,307.55	2,326,672,631.71
Finance expenses	674,539,654.01	522,201,931.65
Including: Interest expense	655,320,430.19	525,998,966.21
Interest income	210,562,592.57	92,317,193.02
Add: Other income	309,852,605.79	249,229,942.45
Investment income (loss is indicated by “-”)	28,339,633.33	36,981,005.91
Including: Investment income from associates and joint ventures	-8,271,128.79	-13,561,456.64
Gains from derecognition of financial assets measured at amortised cost		
Exchange gain (loss is indicated by “-”)		
Net exposure hedging gains (losses are indicated by “-”)		
Gains from changes in fair value (losses are indicated by “-”)	-45,481,914.94	-23,678,962.06
Credit impairment losses (losses are indicated by “-”)	-144,814,006.88	-16,142,694.16
Impairment losses on assets (losses are indicated by “-”)	-623,880,359.11	-164,566,719.16
Gains on disposal of assets (losses are indicated by “-”)	-21,367,093.01	158,890,193.02
III. Operating profit (loss is indicated by “-”)	420,282,398.83	987,365,366.65
Add: Non-operating income	49,117,845.60	56,634,294.20
Less: Non-operating expenses	29,890,533.59	25,918,476.97
IV. Total profit (total loss expressed with “-”)	439,509,710.84	1,018,081,183.88
Less: Income tax expenses	-318,705,598.67	163,088,227.05
V. Net profit (net loss is indicated by “-”)	758,215,309.51	854,992,956.83
(I) Classified by continuity of operation		
1. Net profit from continuing operations (net loss is indicated by “-”)	758,215,309.51	854,992,956.83
2. Net profit from discontinued operations (net loss is indicated by “-”)		
(II) Classified by ownership		

1. Net profit attributable to shareholders of the parent company	1,063,753,672.60	915,654,084.18
2. Minority interests	-305,538,363.09	-60,661,127.35
VI. Other comprehensive income, net of tax	3,959,046.62	-2,296,591.69
Other comprehensive income attributable to owners of the parent company, net of tax	3,960,464.61	-2,296,566.10
(I) Other comprehensive income that cannot be reclassified into profit or loss		
1. Changes arising from re-measurement of defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of the enterprise's own credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss	3,960,464.61	-2,296,566.10
1. Other comprehensive income that may be reclassified to profit or loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedge reserve		
6. Exchange differences on translation of foreign operations	3,960,464.61	-2,296,566.10
7. Others		
Other comprehensive income attributable to minority interests, net of tax	-1,417.99	-25.59
VII. Total comprehensive income	762,174,356.13	852,696,365.14
Total comprehensive income attributable to owners of the parent company	1,067,714,137.21	913,357,518.08
Total comprehensive income attributable to minority interests	-305,539,781.08	-60,661,152.94
VIII. Earnings per share		
(I) Basic earnings per share	0.62	0.58
(II) Diluted earnings per share	0.62	0.57

For business combination under common control in the current period, the net profit realised by the merged party before the combination is [RMB], and the net profit realised by the merged party in the previous period is [RMB].

Legal Representative: Wang Wei Chief Financial Officer: Xiao Guangyu Head of Accounting Department: Liu Jie

4. Income statement of the parent company

Unit: RMB

Item	Year 2022	Year 2021
I. Revenue	23,427,278,260.63	23,319,267,704.97
Less: Cost of sales	20,539,418,016.86	21,171,656,691.32
Tax and surcharges	32,275,856.21	37,697,753.56
Selling expenses	63,842,260.79	46,589,454.07
Administrative expenses	553,783,664.48	510,439,528.43
Research and development expenses	713,201,456.00	705,461,267.88
Finance expenses	80,421,461.12	-232,109,331.66
Including: Interest expense	335,782,594.35	372,304,107.27
Interest income	289,997,683.53	622,091,175.09
Add: Other income	166,961,136.70	102,629,624.07
Investment income (loss is indicated by “-”)	165,175,310.42	382,708,800.27
Including: Investment income from associates and joint ventures	-4,453,900.99	
Gains from derecognition of financial assets measured at amortised cost (losses are indicated by “-”)		
Net exposure hedging gains (losses are indicated by “-”)		
Gains from changes in fair value (losses are indicated by “-”)	-155,637,374.70	-178,342,155.84
Credit impairment losses (losses are indicated by “-”)	5,558,683.29	-7,896,913.09
Impairment losses on assets (losses are indicated by “-”)	-45,764,009.14	-11,466,524.82
Gains on disposal of assets (losses are indicated by “-”)	-5,298,760.83	-5,270,247.67
II. Operating profit (loss is indicated by “-”)	1,575,330,530.91	1,361,894,924.29
Add: Non-operating income	37,300,724.10	27,265,461.74
Less: Non-operating expenses	7,724,371.66	8,999,403.94
III. Total profit (total loss is indicated by “-”)	1,604,906,883.35	1,380,160,982.09
Less: Income tax expenses	111,036,231.17	56,008,757.24
IV. Net profit (net loss is indicated by “-”)	1,493,870,652.18	1,324,152,224.85
(I) Net profit from continuing operations (net loss is indicated by “-”)	1,493,870,652.18	1,324,152,224.85
(II) Net profit from discontinued operations (net loss is indicated by “-”)		
V. Other comprehensive income, net of tax		
(I) Other comprehensive income that cannot be reclassified into profit or loss		
1. Changes arising from re-		

measurement of defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of the enterprise's own credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that may be reclassified to profit or loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedge reserve		
6. Exchange differences on translation of foreign operations		
7. Others		
VI. Total comprehensive income	1,493,870,652.18	1,324,152,224.85
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated income statement

Unit: RMB

Item	Year 2022	Year 2021
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	52,849,891,785.18	40,671,757,043.99
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from original insurance contract premiums		
Net cash received from reinsurance business		
Net increase in policyholders' deposits and investments		
Cash received from interests, fees and commissions		
Net increase in placements from banks and non-bank financial institutions		
Net increase in repurchase business		

funds		
Net cash received from securities brokerage		
Tax refund received	1,597,850,545.68	563,874,089.60
Cash received from other operating activities	1,309,847,426.98	426,142,761.10
Sub-total of cash inflows from operating activities	55,757,589,757.84	41,661,773,894.69
Cash paid for goods and services	46,697,833,429.65	33,146,216,707.25
Net increase in loans and advances to customers		
Net increase in deposits with central banks and other financial institutions		
Cash paid for original insurance contract claims		
Net increase in placements from banks and non-bank financial institutions		
Cash paid for interest, fees and commissions		
Cash paid for policyholder dividend		
Cash paid to and on behalf of employees	6,088,436,679.33	4,714,150,547.91
Taxes paid	906,420,467.98	846,492,239.64
Cash paid relating to other operating activities	1,506,124,086.98	1,320,746,191.71
Sub-total of cash outflows from operating activities	55,198,814,663.94	40,027,605,686.51
Net cash flows from operating activities	558,775,093.90	1,634,168,208.18
II. Cash flows from investing activities:		
Cash received from disposal of investments	1,272,088,131.01	76,413,757.97
Cash received from investment income	22,074,235.58	174,169,752.07
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	32,763,163.02	204,446,964.09
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	1,326,925,529.61	455,030,474.13
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	9,093,619,076.71	3,860,213,155.35
Cash paid for investments	1,985,414,500.07	340,270,633.71
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	8,313,131.38	80,533.00
Sub-total of cash outflows from investing activities	11,087,346,708.16	4,200,564,322.06
Net cash flows from investing activities	-9,760,421,178.55	-3,745,533,847.93

III. Cash flows from financing activities:		
Cash received from capital contributions	11,505,571,049.10	4,565,392,809.72
Including: Cash received by subsidiaries from minority shareholders' investment	8,387,640,000.87	684,222,600.00
Cash received from borrowings	12,807,938,919.75	10,563,074,895.98
Cash received from other financing activities	2,337,324,048.14	1,178,881,055.50
Sub-total of cash inflows from financing activities	26,650,834,016.99	16,307,348,761.20
Cash paid for repayment of debts	8,229,842,786.29	8,993,991,236.21
Cash payments for distribution of dividends, profits or interest expenses	748,705,497.64	559,106,595.39
Including: Dividends and profits paid to minority shareholders by subsidiaries		3,566,350.96
Cash paid relating to other financing activities	2,791,495,220.48	1,560,275,924.86
Sub-total of cash outflows from financing activities	11,770,043,504.41	11,113,373,756.46
Net cash flows from financing activities	14,880,790,512.58	5,193,975,004.74
IV. Effect of exchange rate changes on cash and cash equivalents	-23,103,484.51	-3,707,664.92
V. Net increase in cash and cash equivalents	5,656,040,943.42	3,078,901,700.07
Add: Opening balance of cash and cash equivalents	5,441,712,417.93	2,362,810,717.86
VI. Cash and cash equivalents at the end of the period	11,097,753,361.35	5,441,712,417.93

6. Cash flow statement of the parent company

Unit: RMB

Item	Year 2022	Year 2021
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	22,988,950,574.45	23,960,334,964.66
Tax refund received	384,578,197.63	521,555,497.42
Cash received from other operating activities	2,631,830,072.86	2,929,579,285.83
Sub-total of cash inflows from operating activities	26,005,358,844.94	27,411,469,747.91
Cash paid for goods and services	22,630,625,995.79	20,711,849,366.39
Cash paid to and on behalf of employees	1,094,826,258.86	1,079,099,249.23
Taxes paid	78,498,462.11	77,387,151.11
Cash paid relating to other operating activities	908,796,081.17	2,363,165,108.37
Sub-total of cash outflows from operating activities	24,712,746,797.93	24,231,500,875.10
Net cash flows from operating activities	1,292,612,047.01	3,179,968,872.81
II. Cash flows from investing activities:		
Cash received from disposal of investments	470,574,469.55	15,392,654.56
Cash received from investment	154,027,300.35	370,523,921.52

income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	20,100,605.97	119,873,538.19
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	644,702,375.87	505,790,114.27
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,473,969,696.12	1,453,393,209.52
Cash paid for investments	619,372,945.37	3,799,992,105.42
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	2,978,596,420.53	
Sub-total of cash outflows from investing activities	5,071,939,062.02	5,253,385,314.94
Net cash flows from investing activities	-4,427,236,686.15	-4,747,595,200.67
III. Cash flows from financing activities:		
Cash received from capital contributions	3,117,931,048.23	3,881,170,209.72
Cash received from borrowings	6,107,794,757.42	5,151,087,065.41
Cash received from other financing activities	967,350,248.14	
Sub-total of cash inflows from financing activities	10,193,076,053.79	9,032,257,275.13
Cash paid for repayment of debts	3,744,987,364.04	5,192,411,618.94
Cash payments for distribution of dividends, profits or interest expenses	442,163,739.26	443,042,040.70
Cash paid relating to other financing activities	279,298,279.50	1,124,110,927.63
Sub-total of cash outflows from financing activities	4,466,449,382.80	6,759,564,587.27
Net cash flows from financing activities	5,726,626,670.99	2,272,692,687.86
IV. Effect of exchange rate changes on cash and cash equivalents	-52,935,229.02	
V. Net increase in cash and cash equivalents	2,539,066,802.83	705,066,360.00
Add: Opening balance of cash and cash equivalents	1,902,975,571.91	1,197,909,211.91
VI. Cash and cash equivalents at the end of the period	4,442,042,374.74	1,902,975,571.91

7. Consolidated statement of changes in equity

Amount for the period

Unit: RMB

Item	Year 2022												Min ority inter	Total own ers'
	Equity attributable to owners of the parent company													
	Shar e	Other equity instrument	Capi tal	Less: Trea	Othe r	Spec ial	Surp lus	Gene ral	Undi strib	Othe rs	Sub-total			

	capital	Preferred shares	Perpetual debts	Others	reserves	surplus stocks	comprehensive income	reserves	reserves	risk reserves	retained profits		estimates	equity	
I. Closing balance of last year	1,718,957,276.00				7,453,485,081.14	226,359,606.70	-158,017.64		638,362,496.61		3,445,778,924.09		13,030,066,153.50	718,040,769.44	13,748,106,922.94
Add: Changes in accounting policies															
Correction of prior period errors															
Business combination under common control															
Others															
II. Opening balance of the year	1,718,957,276.00				7,453,485,081.14	226,359,606.70	-158,017.64		638,362,496.61		3,445,778,924.09		13,030,066,153.50	718,040,769.44	13,748,106,922.94
III. Increase/decrease for the period (decrease is indicated by "-")	143,464,380.00				5,814,390,284.96	-120,115,796.00	3,960,464.61		149,387,065.22	3,000.00	791,860,299.53		7,026,178,290.32	5,532,369,292.42	12,558,547,582.74
(I) Total comprehensive income							3,960,464.61				1,063,753,672.60		1,067,714,137.21	-305,538,363.09	762,175,774.12
(II) Capital contribution and reduction by owners	143,464,380.00				5,814,390,284.96	-120,115,796.00							6,077,970,460.96	5,837,790,765.51	11,915,878,116.47
1. Ordinary shares contribute	143,464,380.00				2,894,138,820.41	-120,115,796.00							3,157,718,996.41	9,187,640,087.08	12,345,358,997.2

d by owners						00								8
2. Capital contribution from holders of other equity instruments														
3. Amount of share-based payment included in owners' equity													180,127,264.67	180,127,264.67
4. Others													2,740,124,199.88	-3,349,732,345.36
(III) Profit distribution									149,387,065.22	3,000,000.00	-271,893,373.07		-119,506,307.85	-119,506,307.85
1. Appropriation to surplus reserve									149,387,065.22		-149,387,065.22			
2. Appropriation to general reserve									3,000,000.00		-3,000,000.00			
3. Distribution to owners (or shareholders)											-119,506,307.85		-119,506,307.85	-119,506,307.85
4. Others														
(IV) Internal carry-forward of owners' equity														
1. Capitalisation of capital														

reserve (or share capital)															
2. Transfer of surplus reserve to capital (or share capital)															
3. Surplus reserve made up for losses															
4. Transfer of changes in defined benefit plan to retained earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Special reserve															
1. Appropriation for the period															
2. Utilisation during the															

period															
(VI) Others															
IV. Closing balance for the period	1,86 2,42 1,65 6.00				13,2 67,8 75,3 66.1 0	106, 243, 810. 70	3,80 2,44 6.97		787, 749, 561. 83	3,00 0,00 0.00	4,23 7,63 9,22 3.62		20,0 56,2 44,4 43.8 2	6,25 0,41 0,06 1.86	26,3 06,6 54,5 05.6 8

Amount for the previous period

Unit: RMB

Item	Year 2021														
	Equity attributable to owners of the parent company													Minority interests	Total owners' equity
	Share capital	Other equity instrument			Capital reserves	Less: Treasury stocks	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Others	Sub-total		
	Preferred shares	Perpetual debts	Others												
I. Closing balance of last year	1,57 4,97 9,03 1.00			72,1 74,0 79.2 5	2,22 8,17 2,56 4.86	368, 614, 935. 00	2,13 8,54 8.46		507, 131, 632. 53		2,80 3,03 9,77 5.29		6,81 9,02 0,69 6.39	328, 375, 231. 40	7,14 7,39 5,92 7.79
Add: Changes in accounting policies									- 1,18 4,35 8.41		- 30,2 26,7 53.7 8		- 31,4 11,1 12.1 9	- 4,92 0,98 5.36	- 36,3 32,0 97.5 5
Correction of prior period errors															
Business combination under common control															
Others															
II. Opening balance of the year	1,57 4,97 9,03 1.00			72,1 74,0 79.2 5	2,22 8,17 2,56 4.86	368, 614, 935. 00	2,13 8,54 8.46		505, 947, 274. 12		2,77 2,81 3,02 1.51		6,78 7,60 9,58 4.20	323, 454, 246. 04	7,11 1,06 3,83 0.24
III. Increase/decrease for the period (decrease is indicated by "-")	143, 978, 245. 00			- 72,1 74,0 79.2 5	5,22 5,31 2,51 6.28	- 142, 255, 328. 30	- 2,29 6,56 6.10		132, 415, 222. 49		672, 965, 902. 58		6,24 2,45 6,56 9.30	394, 586, 523. 40	6,63 7,04 3,09 2.70

(I) Total comprehensive income							- 2,29 6,56 6.10				915, 654, 084. 18		913, 357, 518. 08	- 60,6 61,1 27.3 5	852, 696, 390. 73
(II) Capital contribution and reduction by owners	143, 978, 245. 00			- 72,1 74,0 79.2 5	5,22 5,31 2,51 6.28	- 142, 255, 328. 30							5,43 9,37 2,01 0.33	455, 247, 650. 75	5,89 4,61 9,66 1.08
1. Ordinary shares contributed by owners	91,3 26,2 63.0 0				3,77 1,35 7,68 8.92	- 142, 255, 328. 30							4,00 4,93 9,28 0.22	684, 222, 600. 00	4,68 9,16 1,88 0.22
2. Capital contribution from holders of other equity instruments	52,6 51,9 82.0 0			- 72,1 74,0 79.2 5	1,06 9,54 4,87 5.66								1,05 0,02 2,77 8.41		1,05 0,02 2,77 8.41
3. Amount of share-based payment included in owners' equity					180, 159, 786. 39								180, 159, 786. 39		180, 159, 786. 39
4. Others					204, 250, 165. 31								204, 250, 165. 31	- 228, 974, 949. 25	- 24,7 24,7 83.9 4
(III) Profit distribution									132, 415, 222. 49		- 242, 688, 181. 60		- 110, 272, 959. 11		- 110, 272, 959. 11
1. Appropriation to surplus reserve									132, 415, 222. 49		- 132, 415, 222. 49				
2. Appropriation to general reserve															
3. Distribution to											- 110, 272,		- 110, 272,		- 110, 272,

owners (or shareholders)											959.11		959.11		959.11
4. Others															
(IV) Internal carry-forward of owners' equity															
1. Capitalisation of capital reserve (or share capital)															
2. Transfer of surplus reserve to capital (or share capital)															
3. Surplus reserve made up for losses															
4. Transfer of changes in defined benefit plan to retained earnings															
5. Other comprehensive income carried forward to															

period (decrease is indicated by “-”)						00						
(I) Total comprehen- sive income										1,493, 870,65 2.18		1,493, 870,65 2.18
(II) Capital contribution and reduction by owners	143,46 4,380. 00				3,074, 266,08 5.08	- 120,11 5,796. 00						3,337, 846,26 1.08
1. Ordinary shares contributed by owners	143,46 4,380. 00				2,894, 138,82 0.41	- 120,11 5,796. 00						3,157, 718,99 6.41
2. Capital contribution from holders of other equity instruments												
3. Amount of share- based payment included in owners’ equity					180,12 7,264. 67							180,12 7,264. 67
4. Others												
(III) Profit distribution									149,38 7,065. 22	- 268,89 3,373. 07		- 119,50 6,307. 85
1. Appropriati- on to surplus reserve									149,38 7,065. 22	- 149,38 7,065. 22		
2. Distribution to owners (or shareholders)										- 119,50 6,307. 85		- 119,50 6,307. 85
3. Others												
(IV) Internal carry- forward of owners’ equity												
1. Capitalisatio												

n of capital reserve (or share capital)												
2. Transfer of surplus reserve to capital (or share capital)												
3. Surplus reserve made up for losses												
4. Transfer of changes in defined benefit plan to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Appropriation for the period												
2. Utilisation during the period												
(VI) Others												
IV. Closing balance for the period	1,862,421,656.00				10,864,687,717.51	106,243,810.70			787,749,561.83	6,058,644,258.37		19,467,259,383.01

Amount for the previous period

Unit: RMB

Item	Year 2021
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	Share capital	Other equity instrument			Capital reserves	Less: Treasury stocks	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Others	Total owners' equity
		Preferr ed shares	Perpetual debts	Others								
I. Closing balance of last year	1,574,979,031.00			72,174,079.25	2,769,359,281.46	368,614,935.00			507,131,632.53	3,762,862,161.84		8,317,891,251.08
Add: Changes in accounting policies									-1,184,358.41	-10,659,225.83		-11,843,584.24
Correction of prior period errors												
Others												
II. Opening balance of the year	1,574,979,031.00			72,174,079.25	2,769,359,281.46	368,614,935.00			505,947,274.12	3,752,202,936.01		8,306,047,666.84
III. Increase/decrease for the period (decrease is indicated by "-")	143,978,245.00			-72,174,079.25	5,021,062,350.97	-142,255,328.30			132,415,222.49	1,081,464,043.25		6,449,001,110.76
(I) Total comprehensive income										1,324,152,224.85		1,324,152,224.85
(II) Capital contribution and reduction by owners	143,978,245.00			-72,174,079.25	5,021,062,350.97	-142,255,328.30						5,235,121,845.02
1. Ordinary shares contributed by owners	91,326,263.00				3,771,357,688.92	-142,255,328.30						4,004,939,280.22
2. Capital contribution from holders of other equity instruments	52,651,982.00			-72,174,079.25	1,069,544,875.66							1,050,022,778.41
3. Amount of share-based payment included in owners' equity					180,159,786.39							180,159,786.39

4. Others												
(III) Profit distribution									132,415,222.49	-242,688,181.60		-110,272,959.11
1. Appropriation to surplus reserve									132,415,222.49	-132,415,222.49		
2. Distribution to owners (or shareholders)												
3. Others										-110,272,959.11		-110,272,959.11
(IV) Internal carry-forward of owners' equity												
1. Capitalisation of capital reserve (or share capital)												
2. Transfer of surplus reserve to capital (or share capital)												
3. Surplus reserve made up for losses												
4. Transfer of changes in defined benefit plan to retained earnings												

5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Appropriation for the period												
2. Utilisation during the period												
(VI) Others												
IV. Closing balance for the period	1,718,957,276.00				7,790,421,632.43	226,359,606.70			638,362,496.61	4,833,666,979.26		14,755,048,777.60

III. Basic information of the company

Sunwoda Electronic Co., Ltd. (the “Company” or the “Group”) is a joint stock company changed from a limited company on 15 October 2008 with the approval from Shenzhen Administration for Industry and Commerce, and the approval from Shareholders’ Meeting of the Company. Registration number of its business license is 440306102879581. In April 2011, the Company issued RMB ordinary shares to the public as approved by the China Securities Regulatory Commission with the Document (Zheng Jian Xu Ke [2011] No.481) and got listed in Shenzhen Stock Exchange on 13 April 2011.

As at 31 December 2022, the Company has issued a total of 1,862.4217 million shares with registered capital of RMB1,862.4217 million. Its registration place is Section A and Section B of 1st Floor and 2nd Floor, Section D of 2nd Floor, and 9th Floor of Multi-functional Building, No. 2, Yihe Road, Shilong Community, Shiyan Subdistrict, Baoan District, Shenzhen; while its headquarter is located at No. 2, Yihe Road, Shilong Community, Shiyan Subdistrict, Baoan District, Shenzhen.

The Company’s principal business covers: software development and sales; laboratory tests and technical consulting service of lithium-ion batteries, storage batteries and accumulator batteries; industry development; domestic business, material supply and marketing industry; import and export of goods and technologies; ordinary freight. R&D, manufacturing and sales of batteries, chargers, instrument and apparatus, industrial equipment, automation equipment and production lines; R&D, manufacturing and sales of electronic products; R&D, manufacturing and sales of storage batteries and energy storage system; R&D, production and sales of industrial protective articles and labor protective articles; R&D, production and sales of mobile base stations, communication equipment and electronic touch pens; R&D, production and sales of lithium-ion battery materials, high-performance membrane materials and electrolyte materials.

Ultimate beneficial owners of the Company are Wang Mingwang and Wang Wei.

The financial statements were approved by the Board of the Company on 25 April 2023.

Subsidiaries directly controlled by the Company included in the scope of consolidation financial statements as at 31 December 2022 are as follows:

Name of company
Shenzhen Xinwei Electronic Co., Ltd (“Xinwei Electronic”)
Xinwei (Hong Kong) Electronic Co., Ltd. (“Xinwei Electronic”)
Sunwoda Huizhou New Energy Co., Ltd. (“Huizhou New Energy”)
Shenzhen Sunwoda Electrical Technology Co., Ltd. (“Sunwoda Electrical Technology”)
Shenzhen PTL Testing Technology Co., Ltd. (“PTL”)
Shenzhen Qianhai Hongsheng Technology Co., Ltd. (“Qianhai Hongsheng”)
Dongguan Liwinon Energy Technology Co., Ltd. (“Dongguan Liwinon”)
Shenzhen Sunwoda Energy Technology Co., Ltd. (“Sunwoda Energy Technology”, formerly known as “Shenzhen Sunwoda Integrated Energy Services Co., Ltd.”)
Shenzhen Sunwoda Intelligent Technology Co., Ltd. (“Sunwoda Intelligent Technology”)
Shenzhen Sunwinon Electronic Co., Ltd. (“Shenzhen Sunwinon”)
Shenzhen Xinxiangrong Entrepreneurship Services Co., Ltd. (“Xinxiangrong”)
Shenzhen Sunynn Technology Co., Ltd. (“Shenzhen Sunynn”)
Shenzhen Xindong Energy Technology Co., Ltd. (“Shenzhen Xindong Energy”)
Shenzhen Sunwoda Property Management Co, Ltd. (“Sunwoda Property”)
Zhejiang Sunwoda Electronic Co., Ltd. (“Zhejiang Sunwoda Electronic”)
Zhejiang Xindong Energy Technology Co., Ltd. (“Zhejiang Xindong Energy”)
Huizhou Liwinon New Energy Technology Co., Ltd. (“Huizhou Liwinon”)
Superstar (Shenzhen) Automation Co., Ltd. (“Superstar”)
Shenzhen Sunwoda Resources Development Co., Ltd. (“Sunwoda Resources”)

Subsidiaries indirectly controlled by the Company included in the scope of consolidation financial statements as at 31 December 2022 are as follows:

Name of company
Sunwoda Europe GmbH (“Sunwoda Germany”)
Sunwoda electronic India private limited (“Sunwoda India”)
Sinaean Electronic Co., Limited (“Sinaean Electronic”)

Name of company
Santo Electronic Co., Limited (“Santo Electronic”)
Sunwoda Electric Vehicle Battery Co., Ltd. (“Sunwoda Electric Vehicle Battery”)
Sunwoda (Liuzhou) New Energy Co., Ltd. (“Sunwoda Liuzhou”)
Sunwoda (Putian) New Energy Co., Ltd. (“Putian Sunwoda”)
Sunwoda Huizhou Power New Energy Co., Ltd. (“Power New Energy”)
Nanjing Sunwoda New Energy Co., Ltd. (“Nanjing Sunwoda”)
Nanchang Sunwoda New Energy Co., Ltd. (“Nanchang Sunwoda”)
Xinneng Nanjing Energy Technology Co., Ltd. (“Xinneng Nanjing”)
Huizhou Sunwoda Intelligent Industry Co., Ltd. (“Huizhou Intelligent Industry”)
Shenzhen Qianhai Dianjin Factoring Co., Ltd. (“Dianjin Factoring”)
Shenzhen Yisheng Investment Co., Ltd. (“Yisheng Investment”)
Shenzhen Green Energy Technology Co., Ltd. (“Green Energy”)
Huizhou Winone Precision Technology Co., Ltd. (“Winone Precision”, formerly known as “Huizhou Winone Precision Technology Co., Ltd.”)
Winone Precision (HK) Co., Limited (“Winone HK”)
Winone Precision Technology India Private Limited (“Winone India”)
Dongguan Hongsheng Technology Co., Ltd. (“Dongguan Hongsheng Technology”)
Haixi Yueshan Membrane Separation Technology Co., Ltd. (“Haixi Yueshan Membrane”)
Shenzhen Xihuicai Technology Co., Ltd. (“Xihuicai”)
Yuzhou Yuke PV Power Co., Ltd. (“Yuke PV”)
Qinghai Sunwoda New Energy Co., Ltd. (“Qinghai New Energy”)
Huizhou Sunwoda Energy Technology Co., Ltd. (“Huizhou Energy Technology”)
Huizhou Sunwinon Electronic Co, Ltd. (“Huizhou Sunwinon”)
Dongguan Sunwoda Intelligent Hardware Co., Ltd. (“Dongguan Intelligent Hardware”)
Hunan Sunwinon Electronic Co., Ltd. (“Hunan Sunwinon”)
Shenzhen Xinwei Intelligence Co., Ltd. (“Xinwei Intelligence”)
Huizhou Xinwei Intelligent Technology Co., Ltd. (“Xinwei Intelligence”)
Tianmu Electronics Co., Ltd. (“Tianmu Electronics”)
Hunan Sunynn Technology Co., Ltd. (“Hunan Sunynn”)
Huizhou Xindong Energy Technology Co., Ltd. (“Huizhou Xindong Energy”)
Huizhou Xindong Energy Technology Co., Ltd. (“Huizhou Liwinon Electronics”)
Dongguan Liwinon Microelectronics Technology Co., Ltd. (“Dongguan Liwinon Microelectronics”)

Name of company
Zhejiang Liwinon Energy Technology Co., Ltd. (“Zhejiang Liwinon”)
Zhejiang Liwinon Electronics Technology Co., Ltd. (“Zhejiang Liwinon”)
Shenzhen Huaxin Zhilian Software Technology Co., Ltd. (“Huaxin Zhilian”)
Nanchang Sunwoda Property Management Co., Ltd. (“Nanchang Sunwoda Property”)
Shandong Sunwoda New Energy Co., Ltd. (“Shandong Sunwoda”)
Nanjing PTL Testing Technology Co., Ltd. (“Nanjing PTL”)
Deyang Sunwoda New Energy Co., Ltd. (“Deyang Sunwoda”)
Zhuhai Sunwoda New Energy Co., Ltd. (“Zhuhai Sunwoda”)
Huizhou PTL Testing Technology Co., Ltd. (“Huizhou PTL”)
Huizhou Yingchuang Precision Technology Co., Ltd. (“Yingchuang Precision”)
Shenzhen Sunwoda Smart Energy Co., Ltd. (“Smart Energy”)
Shandong Xingtaotou Energy Development Co., Ltd. (“Shandong Xingtaotou”)
Shandong Xinneng Power Service Co., Ltd. (“Shandong Xinneng Power”)
Shandong Xinzhi New Energy Co., Ltd. (“Shandong Xinzhi New Energy”)
Zaozhuang Xinyue New Energy Co., Ltd. (“Zaozhuang Xinyue”)
Zaozhuang Xinding New Energy Co., Ltd. (“Zaozhuang Xinding”)
Shenzhen Xinwei Zhiwang Technology Co., Ltd. (“Xinwei Zhiwang”)
Shenzhen Xinyi Zhilian Technology Co., Ltd. (“Xinyi Zhilian”)
Shenzhen Xinzhi Wangjia Technology Co., Ltd. (“Xinzhi Wangjia”)
Hong Kong Xinzhiwang Electronics Co., Ltd. (“Hong Kong Xinzhiwang”)
Zhuhai Sunwinon Electronic Co., Ltd. (“Zhuhai Sunwinon”)
Zhejiang Lixin Energy Technology Co., Ltd. (“Zhejiang Lixin”)
Hubei Dongyu Xinsheng New Energy Co., Ltd. (“Hubei Dongyu Xinsheng”)
Zhejiang Sunwoda Power Battery Co., Ltd. (“Zhejiang Sunwoda Power”)
Shenzhen Bosheng Investment Partnership (Limited Partnership) (“Bosheng Investment”)
Guangdong Wanhong Power Engineering Co., Ltd. (“Wanhong Power”)
Zaozhuang Sunwoda Venture Capital Partnership (Limited Partnership) (“Zaozhuang Sunwoda Venture Capital”)
Superstar (Shandong) Intelligent Equipment Co., Ltd. (“Superstar Shandong”)
Sunwoda Japan New Energy Co., Ltd. (“Japan New Energy”)

For details of the subsidiaries of the Group, please refer to Note “IX. Interests in other entities”.

For details of changes in the scope of consolidation during the reporting period, please refer to Note “VIII. Changes in the scope of consolidation” in this note.

IV. Basis of preparation of financial statements

1. Basis of preparation

The financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standards and the specific accounting standards, application guidelines of the Accounting Standards for Business Enterprises, interpretations of the Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as the “Accounting Standards for Business Enterprises”) and the relevant provisions of the Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reporting issued by the China Securities Regulatory Commission.

2. Going concern

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

The Group expects to have the ability to continue as a going concern in the next 12 months and there is no event that may affect the ability to continue as a going concern. The Group’s financial statements have been prepared on a going concern basis.

V. Significant accounting policies and accounting estimates

Specific accounting policies and accounting estimates:

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

The financial statements are in compliance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance, and truly and completely present the consolidated and the parent company’s financial position of the Group as at 31 December 2022 and of their financial performance and cash flows for the year then ended.

2. Accounting period

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

3. Operating cycle

The operating cycle of the Group is 12 months.

4. Functional currency

The Group adopts RMB as its functional currency.

5. Accounting treatment for business combination under common control and not under common control

Business combinations involving entities under common control: The assets and liabilities acquired by the acquirer in a business combination (including goodwill arising from the acquisition of the acquiree by the ultimate controlling party) are measured at the carrying amounts of the assets and liabilities of the acquiree in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate par value of shares issued) is adjusted to share premium in capital reserve. If the share premium in capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business combination not under common control: The combination cost is the fair value of assets paid, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree on the acquisition date. Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill; where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in current profit or loss. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria acquired in a business combination are measured at fair value at the acquisition date.

Transaction costs that are directly attributable to the business combination are recognised in profit or loss in the period in which they are incurred. Transaction costs that are attributable to the issue of equity or debt securities for the business combination are included in the initially recognised amount of the equity or debt securities.

6. Preparation of consolidated financial statements

The consolidation scope of the consolidated financial statements is determined on the basis of control. The consolidation scope includes the Company and all its subsidiaries. Control is achieved when the Company has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Company regards the entire enterprise group as an accounting entity and prepares consolidated financial statements in accordance with unified accounting policies to reflect the overall financial position, operating results and cash flows of the enterprise group. The effects of internal transactions between the Company and its subsidiaries and between subsidiaries are eliminated. If an internal transaction indicates that an impairment loss on the relevant asset has occurred, the loss is fully recognised. If the accounting policies and accounting periods adopted by the subsidiaries are inconsistent with those of the Company, necessary adjustments shall be made in accordance with the accounting policies and accounting period of the Company when preparing the consolidated financial statements.

The share of owners' equity, net profit or loss for the current period and comprehensive income for the current period of subsidiaries attributable to minority shareholders are separately presented under owners' equity in the consolidated balance sheet, net

profit in the consolidated income statement and total comprehensive income respectively. When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess is allocated against minority interests.

(1) Addition of subsidiaries or business

During the reporting period, if the subsidiary or business is added due to the business combination under common control, the operating results and cash flows of the subsidiary or business combination from the beginning of the current period to the end of the reporting period shall be included in the consolidated financial statements, and the opening balance of the consolidated financial statements and relevant items in the comparative statements shall be adjusted as if the reporting entity after the combination has been in existence since the ultimate controlling party began to control.

Where control can be exercised on the investee under common control for additional investment or other reasons, equity investments held before the control over the acquiree is obtained, the related profits or losses, other comprehensive income as well as other changes in net assets recognized from the later between the date when the original equity is obtained and the date when the acquirer and the acquiree are under common control to the combination date will respectively write down the beginning retained earnings or current profit or loss for comparing financial statements.

During the Reporting Period, for the acquisition of subsidiaries or businesses due to business combination not under common control, the identifiable assets, liabilities and contingent liabilities determined on the acquisition date shall be included in the consolidated financial statements from the acquisition date based on the fair value.

If the control over the investee not under common control can be implemented due to additional investment and other reasons, the equity of the acquiree held before the acquisition date shall be remeasured at the fair value of the equity on the acquisition date, and the difference between the fair value and the book value shall be included in the current investment income. Other comprehensive income that may be reclassified to profit or loss in subsequent periods related to the equity of the acquiree held before the acquisition date and other changes in owners' equity under the equity method shall be transferred to investment income for the current period on the acquisition date.

(2) Disposal of subsidiaries

1) General treatment

When the control over the investee is lost due to the disposal of part of the equity investment or other reasons, the remaining equity investment after disposal is remeasured at its fair value on the date when the control is lost. The difference between the sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity, less the sum of the share of the net assets of the original subsidiary calculated continuously from the acquisition date or the combination date and the goodwill calculated according to the original shareholding ratio, is included in the investment income for the period when the control is lost. Other comprehensive income that can be reclassified subsequently to profit or loss related to the equity investment of the original subsidiary and other changes in owner's equity under the equity method shall be transferred to investment income for the current period when control is lost.

2) Disposal of subsidiaries in stages

For disposal of equity investment in a subsidiary in stages through multiple transactions until the loss of control, the terms, conditions and economic effects of each transaction of disposal of equity investment in a subsidiary meet one or more of the following conditions, which generally indicate that such multiple transactions are a package transaction: ① These transactions are entered into at the same time or after taking into account the impact of each other; ② These transactions as a whole can achieve a complete business result; ③ The occurrence of one transaction depends on the occurrence of at least one other transaction; ④ One transaction is individually uneconomical, but it is economical when considered together with other transactions.

If each transaction belongs to a package deal, accounting treatment shall be conducted for each transaction as a transaction that disposes of a subsidiary and loses control; before loss of control, the difference between each disposal price and the share of the net assets of the subsidiary corresponding to the disposal of investment shall be recognised as other comprehensive income in the consolidated financial statements, and shall be transferred to the profit or loss for the period when control is lost.

If each transaction does not belong to a package deal, the accounting treatment for partial disposal of equity investment in a subsidiary without losing control shall be conducted before the control is lost; when the control is lost, the accounting treatment shall be conducted according to the general treatment method for disposal of subsidiaries.

3) Acquisition of minority interests in subsidiaries

The share premium in the capital reserve in the consolidated balance sheet will be adjusted according to the difference between the long-term equity investment newly acquired due to the purchase of minority interests and the share of net assets of the subsidiary calculated continuously from the acquisition date or combination date according to the new shareholding ratio. If the share premium in the capital reserve is insufficient to offset, the retained earnings will be adjusted.

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

The difference between the disposal price and the share of net assets of the subsidiary continuously calculated from the acquisition date or combination date corresponding to the disposal of long-term equity investment shall be adjusted to share premium in the capital reserve in the consolidated balance sheet. If the share premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

7. Classification of joint arrangements and accounting treatment for joint operations

Joint arrangements are classified into joint operations and joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group recognises the following items in relation to its interest in a joint operation:

- (1) the Group's solely-held assets, and its share of any assets held jointly;

- (2) the Group's liabilities, including its share of any liabilities incurred jointly;
- (3) its revenue from the sale of its share of the output arising from the joint operation;
- (4) its share of the revenue from the sale of the output by the joint operation;
- (5) the solely-incurred expenses, and the Group's share of any expenses incurred jointly.

The Group's investments in joint ventures are accounted for using the equity method. For details, please refer to Note "V. 22. Long-term equity investments".

8. Criteria for determining cash and cash equivalents

Cash comprises the Company's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents refer to the Company's short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transactions

The Group's foreign currency transactions are translated into RMB at the spot exchange rate on the transaction date. The balance of foreign currency monetary items on the balance sheet date shall be translated at the spot exchange rate on the balance sheet date. The exchange difference arising therefrom shall be included in current profit or loss, except for the exchange difference arising from the special foreign currency borrowings related to the acquisition and construction of assets eligible for capitalization, which shall be treated in accordance with the principle of capitalization of borrowing costs.

(2) Translation of foreign currency financial statements

The asset and liability items in the balance sheet are translated at the spot exchange rate on the balance sheet date; the owner's equity items, except for the item of "undistributed profit", are translated at the spot exchange rate at the time of occurrence. Income and expenses in the income statement are translated at the spot exchange rate on the transaction date. On disposal of a foreign operation, the exchange differences arising from the translation of the financial statements denominated in foreign currency relating to that foreign operation are transferred from owners' equity to profit or loss for the period in which the disposal occurs.

10. Financial instruments

A financial asset, financial liability or equity instrument is recognised when the Group becomes a party to the financial instrument contract.

(1) Classification of financial instruments

According to the Company's business model for managing financial assets and the contractual cash flow characteristics of financial assets, financial assets are classified at initial recognition as: financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss.

The Company shall classify financial assets that meet the following conditions and are not designated as financial assets at fair value through profit or loss as financial assets measured at amortised cost: 1) The business model is to collect contractual cash flows; 2) The contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company shall classify financial assets that meet the following conditions and are not designated as financial assets at fair value through profit or loss into financial assets at fair value through other comprehensive income (debt instruments): 1) The business model is to collect contractual cash flows and sell the financial assets; 2) The contractual cash flows are solely payments of principal and interest on the principal amount outstanding. For non-trading equity instrument investments, the Company may irrevocably designate them as financial assets (equity instruments) measured at fair value through other comprehensive income at initial recognition. This designation is made on an investment-by-investment basis, and such investments meet the definition of equity instruments from the issuer's perspective.

Except for the above financial assets measured at amortised cost and at fair value through other comprehensive income, the Company classifies all other financial assets as financial assets at fair value through profit or loss. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are classified into the following categories at initial recognition: financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost.

Financial liabilities that meet one of the following conditions can be designated as financial liabilities at fair value through profit or loss at the time of initial measurement: 1) Such designation can eliminate or significantly reduce accounting mismatches; 2) According to the enterprise risk management or investment strategy stated in the official written documents, the management and performance evaluation of the financial liability portfolio or the financial asset and financial liability portfolio on the basis of fair value, and report to key management personnel on this basis within the enterprise; 3) Such financial liabilities include embedded derivatives that need to be separated.

(2) Recognition and measurement of financial instruments

1) Financial assets measured at amortised cost

Financial assets measured at amortised cost include notes receivable, accounts receivable, other receivables, long-term receivables, debt investment, etc., which are initially measured at fair value, and relevant transaction costs are included in the initial recognition amount; accounts receivable that do not contain significant financing components and accounts receivable that the

Company has decided not to consider the financing components not exceeding one year are initially measured at the contract transaction price.

Interest calculated using the effective interest method during the holding period is included in current profit or loss.

When recovered or disposed of, the difference between the consideration received and the carrying amount of the financial asset is recognised in current profit or loss.

2) Financial assets at fair value through other comprehensive income (debt instruments)

Financial assets (debt instruments) measured at fair value through other comprehensive income include receivables financing and other debt investments, which are initially measured at fair value, and related transaction costs are included in the initial recognition amount. The financial assets are subsequently measured at fair value. Changes in fair value are recognised in other comprehensive income, except for interest, impairment losses or gains and foreign exchange gains and losses calculated using the effective interest method.

On derecognition, the cumulative gains or losses previously included in other comprehensive income are transferred from other comprehensive income to current profit or loss.

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

Financial assets (equity instruments) measured at fair value through other comprehensive income, including other equity instrument investments, are initially measured at fair value, and related transaction costs are included in the initial recognition amount. The financial assets are subsequently measured at fair value with changes in fair value recognised in other comprehensive income. Dividends are recognised in current profit or loss.

Upon derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income and included in retained earnings.

4) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, derivative financial assets and other non-current financial assets, which are initially measured at fair value, and related transaction costs are included in current profit or loss. The financial assets are subsequently measured at fair value with changes in fair value recognised in current profit or loss.

5) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and derivative financial liabilities, which are initially measured at fair value, and related transaction costs are included in current profit or loss. The financial liability is subsequently measured at fair value with changes in fair value recognised in current profit or loss.

On derecognition, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

6) Financial liabilities measured at amortised cost

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

Interest calculated using the effective interest method during the holding period is included in current profit or loss.

On derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognised in profit or loss.

(3) Derecognition and transfer of financial assets

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

When a transfer of a financial asset occurs, if substantially all the risks and rewards of ownership of the financial asset are retained, the financial asset is not derecognised.

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

The Company divides the transfer of financial assets into the overall transfer and partial transfer of financial assets. For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred; and (2) the sum of the consideration received from the transfer and any cumulative changes in fair value that has been recognised directly in equity (where the financial asset transferred is a financial asset (debt instrument) measured at fair value through other comprehensive income).

If a part of the financial asset qualifies for derecognition, the carrying amount of the transferred financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the respective fair values of those parts. The difference between 1) the carrying amount allocated to the part derecognised; and 2) the sum of the consideration received for the part derecognised and any cumulative changes in fair value allocated to the part derecognised which has been previously recognised directly in equity (where the transferred financial asset is a financial asset (debt instrument) measured at fair value through other comprehensive income).

If the transfer of financial assets does not meet the conditions for derecognition, the financial assets shall continue to be recognised, and the consideration received shall be recognised as a financial liability.

(4) Derecognition of financial liabilities

If all or part of the current obligation of a financial liability has been discharged, the financial liability or part of it shall be derecognised. If the Company signs an agreement with the creditor to replace the existing financial liability with a new financial liability, and the contract terms of the new financial liability and the existing financial liability are substantially different, the existing financial liability shall be derecognized and the new financial liability shall be recognised at the same time.

If all or part of the contract terms of an existing financial liability are substantially modified, the existing financial liability or part of it is derecognised, and the financial liability after the modification of terms is recognised as a new financial liability.

On derecognition of a financial liability in its entirety or in part, the difference between the carrying amount of the financial liability derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) is recognised in profit or loss.

If the Company repurchases part of the financial liabilities, the book value of the financial liabilities as a whole shall be allocated based on the relative fair value of the continuing recognised part and the derecognised part on the repurchase date. The difference between the carrying amount allocated to the part that is derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) is recognised in current profit or loss.

(5) Determination of fair value of financial assets and financial liabilities

If there is an active market for a financial instrument, the quoted price in the active market shall be used to determine its fair value. If there is no active market for a financial instrument, the fair value is determined using valuation techniques. In valuation, the Company adopts valuation techniques that are applicable in the current situation and are supported by sufficient available data and other information, selects inputs that are consistent with the characteristics of the assets or liabilities considered by market participants in the transaction of relevant assets or liabilities, and gives priority to the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are not available or are not feasible.

(6) Offsetting financial assets and financial liabilities

The Company's financial assets and financial liabilities are presented separately in the balance sheet and are not offset. However, a financial asset and a financial liability should be offset when, and only when, both of the following conditions are satisfied: (1) the Group currently has a legally enforceable right to set off the recognised amounts; and (2) the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(7) Test method and accounting treatment of impairment of financial assets

Based on expected credit losses, the Company performs impairment accounting treatment and recognises loss provision for the following items: ① Financial assets at amortised cost; ② Financial assets at fair value through other comprehensive income (debt instruments); ③ Lease receivables; ④ Contract assets

The Company considers reasonable and supportable information about past events, current conditions and forecasts of future economic conditions, and calculates the probability-weighted amount of the present value of the difference between the cash flow receivable from the contract and the cash flow expected to be received based on the risk of default as the weight, and recognises the expected credit loss.

If the credit risk of the financial instrument has increased significantly since the initial recognition, the Company measures its loss allowance at an amount equal to the lifetime expected credit losses of the financial instrument; if the credit risk of the financial instrument has not increased significantly since the initial recognition, the Company measures its loss allowance at an amount equal to the next 12 months expected credit losses of the financial instrument. The increase or reversal of the loss provision resulting therefrom is included in the current profit or loss as an impairment loss or gain.

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Company compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition to determine the relative change in the default risk of financial instruments during the expected duration. Generally overdue for more than 30 days, the Company considers that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition.

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

If there is objective evidence that a financial asset is credit-impaired, the Company makes provision for impairment of the financial asset on an individual basis.

For receivables and contract assets arising from transactions regulated by the Accounting Standards for Business Enterprises No. 14 – Revenue (2017), regardless of whether they contain significant financing components, the Company always measures its loss provision based on the amount of lifetime expected credit losses.

For lease receivables, the Company chooses to always measure its loss allowance at an amount equal to lifetime expected credit losses.

When an individual financial asset is unable to assess the information of expected credit losses at a reasonable cost, the Group classifies the accounts receivable portfolio based on credit risk characteristics and calculates the expected credit losses on a portfolio basis.

Portfolio	Basis for determining the portfolio
Accounts Receivable Portfolio 1	Consumer Business Portfolio
Accounts receivable Portfolio 2	Power Battery Business Portfolio
Other Receivables Portfolio 1	Portfolio of deposits and security deposits receivable
Other receivables Portfolio 2	Portfolio of Receivables from Related Parties

Other Receivables Portfolio 3	Other Receivables Portfolio
Contract Assets Portfolio 1	Portfolio of energy storage system and automation equipment

For accounts receivable classified as a portfolio, the Company refers to the historical credit loss experience, combined with the current situation and the forecast of future economic conditions, and prepares a comparison table of the overdue days of accounts receivable and the lifetime expected credit loss rate to calculate the expected credit loss.

For other receivables divided into portfolios, the Company calculates the expected credit loss by referring to the historical credit loss experience, combining with the current situation and the forecast of future economic conditions, and based on the default risk exposure and the expected credit loss rate in the next 12 months or the entire duration.

11. Notes receivable

Please refer to Note “V. 10. Financial instruments”

12. Accounts receivable

Please refer to Note “V. 10. Financial instruments”

13. Receivable financing

Please refer to Note “V. 10. Financial instruments”

14. Other receivables

Determination and accounting treatment of expected credit losses of other receivables

Please refer to Note “V. 10. Financial instruments”

15. Inventories

(1) Classification and cost of inventories

Inventories are classified into raw materials, work in progress, finished goods, goods in transit, semi-finished goods and low-value consumables.

Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

(2) Valuation method of inventories in transit

Inventories are valued according to the weighted average method of the first-in, first-out method when it is transferred out.

(3) Basis for determining the net realisable value of different types of inventories

Net realisable value of inventory of goods directly held for sale, such as finished goods, inventories and materials held for sale, is determined by the estimated selling price less estimated selling expenses and related taxes and surcharges in the normal production and operation process. Net realisable value of inventory of materials that need to be processed is determined by the estimated selling price of finished goods less estimated costs to completion, estimated selling expenses and related taxes and surcharges in the normal production and operation process. Net realisable value of inventory held for execution of sales contracts or labour contracts is calculated on the basis of the contract price. If the quantity of inventory held exceeds the quantity ordered in the sales contract, the net realisable value of the excess inventory is calculated on the basis of the general selling price.

At the end of the period, the provision for decline in value of inventories is made on an item-by-item basis. However, for inventories with large quantity and low unit price, the provision for decline in value of inventories is made according to the category of inventories. For inventories that are related to a product line that is produced and marketed in the same region and have the same or similar end uses or purposes, and are difficult to measure separately from other items, the provision for decline in value of inventories is made on an aggregate basis.

Unless there is clear evidence that the market price is abnormal on the balance sheet date, the net realisable value of inventory items is determined based on the market price on the balance sheet date.

The net realisable value of inventory items at the end of the period is determined based on the market price on the balance sheet date.

(4) Inventory system

The perpetual inventory system is adopted.

(5) Amortisation method of low-value consumables and packaging materials

1) Low-value consumables are amortised using the one-off write-off method

2) Packaging materials are are amortised using the one-off write-off method

16. Contract assets

(1) Recognition methods and standards for contract assets

The Group presents a contract asset or a contract liability in the balance sheet based on the relationship between the Group's performance and the customer's payment. A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time. Contract assets and contract liabilities under the same contract are presented on a net basis. The Group's unconditional (only depends on the passage of time) right to receive consideration from customers is separately presented as receivables.

(2) Determination and accounting treatment of expected credit loss of contract assets

For the determination method and accounting treatment of expected credit loss of contract assets, refer to Note "V.10 (7), Test method and accounting treatment of impairment of financial assets" 2. Description of accounts receivable

17. Contract costs

If the costs incurred by the Group in fulfilling a contract are not within the scope of relevant standards such as inventory, fixed assets or intangible assets, the costs shall be recognised as an asset as the costs to fulfil a contract when the following conditions are met: 1) the costs relate directly to a contract or to an anticipated contract that the Group will acquire; 2) the costs enhance resources of the Group that will be used in satisfying performance obligations in the future; and 3) the costs are expected to be recovered.

If the incremental costs incurred by the Group to obtain a contract are expected to be recovered, the contract acquisition costs are recognised as an asset. Assets related to contract costs are amortised on the same basis as the revenue recognition of the goods or services related to the asset. However, if the amortisation period of the contract acquisition cost is less than one year, the Group will include it in the current profit or loss when it occurs.

If the carrying amount of an asset related to contract costs is higher than the difference between 1) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; and 2) the estimated costs that relate to providing those goods or services, the Group shall make provision for impairment on the excess portion and recognises it as asset impairment loss.

If the factors of impairment in the previous period subsequently change, so that the aforesaid difference is higher than the book value of the asset, the Group shall reverse the impairment provision originally made and include it in the current profit and loss, but the book value of the reversed asset shall not exceed the book value of the asset on the reversal date assuming that no impairment provision is made.

18. Assets held for sale

A non-current asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction (including an exchange of non-monetary assets with commercial substance) rather than through continuing use.

The Group classifies non-current assets or disposal groups that meet the following conditions as held for sale:

(1) the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group in similar transactions;

(2) The sale is highly probable, that is, the Group has made a resolution on a sale plan and obtained a firm purchase commitment, and the sale is expected to be completed within one year. If the relevant regulations require the approval of the relevant authorities or regulatory authorities of the Group before disposal, the approval has been obtained.

If the carrying amount of a non-current asset (excluding financial assets, deferred tax assets and assets formed by employee benefits) or disposal group classified as held for sale is higher than its fair value less costs to sell, the carrying amount is reduced to the net amount of its fair value less costs to sell. The reduced amount is recognised as asset impairment loss and included in current profit or loss, and provision for impairment of held for sale assets is made.

19. Debt investment

20. Other debt investments

21. Long-term receivables

22. Long-term equity investments

(1) Criteria for determining joint control and significant influence

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. An investee is a joint venture of the Group if the Company, together with other joint venture parties, exercise joint control over the investee and have rights to the net assets of the investee.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Where the Group is able to exercise significant influence over the investee, the investee is an associate of the Group.

(2) Determination of initial investment cost

1) Long-term equity investment acquired through business combination

For a long-term equity investment acquired through a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment is the acquirer's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the initial cost of the long-term equity investment and the carrying amount of the consideration paid is adjusted to share premium in capital reserve. If the share premium in capital reserve is not sufficient to absorb the difference, any excess is adjusted against retained earnings. If the Company is able to exercise control over the investee under common control due to additional investment and other reasons, the difference between the initial investment cost of the long-term equity investment recognised according to the above principles and the sum of the carrying amount of the long-term equity investment before combination and the carrying amount of the consideration paid for the additional shares acquired on the date of combination is adjusted to share premium. If the share premium is not sufficient to offset the difference, any excess is adjusted against retained earnings.

For a long-term equity investment in a subsidiary acquired through a business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the cost of combination determined on the acquisition date. Where the Company can exercise control over the investee not under common control due to additional investment and other reasons, the initial investment cost shall be the sum of the book value of the equity investment originally held and the additional investment cost.

2) Long-term equity investments acquired other than through business combination

For a long-term equity investment acquired by cash payment, the initial investment cost shall be the purchase price actually paid.

For a long-term equity investment acquired by issuing equity securities, the initial investment cost is the fair value of the equity securities issued.

(3) Subsequent measurement and recognition of profit or loss

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

The Company's long-term equity investments in subsidiaries are accounted for using the cost method, unless the investment meets the conditions for holding for sale. Except for cash dividends or profits declared but not yet distributed which are included in the price or consideration actually paid at the time of acquisition of the investment, the Company recognises the current investment income based on the cash dividends or profits declared to be distributed by the investee.

2) Long-term equity investments accounted for using the equity method

Long-term equity investments in associates and joint ventures are accounted for using the equity method. Where the initial investment cost exceeds the Group's interest in the fair value of the investee's identifiable net assets at the acquisition date, no adjustment shall be made to the initial investment cost of the long-term equity investment. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the acquisition date, the difference shall be recognised in current profit or loss, and the cost of the long-term equity investment shall be adjusted accordingly.

The Company recognises its share of the net profit or loss and other comprehensive income made by the investee as investment income and other comprehensive income respectively, and adjusts the carrying amount of the long-term equity investment accordingly. The carrying amount of the long-term equity investment is reduced by attributable share of the investee's declared profit or cash dividends. The carrying amount of the long-term equity investment is adjusted and included in owners' equity for other changes in owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution (hereinafter referred to as "other changes in owners' equity").

The Group recognises its share of the investee's net profit or loss, other comprehensive income and other changes in owners' equity based on the fair value of the investee's identifiable net assets at the acquisition date after making adjustments to the investee's net profit and other comprehensive income according to the Company's accounting policies and accounting period.

Unrealised profits and losses resulting from internal transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in the investee, except where the assets invested or sold constitute a business.

Unrealised losses resulting from intra-group transactions between the Group and its investees are recognised in full as impairment losses.

The Company discontinues recognising its share of net losses of the associate or joint venture after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of the Company's net investment in the associate or joint venture is reduced to zero, except to the extent that the Company has an obligation to assume additional losses. If the joint ventures or associates realise net profits in the future, the Company shall resume recognising its share of profits after deducting the unrecognised share of losses.

3) Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and the carrying amount is recognised in current profit or loss.

For partial disposal of long-term equity investment accounted for using the equity method, if the remaining equity is still accounted for using the equity method, other comprehensive income recognised under the original equity method shall be carried forward in proportion on the same basis as the investee directly disposes of relevant assets or liabilities, and other changes in owners' equity shall be carried forward to current profit or loss in proportion.

If the Group loses joint control or significant influence over the investee due to disposal of equity investment and other reasons, other comprehensive income recognised by the original equity investment due to the adoption of equity method shall be accounted for on the same basis as the investee directly disposes of relevant assets or liabilities when the equity method is terminated. Other changes in owners' equity shall be fully transferred to the current profit or loss when the equity method is terminated.

If the control over the investee is lost due to the disposal of part of the equity investment and other reasons, when preparing individual financial statements, if the remaining equity can apply common control or significant influence to the investee, it shall be accounted for under the equity method, and the remaining equity shall be adjusted as if it has been accounted for under the equity method since it is obtained. The other comprehensive income recognised before the control over the investee is obtained shall be carried forward proportionally on the same basis as the investee directly disposes of relevant assets or liabilities. Other changes in owner's equity recognised by the equity method shall be carried forward to the current profit or loss in proportion; Where the remaining equity cannot exercise joint control or exert significant influence over the investee, it shall be recognised as financial assets, and the difference between the fair value and the book value on the date of losing control shall be included in the current profit and loss. Other comprehensive income and other changes in owners' equity recognised before obtaining control of the investee shall be carried forward.

If the disposal of the equity investment in a subsidiary through multiple transactions until the loss of control is a package transaction, each transaction is accounted for as a transaction that disposes of the equity investment in the subsidiary and loses control; before the loss of control, the difference between the disposal price and the book value of the long-term equity investment corresponding to the disposed equity is first recognised as other comprehensive income in the individual financial statements, and then transferred to the current profit or loss when the control is lost. If it does not belong to a package transaction, each transaction shall be separately accounted for.

23. Investment properties

Measurement model of investment properties

N/A

24. Fixed assets

(1) Recognition conditions

Fixed assets are tangible assets that are held for use in the production of goods, rendering of services, leasing or for administrative purposes, and have useful lives of more than one accounting year. Fixed assets are recognised when all the following conditions are satisfied:

- 1) it is probable that the economic benefits associated with the fixed asset will flow to the enterprise;
- 2) the cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost, taking into account the effect of the estimated cost of abandonment. Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. The carrying amount of the replaced part is derecognised. All the other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

(2) Depreciation method

Category	Depreciation method	Depreciation period	Residual value rate	Annual depreciation rate
Buildings	straight-line method	20-40	5%	2.38%-4.75%
Machinery equipment	straight-line method	5-10	5%	9.50%-19.00%
Electronic equipment	straight-line method	2-5	5%	19.00%-47.50%
Transportation equipment	straight-line method	3-5	5%	19.00%-31.67%
Other equipment	straight-line method	2-20	5%	4.75%-47.50%

Depreciation of fixed assets is provided by categories using the straight-line method, and the depreciation rate is determined by categories of fixed assets, estimated useful life and estimated net residual value rate. For fixed assets that have been provided for impairment, the amount of depreciation is determined based on the book value after deducting the impairment provision in the future period and the remaining useful life. Where the service life of each component of a fixed asset is different or provides economic

benefits to the enterprise in different ways, different depreciation rates or depreciation methods are selected and depreciated separately.

(3) Recognition, measurement and depreciation of fixed assets under finance lease

Fixed assets acquired under finance leases are depreciated on a basis consistent with the depreciation policy for self-owned fixed assets. If it can be reasonably determined that the ownership of the leased asset will be obtained at the end of the lease term, the leased asset is depreciated over its remaining useful life; otherwise, the leased asset is depreciated over the shorter of the lease term and its remaining useful life. Depreciation method, depreciation period, residual value rate and annual depreciation rate of various fixed assets.

25. Construction in progress

Construction in progress is measured at actual cost incurred. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalisation and other costs necessary to bring the construction in progress ready for its intended use. Construction in progress is transferred to fixed assets when it is ready for its intended use and is depreciated starting from the following month.

26. Borrowing costs

(1) Recognition principle of capitalization of borrowing costs

Borrowing costs incurred by the Group that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset. Other borrowing costs are recognised as expenses in profit or loss in the period in which they are incurred. Qualifying assets are assets (fixed assets, investment properties and inventories) that necessarily take a substantial period of time for activities relating to the acquisition, construction or production to get ready for their intended use or sale.

(2) Capitalization period of borrowing costs

Capitalization period refers to the period from the beginning of capitalization of borrowing costs to the end of capitalization, excluding the period of suspension of capitalization of borrowing costs. Capitalisation of borrowing costs commences when all of the following conditions are satisfied: 1) expenditures for the asset have been incurred, including expenditures incurred in the form of cash, transfer of non-cash assets or assumption of interest-bearing liabilities for the acquisition, construction or production of a qualifying asset; 2) borrowing costs have been incurred; and 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. Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale.

(3) Suspension of capitalisation period

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is interrupted abnormally and the interruption lasts for more than 3 months. Capitalisation of borrowing costs continues if the interruption is a necessary process for the qualifying asset being acquired, constructed or produced to get ready for its intended use or sale. Borrowing costs incurred during the interruption period are recognised in current profit or loss until the acquisition, construction or production of the asset is resumed.

(4) Calculation of capitalisation rate and capitalisation amount of borrowing costs

Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by deducting any interest income earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds.

Where funds are borrowed under general-purpose borrowings, the amount of interest to be capitalised on such borrowings is determined by applying a capitalisation rate to the weighted average of the excess amounts of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalization rate is calculated and determined based on the weighted average effective interest rate of general borrowings.

During the capitalisation period, exchange differences related to the principal and interest on a specific-purpose borrowing denominated in foreign currency are capitalised as part of the cost of the qualifying asset. Exchange differences arising from the principal and interest on foreign currency borrowings other than special borrowings are recognised in current profit or loss.

27. Biological assets

28. Oil and gas assets

29. Right-of-use assets

Right-of-use assets refer to the right of the Group as a lessee to use the leased assets during the lease term.

(1) Initial measurement

At the commencement date of the lease term, the Group initially measures the right-of-use assets at cost. Such cost includes the following four items: ①the initial measurement amount of the lease liability of ; ②the lease payments made by on or before the commencement date of the lease term, less any lease incentives received; ③the initial direct costs, being the incremental costs incurred in achieving the lease; ④the costs expected to be incurred for dismantling and removing the leased asset, restoring the site on which it

is located or restoring the leased asset to the condition required by the terms of the lease, except those incurred for the production of inventories.

(2) Subsequent measurement

After the commencement date of the lease term, the Group adopts the cost model for subsequent measurement of the right-of-use assets, which is to measure the right-of-use assets at cost less accumulated depreciation and accumulated impairment losses. If the Group re-measures the lease liabilities in accordance with the relevant provisions of the lease standards, the book value of the right-of-use assets shall be adjusted accordingly.

(3) Depreciation of right-of-use assets

Right-of-use assets are depreciated from the commencement date of the lease. Right-of-use assets are generally depreciated from the month when the lease term commences. The amount of depreciation provided is included in the cost of the related asset or current profit or loss according to the purpose of the right-of-use asset. Depreciation during the decoration period is included in long-term prepaid expenses.

When determining the depreciation method of the right-of-use assets, the Group makes a decision based on the expected pattern of consumption of the economic benefits related to the right-of-use assets, and depreciates the right-of-use assets on a straight-line basis.

In determining the depreciation period of the right-of-use asset, the Group follows the following principles: if it can be reasonably determined that the ownership of the leased asset can be obtained at the end of the lease term, the leased asset is depreciated over its remaining useful life; if it cannot be reasonably determined that the ownership of the leased asset can be obtained at the end of the lease term, the leased asset is depreciated over the shorter of the lease term and the remaining useful life of the leased asset.

(4) Impairment of right-of-use assets

If the right-of-use asset is impaired, the Group subsequently depreciates the right-of-use asset based on the book value of the right-of-use asset after deducting the impairment loss.

30. Intangible assets

(1) Measurement method, useful life and impairment test

(1) Valuation method of intangible assets

1) Intangible assets acquired by the Company are initially measured at cost: cost of purchased intangible assets, including purchase price, relevant taxes and other expenses directly attributable to bringing the asset to the intended use.

2) Subsequent measurement: analysis and judgement of the useful life of intangible assets upon acquisition. Intangible assets with finite useful lives are amortised over the period in which economic benefits are brought to the enterprise; intangible assets with indefinite useful lives are not amortised if the period in which economic benefits are brought to the enterprise is unpredictable.

(2) Estimated useful life of intangible assets with limited useful life

Item	Estimated useful life (years)	Amortisation method	Basis
Land use rights	40-70	straight-line method	Term of land use right certificate
Software	5-10	straight-line method	Useful life
Patent right	10	straight-line method	Estimated useful life

For an intangible asset with a finite useful life, review of its useful life and amortisation method is performed at each year-end.

(3) Basis for determining intangible assets with indefinite useful lives and procedures for reviewing their useful lives

The useful life of an intangible asset with an indefinite life is reviewed at the end of each period. Upon review, there is no intangible asset with indefinite useful life at the end of the period.

(2) Accounting policy for internal research and development expenditure

(1) Specific criteria for dividing research stage and development stage

The expenditures of the Company's internal research and development projects are divided into research expenditures and development expenditures.

Research stage: The stage of original planned investigation and research activities to acquire and understand new scientific or technical knowledge.

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

(2) Specific conditions for capitalization of development expenditures

Expenditure on the research phase is recognised in profit or loss in the period in which it is incurred. Expenditure on the development phase is recognised as an intangible asset when all of the following conditions are satisfied. Expenditure on the development phase that does not meet the following conditions is recognised in current profit or loss:

- 1) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- 2) the intention to complete the intangible asset and use or sell it;

3) how the intangible asset will generate probable future economic benefits, including the ability to demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset;

5) the expenditure attributable to the intangible asset during its development can be reliably measured.

If the expenditures cannot be distinguished between the research phase and the development phase, the R&D expenditures are all included in the measurement of intangible assets in the current profit or loss.

31. Impairment of long-term assets

Long-term assets such as long-term equity investments, investment properties measured at cost, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives and oil and gas assets are tested for impairment if there is any indication that an asset may be impaired at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to dispose and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is calculated and recognised on an individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. An asset group is the smallest asset group that is able to generate cash inflows independently.

Goodwill arising from a business combination, an intangible asset with an indefinite useful life or an intangible asset that is not ready for its intended use is tested for impairment at least at each year-end, irrespective of whether there is any indication that the asset may be impaired.

The Group performs goodwill impairment test. The carrying amount of goodwill acquired in a business combination is allocated to the related asset group in a reasonable manner from the acquisition date. If it is difficult to allocate to the related asset group, it is allocated to the related set of asset groups. The related asset group or set of asset groups is an asset group or set of asset groups that can benefit from the synergies of the business combination.

In testing an asset group or a set of asset groups to which goodwill has been allocated for impairment, if there is any indication of impairment, the Group tests the asset group or set of asset groups excluding the amount of goodwill allocated for impairment first, compares the recoverable amount with the carrying amount and recognises any impairment loss. After that, the Group tests the asset group or set of asset groups including goodwill for impairment, and compares the carrying amount with the recoverable amount. If the recoverable amount is lower than the carrying amount, the amount of the impairment loss is first reduced by the carrying amount of the goodwill allocated to the asset group or set of asset groups, and then reduced by the carrying amount of other assets (other than the goodwill) within the asset group or set of asset groups, on a pro rata basis.

Once the above asset impairment loss is recognised, it will not be reversed in subsequent accounting periods.

32. Long-term prepaid expenses

Long-term prepaid expenses are expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. The Group's long-term prepaid expenses include renovation projects and others.

Long-term prepaid expenses are amortised evenly over the benefit period, of which: the expenditure on improvement of fixed assets is amortised over the remaining useful life of the fixed assets; Other expenses are amortised over the estimated useful lives of 3 to 10 years.

33. Contract liabilities

The Group presents a contract asset or a contract liability in the balance sheet based on the relationship between the Group's performance and the customer's payment. The Group's obligation to transfer goods or provide services to a customer for which the Group has received or to be received consideration from the customer is presented as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

34. Employee benefits

(1) Accounting treatment of short-term remuneration

In the accounting period in which an employee provides services to the Group, the short-term remuneration actually incurred is recognised as a liability and included in the current profit or loss or related asset costs.

The amounts of social insurance premiums and housing funds paid by the Group for its employees, as well as the labour union funds and employee education funds withdrawn according to regulations, are calculated and determined according to the prescribed basis and proportion during the accounting period in which the employees provide services to the Group.

The employee welfare expenses incurred by the Group are included in the current profit or loss or the cost of relevant assets according to the actual amount when actually incurred, among which, non-monetary benefits are measured at fair value.

(2) Accounting treatment of post-employment benefits

1) Defined contribution plans

The Group pays basic pension insurance and unemployment insurance for employees in accordance with the relevant regulations of the local government. During the accounting period when employees provide services to the Group, the amount payable is calculated based on the local required contribution base and proportion, and is recognised as a liability and included in the current profit or loss or related asset costs. In addition, the Group also participated in the enterprise annuity scheme/supplementary pension insurance fund approved by the relevant national authorities. The Group makes contributions to the annuity scheme/local social security bureau at a certain percentage of the total salaries of employees, with a corresponding charge to current profit or loss or the cost of relevant assets.

2) Defined benefit plan

The Group shall attribute the welfare obligation generated from the defined benefit plan to the period of service provided by the employees according to the formula determined by the projected unit credit method, and include it into the current profit and loss or related asset cost.

The deficit or surplus formed by the present value of the obligations of the defined benefit plan minus the fair value of the assets of the defined benefit plan is recognised as a net liability or net asset of a defined benefit plan. If the defined benefit plan has surplus, the Group measures the net assets of the defined benefit plan at the lower of the surplus of the defined benefit plan and the asset ceiling.

All obligations under defined benefit plans, including obligations expected to be paid within 12 months after the end of the annual reporting period in which the employees render services, are discounted at the market yield of national debts matching the duration and currency of the obligations under defined benefit plans on the balance sheet date or high-quality corporate bonds in the active market.

The service cost incurred by the defined benefit plan and the net interest on the net liabilities or net assets of the defined benefit plan shall be included in the current profit or loss or the cost of relevant assets; the changes arising from the remeasurement of the net liabilities or net assets of the defined benefit plan shall be included in other comprehensive income, and shall not be reversed to profit or loss in subsequent accounting periods. When the original defined benefit plan is terminated, the part originally included in other comprehensive income shall be transferred to undistributed profit in full within the scope of equity.

When the defined benefit plan is settled, the gain or loss is recognised based on the difference between the present value of the defined benefit plan obligations determined at the balance sheet date and the settlement price.

(3) Accounting method for termination benefits

When the Group provides termination benefits to employees, employee compensation liabilities arising from termination benefits are recognised and included in current profit or loss at the earlier of the following dates: when the Company cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; and when the Company recognises costs or expenses related to a restructuring that involves the payment of termination benefits.

(3) Accounting method for termination benefits

When the Group provides termination benefits to employees, employee compensation liabilities arising from termination benefits are recognised and included in current profit or loss at the earlier of the following dates: when the Company cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; and when the Company recognises costs or expenses related to a restructuring that involves the payment of termination benefits.

(4) Accounting treatment of other long-term employee benefits

35. Lease liabilities

(1) Initial measurement

The Group initially measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease term.

1) Lease payments

Lease payments refer to the amounts paid by the Group to the lessor in respect of the right to use the leased asset during the lease term, including: ① fixed payments and in-substance fixed payments less any lease incentives receivable; ② variable lease payments that depend on an index or a rate, which are determined at the initial measurement based on the index or rate at the commencement date of the lease term; ③ the exercise price of a purchase option if the Group is reasonably certain to exercise that option; ④ payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate; and ⑤ payments expected to be made under residual value guarantees provided by the Group.

2) Discount rate

In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate, which is the rate that the sum of the present value of the lease receipts of the lessor and the present value of the unguaranteed residual value is equal to the sum of the fair value of the leased asset and the initial direct costs of the lessor. If the interest rate implicit in the lease cannot be readily determined, the Group uses its incremental borrowing rate as the discount rate. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The interest rate is related to: ① the Group's own situation, i.e. the Group's solvency and credit status; ② the term of "borrowing", i.e. the lease term; ③ the amount of "borrowing", i.e. the amount of lease liabilities; ④ the "mortgage conditions", i.e. the nature and quality of the underlying assets; ⑤ the economic environment, including the jurisdiction where the lessee is located, the pricing currency, the time of signing the contract, etc. The Group determines the incremental borrowing rate based on the interest rate of bank loans, adjusted by the above factors.

(2) Subsequent measurement

Subsequent to the commencement date, the Group measures the lease liability based on the following principles: ① recognises interest on the lease liability by increasing the carrying amount of the lease liability; ② reduces the carrying amount of the lease liability when lease payments are made; ③ remeasures the carrying amount of the lease liability when there is a change in lease payments arising from reassessment or lease modification.

The Group calculates the interest expense of the lease liability for each period of the lease term based on the fixed periodic interest rate and recognises it in current profit or loss, except for those that should be capitalised. The periodic interest rate refers to the discount rate used by the Group in the initial measurement of the lease liability, or the revised discount rate used by the Group when the lease liability is remeasured based on the revised discount rate due to the change in lease payments or the change in lease.

(3) Remeasurement

After the commencement date of the lease term, the Group remeasures the lease liability based on the present value of the changed lease payments and adjusts the carrying amount of the right-of-use asset accordingly. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in current profit or loss. ①Changes in the in-substance fixed payments (in which case the original discount rate is used); ②Changes in the expected amount payable under the residual value guarantee (in which case the original discount rate is used); ③the index or rate used to determine the lease payment amount changes (in which case the revised discount rate is used); ④ there is a change in the assessment of an option to purchase (in which case the revised discount rate is used); ⑤the assessment of whether there is a change in the assessment or actual exercise of an option to extend or terminate the lease (in which case the revised discount rate is used).

36. Provisions

The Group recognises an obligation related to a contingency as a provision when all of the following conditions are satisfied: 1) the obligation is a present obligation of the Group; 2) it is probable that an outflow of economic benefits will be required to settle the obligation; and 3) the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the present obligation.

Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in determining the best estimate. Where the effect of time value of money is material, the best estimate is determined by discounting the related future cash outflows. The best estimate is treated as follows:

1) If there is a continuous range (or range) of the required expenditures, and the probability of each result in the range is the same, the best estimate is determined based on the median of the range, i.e. the average of the upper and lower limits.

2) There is no continuous range (or range) of required expenditure, or although there is a continuous range, the possibility of occurrence of various results within the range is different. If the contingency involves a single item, the best estimate is determined based on the most likely amount; if the contingency involves multiple items, the best estimate is determined based on various possible results and relevant probabilities.

Where all or part of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is recognised as a separate asset only when it is virtually certain that reimbursement will be received, and the amount of the reimbursement recognised does not exceed the carrying amount of the provision.

The estimated liabilities of the Group are mainly the provision for after-sales comprehensive service fees for automobile motive batteries. At present, the sales contracts of power battery systems and energy storage systems entered into between the Group and its customers contain warranty clauses. During the after-sales service period promised by the Company, the Company needs to bear the responsibility of repairing the sold products regardless of the changes in the market price index. A provision is recognised based on the best estimate of the probable maximum loss.

The Group reviews the carrying amount of a provision at the balance sheet date. If there is conclusive evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the current best estimate.

37. Share-based payments

Share-based payments of the Group are transactions in which equity instruments are granted or liabilities are assumed for obtaining services from employees or other parties. The Group's share-based payments are divided into equity-settled share-based payments and cash-settled share-based payments.

(1) Equity-settled share-based payments and equity instruments

Equity-settled share-based payments in exchange for services rendered by employees are measured at the fair value of equity instruments granted to employees. For share-based payment transactions that vest immediately after the grant, the fair value of the equity instruments at the grant date is included in the relevant costs or expenses, with a corresponding increase in capital reserve. For share-based payment transactions that are not vested until the vesting period has been completed or until the specified performance conditions have been met, at each balance sheet date during the vesting period, the Group, based on the best estimate of the number of exercisable equity instruments, recognises the services received in the current period in relevant costs or expenses at the grant date fair value, with a corresponding increase in capital reserve.

Where the terms of an equity-settled share-based payment are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an increase in the service received is recognised for any modification that increases the fair value of the equity instruments granted, or is otherwise beneficial to the employee as measured at the date of modification.

During the vesting period, if the equity instruments granted are cancelled, the Group will treat the cancelled equity instruments granted as accelerated vesting, and recognise the amount that should be recognised in the remaining vesting period immediately in current profit or loss, while recognising the capital reserve. However, if a new equity instrument is granted and the new equity instrument is determined to replace the cancelled equity instrument on the grant date of the new equity instrument, the replacement equity instrument granted shall be treated in the same way as the modification of the terms and conditions of the original equity instrument.

38. Preference shares, perpetual bonds and other financial instruments

39. Revenue

Accounting policies for revenue recognition and measurement

Differences in accounting policies for revenue recognition due to the adoption of different business models for similar businesses

40. Government subsidies

(1) Type

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

Asset-related government subsidies refer to the government subsidies obtained by the Group for the acquisition, construction or other forms of long-term assets. Government subsidies related to income refer to government subsidies other than those related to assets.

The Group classifies government subsidies as asset-related based on the following criteria: the use of proceeds is clearly defined in the government documents, and the expected use of proceeds is expected to form related assets;

The Group classifies government subsidies as revenue-related based on the following criteria: the government documents do not stipulate the use purpose, and the expected use of the amount is to replenish working capital;

If the government document does not specify the recipient of the grant, judgement basis for the Group to classify the government grant as an asset-related or income-related is: Except for the Company designates its use as an asset-related, it is included in the current profit or loss.

(2) Timing of recognition

- 1) The enterprise can meet the conditions attached to the government subsidies;
- 2) The enterprise can receive government subsidies.

Specific recognition time:

Government subsidies released on a fixed quota basis: Government subsidies are recognised at the amount receivable.

Other government subsidies: When the government subsidies are actually received, they are recognised as government subsidies.

(3) Accounting treatment

A government grant related to an asset is recognised either as a reduction in the carrying amount of the related asset or as deferred income. Where the deferred income is recognised, it shall be equally included in the current profit and loss within the useful life of the relevant assets (if it is related to the daily activities of the Group, it shall be included in other income; if it is not related to the daily activities of the Group, it shall be included in non-operating income); where the relevant assets are sold, transferred, retirement or damaged before the end of the useful life, the undistributed balance of the relevant deferred income shall be transferred to the current profit and loss of asset disposal.

A government grant related to income that compensates the Group for expenses or losses to be incurred in the subsequent periods is recognised as deferred income, and included in profit or loss for the period in which the expenses or losses are recognised (government subsidies related to the Group's daily activities shall be included in other income; government subsidies unrelated to the Group's daily activities shall be included in non-operating income) or offset against relevant expenses or losses; a government grant that compensates the Group for expenses or losses already incurred is recognised in profit or loss for the period (government subsidies related to the Group's daily activities shall be included in other income; government subsidies unrelated to the Group's daily activities shall be included in non-operating income) or offset against relevant expenses or losses.

The interest subsidies for policy-related preferential loans obtained by the Group are classified into the following two situations for accounting treatment:

1) Where the government allocates the interest subsidy funds to the lending bank, and the lending bank provides loans to the Group at a policy-based preferential interest rate, the Group recognises the borrowing amount actually received as the entry value of the borrowing, and calculates the relevant borrowing costs based on the principal of the borrowing and the policy-based preferential interest rate.

2) Where the government directly allocates the interest subsidy to the Group, the Group shall offset the corresponding interest subsidy against the relevant borrowing costs.

41. Deferred income tax assets/deferred income tax liabilities

Income tax consists of current income tax and deferred income tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or items recognised directly in equity (including other comprehensive income).

Deferred tax assets and deferred tax liabilities are recognised based on the differences (temporary differences) between the tax bases of assets and liabilities and their carrying amounts.

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available in future periods against which the deductible temporary differences can be utilised. Deferred tax assets are recognised for deductible losses and tax credits carried forward to subsequent years to the extent that it is probable that taxable profit will be available in the future against which the deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences, except in special circumstances.

Special circumstances under which deferred income tax assets or deferred income tax liabilities are not recognised include: the initial recognition of goodwill; a transaction or event that is neither a business combination nor affects accounting profit or taxable profit (or deductible loss) when it occurs.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable

that the temporary difference will not reverse in the foreseeable future. When it is probable that the temporary differences arising from investments in subsidiaries, associates and joint ventures will be reversed in the foreseeable future and that the taxable profit will be available in the future against which the temporary differences can be utilised, the corresponding deferred tax assets are recognised.

At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled in accordance with the requirements of the tax laws.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously, current tax assets and current tax liabilities are reported on a net basis after offsetting.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented on a net basis after offsetting when all of the following conditions are satisfied: the taxpayer has the legal right to settle the current income tax assets and current income tax liabilities on a net basis; the deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax collection and management department on the same taxpayer or related to different taxpayers, but in each future period in which significant deferred income tax assets and liabilities are reversed, the payer involved intends to settle the current income tax assets and liabilities on a net basis, or simultaneously obtain assets and settle liabilities.

42. Lease

(1) Accounting treatment of operating leases

Refer to Note "V.42. (3). The determination method and accounting treatment of leases under the New Lease Standard".

(2) Accounting treatment of finance lease

Refer to Note "V.42. (3). The determination method and accounting treatment of leases under the New Lease Standard".

(3) Determination and accounting treatment of leases under the New Lease Standard

(1) Identification of leases

A lease is a contract in which the lessor conveys the right to use an asset to the lessee for a period of time in exchange for consideration. At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

If a contract contains multiple separate leases, the Group shall separate the contract and account for each separate lease. For a contract that contains lease and non-lease components, the lessee and the lessor shall separate the lease and non-lease components.

(2) The Group as lessee

1) Recognition of leases

At the commencement date of the lease term, the Group recognises a right-of-use asset and a lease liability. For the recognition and measurement of right-of-use assets and lease liabilities, please refer to Note V “29. Right-of-use assets” and Note V “35. Lease liabilities”.

2) Lease modification

Lease change refers to the change in the scope of lease, lease consideration and lease term beyond the original contract terms, including the addition or termination of the right to use one or more leased assets, the extension or shortening of the lease term stipulated in the contract. The effective date of the lease change refers to the date when both parties agree on the lease change.

If a lease changes and meets the following conditions at the same time, the Company accounts for the lease change as a separate lease: ① The lease change expands the scope of the lease by adding the right to use one or more leased assets; ② The increased consideration and the separate price of the expanded part of the lease are equivalent to the amount adjusted according to the contract.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company shall re-allocate the consideration of the changed contract, re-determine the lease term, and re-measure the lease liability at the present value calculated based on the changed lease payments and the revised discount rate. In calculating the present value of the lease payments after the change, the Group adopts the interest rate implicit in the lease for the remaining lease period as the discount rate; if the interest rate implicit in the lease for the remaining lease period cannot be determined, the Group adopts the lessee’s incremental borrowing rate on the effective date of the lease change as the discount rate. For the impact of the above adjustment of lease liabilities, the Group accounts for the following situations: ① If the lease change results in a narrower lease scope or a shorter lease term, the lessee shall reduce the book value of the right-of-use asset, and include the relevant gains or losses from the partial or complete termination of the lease in the current profit or loss. ② If other lease modifications result in the remeasurement of the lease liability, the lessee shall adjust the carrying amount of the right-of-use asset accordingly.

3) Short-term leases and leases of low-value assets

For short-term leases with a lease term of less than 12 months and leases of low-value assets with low value when a single leased asset is new, the Group chooses not to recognise the right-of-use assets and lease liabilities. Lease payments on short-term leases and leases of low-value assets are recognised in the cost of the related asset or current profit or loss on a straight-line basis or another systematic and reasonable basis over the lease term.

(3) The Group as lessor

On the basis (1) that the contract is assessed as a lease or includes a lease, the Group, as a lessor, classifies the lease as a finance lease and an operating lease on the lease commencement date.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessor. A lease other than a finance lease is classified as an operating lease.

1) Accounting treatment of finance lease

At the commencement date of the lease term, the Group recognises finance lease receivables for finance leases and derecognises finance lease assets. When the Group initially measures a finance lease receivable, the net investment in the lease is used as the entry value of the finance lease receivable. The Group calculates and recognises interest income for each period of the lease term based on a fixed periodic interest rate.

2) Accounting treatment of operating leases

In each period of the lease term, the Group adopts the straight-line method/other systematic and reasonable methods to recognise the lease receipts of operating leases as rental income. Variable lease payments related to operating leases that are not included in the lease payments are recognised in current profit or loss.

If there is a change in an operating lease, the Group accounts for it as a new lease from the effective date of the change, and the lease receipts received in advance or receivable related to the lease before the change are deemed as the receipts of the new lease.

(4) Sale and leaseback transactions

The Company assesses and determines whether the transfer of assets in the sale and leaseback transaction is a sale in accordance with the principles described in Note "V.39. Revenue".

1) As lessee

If the transfer of assets in the sale and leaseback transaction is a sale, the Company, as the lessee, measures the right-of-use assets formed by the sale and leaseback based on the portion of the original asset's book value related to the right of use obtained by the leaseback, and only recognises the relevant gains or losses for the rights transferred to the lessor; if the transfer of assets in the sale and leaseback transaction is not a sale, the Company, as the lessee, continues to recognise the transferred assets and recognises a financial liability equal to the transfer income. For details of the accounting treatment of financial liabilities, please refer to Note "V. 10. Financial instruments".

2) As lessor

If the transfer of assets in the sale and leaseback transaction is a sale, the Company, as the lessor, accounts for the purchase of assets, and accounts for the lease of assets in accordance with the above policy of "(3) The Group, as the lessor"; if the transfer of assets in the sale and leaseback transaction is not a sale, the Company, as the lessor, does not recognise the transferred assets, but

recognises a financial asset equal to the transfer income. For details of the accounting treatment of financial assets, please refer to Note “V. 10. Financial instruments”.

43. Other significant accounting policies and accounting estimates

(1) Discontinued operation

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale, and is separately identifiable and satisfies one of the following conditions:

- (1) The component represents an independent major business or a separate major business area;
- (2) The component is part of a related plan to dispose of an independent main business or a separate main operating area;
- (3) The component is a subsidiary acquired exclusively with a view to resale.

Profit or loss from continuing operations and profit or loss from discontinued operations are presented separately in the income statement. Operating profit or loss and disposal profit or loss such as impairment loss and reversal amount of discontinued operation are presented as profit or loss of discontinued operation. For discontinued operations presented in the current period, the Group re-presented the information originally presented as profit or loss from continuing operations in the current financial statements as profit or loss from discontinued operations in the comparable accounting period.

(2) Segment reporting

The Group determines the operating segments based on the internal organisational structure, management requirements and internal reporting system, and determines the reporting segments based on the operating segments and discloses the segment information.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenues and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group’s management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and meet certain conditions, they can be combined into one operating segment.

44. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

Applicable Not applicable

Contents and reasons of changes in accounting policies	Approval procedures	Remarks
On 30 December 2021, the Ministry of Finance issued the Accounting Standards for Business Enterprises Interpretation No. 15 (Cai Kuai [2021] No. 35). The contents of “accounting treatment of	Considered and approved at the 31th meeting of the fifth session of the Board	

<p>external sales of products or by-products produced before the fixed assets are ready for their intended use or during the research and development process” and “judgement on onerous contracts” came into effect from 1 January 2022. The implementation of this regulation does not have a significant impact on the Group’s financial position and operating results.</p>		
<p>On 30 November 2022, the Ministry of Finance issued the Interpretation of Accounting Standards for Business Enterprises No. 16 (Cai Kuai [2022] No. 31). The contents “accounting treatment of the income tax impact of the dividends related to financial instruments classified as equity instruments by the issuer” and the “accounting treatment of the modification of cash-settled share-based payment to equity-settled share-based payment by the enterprise” came into effect on the date of publication. The implementation of this regulation does not have a significant impact on the Group’s financial position and operating results.</p>	<p>Considered and approved at the 49th meeting of the fifth session of the Board</p>	

(2) Changes in significant accounting estimates

Applicable Not applicable

45. Others

VI. Taxation

1. Main taxes and tax rates

Taxes	Tax basis	Tax rate
Value-added tax	The output tax is calculated on the basis of the revenue from sales of goods and taxable services according to the tax law, and the difference is the value-added tax payable after deducting the input tax that is allowed to be deducted in the current period.	3%、6%、13%
Urban maintenance and construction tax	Based on value-added tax and consumption tax paid	5%, 7%
Corporate income tax	Based on taxable income	See the table below

Explanation on disclosure of entities with different corporate income tax rates

Name of taxable entity	Income tax rate
Sunwoda	15%
Hong Kong Xinwei	16.5%
Sunwoda India	25.17%
Japan New Energy	23.2%
Sunwoda Electric Vehicle Battery	15%
Power New Energy	15%
Huizhou Intelligent Industry	15%
Sunwoda Electric	15%
PTL	15%
Winone Precision	15%
Winone HK	16.5%
Winone India	25.17%
Dianjin Factoring	15%
Sunwoda Energy	15%
Deyang Sunwoda	15%
Shenzhen Sunwinon	15%
Huizhou Sunwinon	15%
Huizhou Liwinon	15%
Huizhou Liwinon Electronics	15%
Superstar	15%
Huaxin Zhilian	12.5%
Xinwei Intelligence	15%
Zhejiang Liwinon	15%
Zhejiang Sunwoda	15%
Zhejiang Xindong Energy	15%
Other subsidiaries	25%

2. Tax preference

(1) Enterprise income tax

1) The following subsidiaries of the Group are recognized as high-tech enterprises and have obtained the High-tech Enterprise Certificate, which are subject to a corporate income tax rate of 15%.

Name of company	No. of High-tech Enterprise Certificate	Time of obtaining High-tech Enterprise Certificate	Validity period
Sunwoda	GF202044205286	2020-12-11	3 years
Sunwoda Electric	GR202144200696	2021-12-23	3 years
PTL	GR202044201178	2020-12-11	3 years

Sunwoda Electric Vehicle Battery	GR202044201988	2020-12-11	3 years
Sunwoda Energy	GR202144200725	2021-12-23	3 years
Huizhou Liwinon	GR202244014175	2022-12-22	3 years
Power New Energy	GR202044007454	2020-12-9	3 years
Huizhou Intelligent Industry	GR202044006730	2020-12-9	3 years
Shenzhen Sunwinon	G202044205334	2020-12-11	3 years
Huizhou Sunwinon	G202044010248	2020-12-9	3 years
Winone Precision	GR202044003020	2020-12-1	3 years
Huizhou Liwinon Electronics	G202044009255	2020-12-9	3 years
Xinwei Intelligence	GR202244205293	2022-12-19	3 years
Zhejiang Liwinon	GR202233004352	2022-12-24	3 years
Zhejiang Sunwoda	GR202233001073	2022-12-24	3 years
Zhejiang Xindong Energy	GR202233000680	2022-12-24	3 years
Superstar	GR202044202677	2020-12-11	3 years

2) Huaxin Zhilian, a subsidiary of the Group, obtained the Shenzhen RQ-2020-1031 Software Enterprise Certificate and the Shenzhen RQ-2020-1950 Software Product Certificate in 2020. According to Article 1 (2) of the Notice of the Ministry of Finance and the State Administration of Taxation on Several Preferential Policies on Enterprise Income Tax (Cai Shui [2008] No. 1), from the first profitable year, the newly established software production enterprises in China certified are exempted from enterprise income tax from the first and second year, and subject to 50% of enterprise income tax from the third to fifth year. Huaxin Zhilian was exempted from enterprise income tax in 2019 and 2020, and was subject to 50% of enterprise income tax from 2021 to 2023.

3) Dianjin Factoring, a controlling subsidiary of the Group, is entitled to a preferential income tax rate of 15% in the Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Business Cooperation Zone.

4) Deyang Sunwoda, a controlling subsidiary of the Group, is entitled to a preferential income tax rate of 15% among the Western Development Enterprises.

5) Sunwoda Property, Nanchang Sunwoda Property and Dongguan Liwinon Microelectronics, controlling subsidiaries of the Group, are entitled to the income tax preference for micro and small enterprises, the annual taxable income that is less than RMB1 million shall be included in its taxable income at a reduced rate of 12.5%, with the applicable enterprise income tax rate of 20%. The annual taxable income of a small low-profit enterprise that is more than RMB1 million but not exceeding RMB3 million shall be included in its taxable income at a reduced rate of 25%, with the applicable enterprise income tax rate of 20%.

(2) Value-added Tax (“VAT”)

In accordance with the provisions of the Announcement of the State Administration of Taxation on Issuing the Administrative Measures for Tax Reduction and Exemption (State Administration of Taxation [2015] No. 43), taxpayers who sell self-produced software products may enjoy the immediate VAT refund policy. The Group’s wholly-owned subsidiaries, Sunwoda Electric, Superstar and Huaxin Zhilian, enjoy such preferential policy.

3. Others

VII. Notes to the consolidated financial statements

1. Monetary funds

Unit: RMB

Item	Closing balance	Opening balance
Cash on hand	364,317.39	758,689.27
Bank deposits	11,097,389,043.96	5,440,953,728.66
Other monetary funds	8,256,249,635.83	2,925,949,878.73
Total	19,354,002,997.18	8,367,662,296.66
Including: Total amount deposited overseas	719,787,725.83	361,537,292.67
Total amount of restricted use due to mortgage, pledge or freezing	8,256,249,635.83	2,925,949,878.73

Other explanation:

Among them, the monetary funds that are restricted for use due to mortgage, pledge or freezing, restricted for centralised fund withdrawal, and deposited overseas and restricted for fund remittance are as follows:

Item	Closing balance	Opening balance
Security deposits for bank acceptance bills	7,062,023,318.10	1,879,613,224.38
Pledged time deposits or call deposits	632,389,119.12	999,201,642.42
Security deposits for payment of foreign exchange	4,094,533.28	27,800,519.02
Security deposits for letters of guarantee	57,389,765.67	5,734,101.58
Security deposits for pledged loan	168,840,246.05	
Security deposits for letters of credit	331,512,653.61	13,600,391.33
Total	8,256,249,635.83	2,925,949,878.73

2. Financial assets held for trading

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	110,000,000.00	

Including:		
Structured deposits	110,000,000.00	
Including:		
Total	110,000,000.00	

Other explanation:

3. Derivative financial assets

Unit: RMB

Item	Closing balance	Opening balance
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Other explanation:

4. Notes receivable

(1) Bills receivable by category

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance notes	984,031,578.53	
Commercial acceptance notes	386,584.83	
Total	984,418,163.36	

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Percentage	Amount	Percentage of provision		Amount	Percentage	Amount	Percentage of provision	
Including:										
Including:										

If the provision for bad debts of notes receivable is made in accordance with the general model of expected credit losses, please disclose the relevant information of provision for bad debts with reference to the disclosure method of other receivables:

Applicable Not applicable

(2) Provision for bad debts made, recovered or reversed in the current period

Provision for bad debts for the period:

Unit: RMB

Category	Opening balance	Changes during the period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	

The significant amount of bad debt provision recovered or reversed in the current period:

Applicable Not applicable

(3) Notes receivable pledged by the Company at the end of the period

Unit: RMB

Item	Pledged amount at the end of the period
Bank acceptance notes	10,000,000.00
Total	10,000,000.00

(4) Notes receivable endorsed or discounted by the Company at the end of the period and not yet due at the balance sheet date

Unit: RMB

Item	Amount derecognised at the end of the period	Amount not derecognised at the end of the period
Bank acceptance notes		731,572,730.37
Total		731,572,730.37

(5) Bills transferred to accounts receivable due to non-performance of drawers at the end of the period

Unit: RMB

Item	Amount transferred to accounts receivable at the end of the period

Other explanation:

(6) Notes receivable actually written off during the period

Unit: RMB

Item	Amount written off

Significant notes receivable written off:

Unit: RMB

Company name	Nature of bills receivable	Amount written off	Reason for write-off	Write-off procedures performed	Whether arising from related party transactions

Notes receivable write-off:

5. Accounts receivable**(1) Disclosure of accounts receivable by category**

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Percentage	Amount	Percentage of		Amount	Percentage	Amount	Percentage of	

				provision					provision	
Accounts receivable subject to separate provision for bad debts	25,890,449.11	0.21%	25,890,449.11	100.00%		396,358,210.09	4.50%	232,062,732.72	58.55%	164,295,477.37
Including:										
Accounts receivable that are individually insignificant but are provided for bad debts on individual basis	25,890,449.11		25,890,449.11			396,358,210.09		232,062,732.72		164,295,477.37
Accounts receivable subject to provision for bad debts on a collective basis	12,515,016,715.31	99.79%	67,411,840.36	0.54%	12,447,604,874.95	8,409,898,898.96	95.50%	22,454,555.11	0.27%	8,387,444,343.85
Including:										
Consumer Business Portfolio	8,785,512,780.00		8,581,638.49		8,776,931,141.51	7,644,941,124.54		9,478,946.04		7,635,462,178.50
Power Battery Business Portfolio	3,516,611,947.46		40,005.129.62		3,476.606,817.84	650,195,528.13		1,363,579.84		648,831,948.29
Energy storage systems and automation equipment business portfolio	212,891,987.85		18,825.072.25		194,066,915.60	114,762,246.29		11,612,029.23		103,150,217.06
Total	12,540,907,164.42	100.00%	93,302,289.47		12,447,604,874.95	8,806,257,109.05	100.00%	254,517,287.83		8,551,739,821.22

Provision for bad debts on individual basis:

Unit: RMB

Name	Closing balance			
	Book balance	Provision for bad debts	Percentage of provision	Reasons for provision
Accounts receivable that are individually insignificant but are provided for bad debts on individual basis	25,890,449.11	25,890,449.11	100.00%	The debtor's financial difficulties, etc.
Total	25,890,449.11	25,890,449.11		

Provision for bad debts on a collective basis:

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Percentage of provision
Consumer Business Portfolio	8,785,512,780.00	8,581,638.49	0.10%
Power Battery Business Portfolio	3,516,611,947.46	40,005,129.62	1.14%
Energy storage systems and automation equipment business portfolio	212,891,987.85	18,825,072.25	8.84%
Total	12,515,016,715.31	67,411,840.36	

Explanation of the basis for determining the portfolio:

If the provision for bad debts of accounts receivable is made in accordance with the general model of expected credit losses, please disclose the relevant information of provision for bad debts with reference to the disclosure method of other receivables:

Applicable Not applicable

Disclosure by ageing

Unit: RMB

Age	Book balance
Within 1 year (inclusive)	12,433,449,658.67
Within half year (inclusive)	12,212,710,617.54
Half-year to 1 year (inclusive)	220,739,041.13
1 to 2 years	67,724,231.12
2 to 3 years	19,505,196.82
Over 3 years	20,228,077.81
3 to 4 years	5,593,022.70
4 to 5 years	5,468,090.54
Over 5 years	9,166,964.57
Total	12,540,907,164.42

(2) Provision for bad debts made, recovered or reversed in the current period

Provision for bad debts for the period:

Unit: RMB

Category	Opening balance	Changes during the period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Provision for bad debts on individual basis Provisions	232,062,732.72	10,565,954.04		216,738,237.65		25,890,449.11
Provision for bad debts on a collective basis Provisions	22,454,555.11	46,343,475.96		1,386,190.71		67,411,840.36
Total	254,517,287.83	56,909,430.00		218,124,428.36		93,302,289.47

The significant amount of bad debt provision recovered or reversed in the current period:

Unit: RMB

Company name	Amount recovered or reversed	Recovery method
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(3) Accounts receivable actually written off in the current period

Unit: RMB

Item	Amount written off
Accounts receivable actually written off	218,124,428.36

Significant accounts receivable written off:

Unit: RMB

Company name	Nature of accounts receivable	Amount written off	Reason for write-off	Write-off procedures performed	Whether arising from related party transactions
Dongguan Jinming Electronics Co., Ltd.	Payment for goods	140,984,497.74	The case was closed and the customer was unable to repay	Board approval	No
Dongguan Jinzhuo Communication Technology Co., Ltd.	Payment for goods	31,806,181.76	The case was closed and the customer was unable to repay	Board approval	No
Zerotech Mobile (Beijing) Technology Co., Ltd.	Payment for goods	9,571,735.83	The case was closed and the customer was unable to repay	Board approval	No
Lemobile Information Technology (Beijing) Co., Ltd.	Payment for goods	9,366,039.20	The case was closed and the customer was unable to repay	Board approval	No
Leshi Chuangjing Technology (Beijing) Co., Ltd.	Payment for goods	2,615,333.92	The case was closed and the customer was unable to repay	Board approval	No
Hipad Intelligent Technology Co., Ltd.	Payment for goods	12,993,056.70	The case was closed and the customer was unable to repay	Board approval	No
Nanchang Zhenhua Communication Equipment Co., Ltd.	Payment for goods	9,401,392.50	The case was closed and the customer was unable to repay	Board approval	No
Total		216,738,237.65			

Notes for accounts receivable write-off:

(4) Top five accounts receivable based on closing balance of debtors

Unit: RMB

Company name	Closing balance of accounts receivable	Percentage of total closing balance of accounts receivable	Closing balance of provision for bad debts
Top one	2,345,991,222.49	18.71%	174,651.42
Top two	1,517,933,242.76	12.10%	554,087.44
Top three	1,311,656,080.80	10.46%	82,685.68
Top four	1,071,032,932.91	8.54%	129,186.13
Top five	659,560,641.73	5.26%	
Total	6,906,174,120.69	55.07%	

(5) Accounts receivable derecognised due to transfer of financial assets

Item	Amount derecognised	Ways to transfer financial assets	Gains or losses related to derecognition
Accounts receivable	46,506,991.55	Sale of financial assets without any recourse	-299,561.94
Total	46,506,991.55		-299,561.94

(6) Amount of assets and liabilities formed by transfer of accounts receivable and continuous involvement

Other explanation:

6. Receivables financing

Unit: RMB

Item	Closing balance	Opening balance
Notes receivable	295,691,269.69	214,371,645.95
Total	295,691,269.69	214,371,645.95

Changes in receivables financing and changes in fair value during the period

Applicable Not applicable

Item	Opening balance	Additions during the year	Derecognition during the year	Other changes	Closing balance	Accumulated loss allowance recognised in other comprehensive income
Notes receivable	214,371,645.95	3,530,156,561.00	3,448,836,937.26		295,691,269.69	
Total	214,371,645.95	3,530,156,561.00	3,448,836,937.26		295,691,269.69	

If the provision for impairment of receivables financing is made in accordance with the general model of expected credit losses,

please disclose the relevant information of the provision for impairment with reference to the disclosure method of other receivables:

Applicable Not applicable

Other explanation:

(1) Notes receivable pledged by the Company at the end of the period

Item	Pledged amount at the end of the period
Bank acceptances	5,050,000.00
Total	5,050,000.00

(2) Notes receivable endorsed or discounted by the Company at the end of the period and not yet due at the balance sheet date

Item	Amount derecognised at the end of the year	Amount not derecognised at the end of the year
Bank acceptances	869,783,713.12	
Total	869,783,713.12	

7. Prepayments

(1) Prepayments presented by ageing

Unit: RMB

Age	Closing balance		Opening balance	
	Amount	Percentage	Amount	Percentage
Within 1 year	343,466,394.92	80.17%	368,432,534.62	94.82%
1 to 2 years	61,585,603.65	14.38%	17,476,693.33	4.50%
2 to 3 years	4,568,770.61	1.07%	1,090,741.93	0.28%
Over 3 years	18,789,518.35	4.39%	1,571,731.64	0.40%
Total	428,410,287.53		388,571,701.52	

Explanation of reasons for failure to settle in time for significant prepayments aged over 1 year:

(2) Top five prepayments at the end of the period

The total amount of the top five prepayments at the end of the period based on the concentration of prepayment objects was RMB229,499,153.98, accounting for 53.57% of the total balance of prepayments at the end of the period.

Other explanation:

8. Other receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	244,180,013.37	241,177,975.56
Total	244,180,013.37	241,177,975.56

(1) Interest receivable**1) Classification of interest receivable**

Unit: RMB

Item	Closing balance	Opening balance
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2) Significant overdue interest

Unit: RMB

Borrower	Closing balance	Overdue time	Overdue reason	Whether impairment has occurred and its judgement basis
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Other explanation:

3) Provision for bad debts Applicable Not applicable**(2) Dividends payable****1) Classification of dividends receivable**

Unit: RMB

Item (or investee)	Closing balance	Opening balance
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2) Significant dividends receivable aged over 1 year

Unit: RMB

Item (or investee)	Closing balance	Age	Reason for non-recovery	Whether impairment has occurred and its judgement basis
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3) Provision for bad debts Applicable Not applicable

Other explanation:

(3) Other receivables**1) Other receivables by nature**

Unit: RMB

Nature of amount	Closing book balance	Opening book balance
Security deposits for finance lease	1,610,003.46	53,287,486.85
Other security deposits and deposits	149,161,706.51	68,037,145.25
Reserve funds	254,456.42	3,707,519.14
Export tax refund	95,715,424.25	56,817,187.92
Receivables from equity transfer	30,493,444.44	30,493,444.44
Other current accounts	105,180,213.17	80,145,603.92
Total	382,415,248.25	292,488,387.52

2) Provision for bad debts

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance at 1 January 2022	20,816,967.52		30,493,444.44	51,310,411.96
Balance at 1 January 2022 in the current period				
Provision for the period	5,504,576.88		82,400,000.00	87,904,576.88
Write-off for the period	979,753.96			979,753.96
Balance at 31 December 2022	25,341,790.44		112,893,444.44	138,235,234.88

Changes in book balance of significant changes in loss provision for the period

 Applicable Not applicable

Disclosure by ageing

Unit: RMB

Age	Book balance
Within 1 year (inclusive)	255,454,866.15
Within half year (inclusive)	187,336,400.14
Half-year to 1 year (inclusive)	68,118,466.01
1 to 2 years	68,196,435.84
2 to 3 years	10,277,479.79
Over 3 years	48,486,466.47
3 to 4 years	14,132,248.20
4 to 5 years	3,860,773.83
Over 5 years	30,493,444.44
Total	382,415,248.25

3) Provision, for bad debts made, recovered or reversed in the current period

Provision for bad debts for the period:

Unit: RMB

Category	Opening balance	Changes during the period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
By credit risk portfolio Provision for bad debts	51,310,411.96	87,904,576.88		979,753.96		138,235,234.88
Total	51,310,411.96	87,904,576.88		979,753.96		138,235,234.88

Significant amount of bad debt provision reversed or recovered in the current period:

Unit: RMB

Company name	Amount reversed or recovered	Recovery method

4) Other receivables actually written off in the current period

Unit: RMB

Item	Amount written off

Significant other receivables written off:

Unit: RMB

Company name	Nature of other receivables	Amount written off	Reason for write-off	Write-off procedures performed	Whether arising from related party transactions

Notes for verification and write-off of other receivables:

5) Top five other receivables by closing balance of debtors

Unit: RMB

Company name	Nature of amount	Closing balance	Age	Percentage of total other receivables at the end of the period	Closing balance of provision for bad debts
Top one	Export tax refund	95,273,087.35	Within half year	24.91%	
Top two	Security deposits	82,400,000.00	Within half year	21.55%	82,400,000.00
Top three	Equity transfer consideration	30,493,444.44	Over 3 years	7.97%	30,493,444.44
Top four	Equity Incentives	9,260,000.00	Within half year	2.42%	
Top five	Deposits and security deposits	5,409,526.65	Within half year 550,576.00, half	1.41%	903,090.00

			year to 1 year 1,347,568.00, 1- 2 years 1,828,052.00, 2- 3 years 1,472,034.65, over 3 years 211,296.00		
Total		222,836,058.44		58.26%	113,796,534.44

6) Receivables related to government subsidies

Unit: RMB

Company name	Name of government subsidies	Closing balance	Closing age	Expected time, amount and basis of collection
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7) Other receivables derecognised due to transfer of financial assets

8) Amount of assets and liabilities formed by transfer of other receivables and continuous involvement

Other explanation:

9. Inventories

Whether the Company needs to comply with the disclosure requirements of the real estate industry

No

(1) Classification of inventories

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment of inventories or provision for impairment of contract performance costs	Carrying amount	Book balance	Provision for impairment of inventories or provision for impairment of contract performance costs	Carrying amount
Raw materials	2,380,098,092.36	176,103,196.40	2,203,994,895.96	2,310,488,372.31	70,230,675.22	2,240,257,697.09
Products in progress	2,289,676,797.56	69,399,585.07	2,220,277,212.49	1,206,209,901.82	10,978,047.91	1,195,231,853.91

Finished goods	4,139,889,597.64	351,023,510.08	3,788,866,087.56	2,702,841,333.32	132,404,810.89	2,570,436,522.43
Contract performance costs	34,404,899.05	7,640,078.36	26,764,820.69			
Goods delivered	952,629,991.88	36,154,438.60	916,475,553.28	1,013,595,597.15	13,960,002.55	999,635,594.60
Low-value consumables	9,438,258.63		9,438,258.63	7,542,943.36		7,542,943.36
Consigned processing materials	2,428,382.97	50,359.32	2,378,023.65	5,727,364.36		5,727,364.36
Semi-finished products	729,780,672.12	23,428,567.88	706,352,104.24	623,727,740.87	7,222,270.75	616,505,470.12
Total	10,538,346,692.21	663,799,735.71	9,874,546,956.50	7,870,133,253.19	234,795,807.32	7,635,337,445.87

(2) Provision for impairment of inventories and provision for impairment of contract performance costs

Unit: RMB

Item	Opening balance	Increase during the period		Decrease in the period		Closing balance
		Provision	Others	Reversal or write-off	Others	
Raw materials	70,230,675.22	160,550,851.46		54,678,330.27		176,103,196.40
Products in progress	10,978,047.91	69,399,585.06		10,978,047.91		69,399,585.07
Finished goods	132,404,810.89	332,954,980.34		113,787,166.99	549,114.16	351,023,510.08
Contract performance costs		7,640,078.36				7,640,078.36
Goods delivered	13,960,002.55	31,118,476.32		8,924,040.27		36,154,438.60
Low-value consumables						
Consigned processing materials		50,359.32				50,359.32
Semi-finished products	7,222,270.75	20,578,102.67		4,371,805.54		23,428,567.88
Total	234,795,807.32	622,292,433.53		192,739,390.98	549,114.16	663,799,735.71

(3) Explanation on the closing balance of inventories including the amount of capitalization of borrowing costs

Nil

(4) Explanation on the amortisation of contract performance cost in the current period**10. Contract assets**

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Unexpired warranty	41,444,779.95	1,587,925.58	39,856,854.37			
Total	41,444,779.95	1,587,925.58	39,856,854.37			

Amount and reasons for significant changes in the carrying amount of contract assets during the period:

Unit: RMB

Item	Amount of change	Reason for change

If the provision for bad debts of accounts receivable is made in accordance with the general model of expected credit losses, please disclose the relevant information of provision for bad debts with reference to the disclosure method of other receivables:

 Applicable Not applicable

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Percentage	Amount	Percentage of provision		Amount	Percentage	Amount	Percentage of provision	
Provision for impairment on individual basis										
Provision for impairment on a collective basis	41,444,779.95	100%	1,587,925.58	3.83%	39,856,854.37					
Including:										
Portfolio of energy storage system and automation equipment	41,444,779.95		1,587,925.58		39,856,854.37					
Total	41,444,779.95	100%	1,587,925.58		39,856,854.37					

Provision for impairment of contract assets for the period:

Unit: RMB

Item	Provision for the	Reversal for the period	Write-off/write-off	Reason

	period		during the period	
Provision for impairment on a collective basis	1,587,925.58			
Total	1,587,925.58			—

Other explanation:

11. Assets held for sale

Unit: RMB

Item	Closing book balance	Provision for impairment	Closing book value	Fair value	Estimated disposal cost	Expected disposal time

Other explanation:

12. Non-current assets due within one year

Unit: RMB

Item	Closing balance	Opening balance
Long-term receivables due within one year	106,297,337.61	105,729,842.41
Unrealized profit or loss of sale and leaseback due within one year	344,878.61	18,828,768.78
Total	106,642,216.22	124,558,611.19

Significant debt investments/other debt investments

Unit: RMB

Debt item	Closing balance				Opening balance			
	Nominal value	Coupon rate	Effective interest rate	Maturity date	Nominal value	Coupon rate	Effective interest rate	Maturity date

Other explanation:

13. Other current assets

Unit: RMB

Item	Closing balance	Opening balance
Deductible input tax	922,324,616.16	608,520,094.35
Customs value-added tax and customs duties	215,618.75	10,782,165.92
Value-added tax to be deducted	83,935,280.43	149,053,014.29
Prepaid expenses	56,662,930.17	62,172,012.84
Other prepaid taxes	200,767,485.29	129,316,310.45
Total	1,263,905,930.80	959,843,597.85

Other explanation:

14. Debt investment

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount

Significant debt investments

Unit: RMB

Debt item	Closing balance				Opening balance			
	Nominal value	Coupon rate	Effective interest rate	Maturity date	Nominal value	Coupon rate	Effective interest rate	Maturity date

Provision for impairment

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance at 1 January 2022 in the current period				

Changes in book balance of significant changes in loss provision for the period

 Applicable Not applicable

Other explanation:

15. Other debt investments

Unit: RMB

Item	Opening balance	Interest accrued	Changes in fair value during the period	Closing balance	Cost	Accumulated changes in fair value	Accumulated loss allowance recognised in other comprehensive income	Remarks
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Significant other debt investments

Unit: RMB

Other creditors' rights	Closing balance				Opening balance			
	Nominal value	Coupon rate	Effective interest rate	Maturity date	Nominal value	Coupon rate	Effective interest rate	Maturity date

Provision for impairment

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	

Balance at 1 January 2022 in the current period				
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Changes in book balance of significant changes in loss provision for the period

Applicable Not applicable

Other explanation:

16. Long-term receivables

Item	Ending balance			Beginning balance			Cash rate
	Original amount	Provision for doubtful accounts	Carrying amount	Original amount	Provision for doubtful accounts	Carrying amount	
Land and construction transfer fund collected by stages	285,906,425.24		285,906,425.24	302,699,770.16		302,699,770.16	
Equity transfer fund collected by stages				29,232,081.25		29,232,081.25	
Total	285,906,425.24		285,906,425.24	331,931,851.41		331,931,851.41	

Impairment of provision for bad debts

(1) Long-term receivables

Unit: RMB

Item	Closing balance			Opening balance			Range of discount rate
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount	
Installment payment for the transfer of land and construction in progress	285,906,425.24		285,906,425.24	302,699,770.16		302,699,770.16	
Installment payment for equity transfer				29,232,081.25		29,232,081.25	
Total	285,906,425.24		285,906,425.24	331,931,851.41		331,931,851.41	

Impairment of provision for bad debts

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
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	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance at 1 January 2022 in the current period				

Changes in book balance of significant changes in loss provision for the period

Applicable Not applicable

(2) Long-term receivables derecognized due to transfer of financial assets

(3) Amount of assets and liabilities formed by transfer of long-term receivables and continuous involvement

Other explanation:

17. Long-term equity investments

Unit: RMB

Investee	Opening balance (book value)	Changes for the period								Closing balance (book value)	Closing balance of provision for impairment
		Additional investment	Decrease in investment	Investment profit or loss recognized under equity method	Adjustment to other comprehensive income	Other changes in equity	Cash dividend or profit declared	Provision for impairment	Others		
1. Joint ventures											
2. Associates											
Xingzhi youdao (Shenzhen) Automobile Service Co., Ltd.										0.00	10,014,453.68
Intelligent Cloud Wearable Technol										0.00	155,645.85

ogy Researc h Institut e (Shenz hen) Co., Ltd.											
Guizho u Hengda Mining Holdin gs Co., Ltd.		147,000 ,000.00		- 817,602 .59						146,182 ,397.41	
Zhejian g JHW Lithium Co., Ltd.		87,500, 000.00		- 3,591,5 12.13						83,908, 487.87	
Zhejian g Weimin g Shengq ing New Energy Materia ls Co., Ltd.		30,000, 000.00		- 44,786. 27						29,955, 213.73	
Ningbo Meisha n Bonded Port Area Fengsh eng Liuhe Investm ent Manage ment Co., Ltd.	2,809,1 04.05			3,023,6 31.52						5,832,7 35.57	
Ningbo Meisha n Bonded Port Area Fengsh eng Liuhe New	44,446, 314.78			13,572, 075.10						58,018, 389.88	

Enderg y Investm ent Partner ship (Limite d Partner ship)											
Nanjing Junshan g Electro nic Technol ogy Co., Ltd.										0.00	8,211,1 75.72
Shenzh en Lufeng Technol ogy Co., Ltd.										0.00	317,600 .96
Shenzh en Dami Growth New Industr y Equity Investm ent Fund Partner ship (Limite d Partner ship)	27,937, 768.35			9,863,2 89.21			862,068 .97			36,938, 988.59	
Beijing Sheen Power Technol ogy Co., Ltd.	10,389, 341.35			1,366,3 62.44					- 1,026.4 9	11,754, 677.30	
Shenzh en Yufeng New Materia ls Co., Ltd.										0.00	9,313,7 92.77

Yuchua ng Semico nductor (Shenz hen) Co., Ltd.	14,750, 661.29			- 10,169, 729.92						4,580,9 31.37	
Paersen Environ mental Protecti on Technol ogy Co., Ltd. ("Paers en")	62,151, 737.86			2,336,6 36.79					21,225. 08	64,509, 599.73	
Donggu an Dami Excellen t Growth Venture Investm ent Manage ment Co., Ltd.	2,249,0 44.92			13,854. 73						2,262,8 99.65	
Sichuan Xinlian wu Materia l Technol ogy Co., Ltd.	15,910, 938.77	20,000, 000.00		- 3,112,2 08.09						32,798, 730.68	
Shenzh en Ruikew ei Electro nics Co., Ltd. ("Ruike wei")		20,000, 000.00		- 777,602 .72						19,222, 397.28	
Shenzh en Rice Growth Angel Investm ent		15,000, 000.00		1,785,9 03.03						16,785, 903.03	

Partnership (Limited Partnership)											
Shenzhen Xianbang New Material Technology Co., Ltd.	31,321,913.55			-693,321.48						30,628,592.07	
Shandong Jili Sunwoda Power Battery Co., Ltd. ("Jili Sunwoda")	4,396,801.95	24,000,000.00		-20,937,076.24					-526,282.49	6,933,443.22	
Zhejiang Lanxin Intelligent New Energy Co., Ltd.		1,000,000.00		-21,373.11						978,626.89	
Sub-total	216,363,626.87	344,500,000.00		-8,203,459.73			862,068.97		-506,083.90	551,292,014.27	28,012,668.98
Total	216,363,626.87	344,500,000.00		-8,203,459.73			862,068.97		-506,083.90	551,292,014.27	28,012,668.98

Other explanation:

18. Other equity instrument investments

Unit: RMB

Item	Closing balance	Opening balance
Zhuhai Zhuowan Electronic Technology Partnership (Limited Partnership)	91,897,000.00	
Total	91,897,000.00	

Segment disclosure of non-trading equity instrument investment for the period

Unit: RMB

Project name	Dividend income recognised	Accumulated gains	Accumulated losses	Amount transferred from other comprehensive income to retained earnings	Reasons for designation as measured at fair value through other comprehensive income	Reasons for transfer from other comprehensive income to retained earnings

Other explanation:

19. Other non-current financial assets

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	1,102,712,269.61	815,605,738.60
Total	1,102,712,269.61	815,605,738.60

Other explanation:

20. Investment properties

(1) Investment properties measured at cost

Applicable Not applicable

(2) Investment properties measured at fair value

Applicable Not applicable

(3) Fixed assets with pending certificates of ownership

Unit: RMB

Item	Carrying amount	Reason for not obtaining certificate of ownership

Other explanation:

21. Fixed assets

Unit: RMB

Item	Closing balance	Opening balance
Fixed assets	11,039,499,826.32	8,428,265,607.65
Disposal of fixed assets	40,576,287.95	102,266.11
Total	11,080,076,114.27	8,428,367,873.76

(1) Fixed assets

Unit: RMB

Item	Buildings and structures	Machinery equipment	Electronic equipment	Transportation equipment	Other equipment	Total
1. Original book value:						
1. Opening balance	2,500,730,384.22	5,543,092,058.68	876,764,750.79	55,330,073.61	1,182,577,827.12	10,158,495,094.42
2. Increase for the period	14,248,423.76	4,001,269,419.93	350,594,232.50	24,418,250.53	202,633,008.19	4,593,163,334.91
(1) Purchase	1,738,446.39	770,215,539.75	203,008,469.37	18,642,170.09	125,801,036.10	1,119,405,661.70
(2) Transfer from construction in progress	12,509,977.37	3,231,053,880.18	147,585,763.13	5,776,080.44	76,831,972.09	3,473,757,673.21
(3) Increase due to business combination						
3. Decrease in the period		883,348,233.75	144,111,521.76	2,067,083.03	15,885,069.18	1,045,411,907.72
(1) Disposal or retirement		115,399,753.49	30,495,500.77	2,067,083.03	9,138,999.20	157,101,336.49
(2) Transfer to construction in progress		767,948,480.26	113,616,020.99		6,746,069.98	888,310,571.23
4. Closing balance	2,514,978,807.98	8,661,013,244.86	1,083,247,461.53	77,681,241.11	1,369,325,766.13	13,706,246,521.61
2. Accumulated depreciation						
1. Opening balance	205,389,183.78	896,304,833.52	338,157,572.33	30,588,622.73	259,789,274.41	1,730,229,486.77
2. Increase for the period	72,184,278.56	749,106,253.43	188,399,453.99	14,314,701.26	150,273,041.76	1,174,277,729.00
(1) Provision	72,184,278.56	749,106,253.43	188,399,453.99	14,314,701.26	150,273,041.76	1,174,277,729.00
3. Decrease in the period		157,391,261.88	58,218,651.00	1,931,915.87	20,218,691.73	237,760,520.48
(1) Disposal or retirement		79,093,931.28	34,131,777.96	1,931,915.87	18,159,532.11	133,317,157.22
(2) Transfer		78,297,330.60	24,086,873.04		2,059,159.62	104,443,363.26

to construction in progress						
4. Closing balance	277,573,462.34	1,488,019,825.07	468,338,375.32	42,971,408.12	389,843,624.44	2,666,746,695.29
3. Provision for impairment						
1. Opening balance						
2. Increase for the period						
(1) Provision						
3. Decrease in the period						
(1) Disposal or retirement						
4. Closing balance						
4. Carrying amount						
1. Closing book value	2,237,405,345.64	7,172,993,419.79	614,909,086.21	34,709,832.99	979,482,141.69	11,039,499,826.32
2. Opening book value	2,295,341,200.44	4,646,787,225.16	538,607,178.46	24,741,450.88	922,788,552.71	8,428,265,607.65

(2) Temporarily idle fixed assets

Unit: RMB

Item	Original book value	Accumulated depreciation	Provision for impairment	Carrying amount	Remarks

(3) Fixed assets leased out under operating leases

Unit: RMB

Item	Closing book value

(4) Fixed assets with pending certificates of ownership

Unit: RMB

Item	Carrying amount	Reason for not obtaining the certificates of ownership
Buildings	905,980,357.43	In progress
Buildings	4,210,137.58	The property is a resettlement housing

Other explanation:

(5) Disposal of fixed assets

Unit: RMB

Item	Closing balance	Opening balance
Disposal of fixed assets	40,576,287.95	102,266.11
Total	40,576,287.95	102,266.11

Other explanation:

22. Construction in progress

Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	8,040,856,161.48	2,015,739,313.97
Total	8,040,856,161.48	2,015,739,313.97

(1) Construction in progress

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Building decoration project – Nanchang Industrial Park				68,560,657.63		68,560,657.63
Building decoration project-Zaozhuang Industrial Park	283,272,374.91		283,272,374.91			
Building decoration project-Lanxi Industrial Park	18,965,468.61		18,965,468.61	5,888,555.30		5,888,555.30
Building decoration project-Nanjing Industrial Park	13,249,087.96		13,249,087.96			
Building decoration projects-others	58,781,746.78		58,781,746.78	88,353,919.07		88,353,919.07

Installation of purchased equipment-Nanchang power battery production line	3,114,604,157.03		3,114,604,157.03			
Installation of purchased equipment-Nanjing power battery production line	488,466,672.36		488,466,672.36	376,244,930.38		376,244,930.38
Installation of purchased equipment-Lanxi consumer battery (notebook) production line	18,856,548.26		18,856,548.26	49,693,774.11		49,693,774.11
Installation of purchased equipment-Lanxi consumer battery cell production line	304,618,185.79		304,618,185.79	458,277,892.50		458,277,892.50
Installation of purchased equipment-Huizhou power battery production line	297,890,898.63		297,890,898.63	177,120,792.91		177,120,792.91
Installation of purchased equipment-Zaozhuang power battery production line	232,094,589.52		232,094,589.52			
Installation of purchased equipment-others	294,055,257.09		294,055,257.09	248,744,267.65		248,744,267.65
Construction Project of Nanjing Industrial Park	1,212,088,821.77		1,212,088,821.77	20,916,961.06		20,916,961.06
Construction Project of Zaozhuang Industrial Park	631,207,682.14		631,207,682.14			

Construction Project of Boluo Industrial Park	216,290,847.52		216,290,847.52	120,159,466.10		120,159,466.10
Construction Project of Shilongzai Industrial Park	462,715,622.68		462,715,622.68	160,686,096.63		160,686,096.63
Improvement of fixed assets	223,637,770.20		223,637,770.20	66,951,249.61		66,951,249.61
Building decoration project – Lanxi Industrial Park – Construction project of production line of Lanxi-consumption-based lithium-ion battery cell	2,270,642.20		2,270,642.20	4,495,725.34		4,495,725.34
Building decoration project – Construction project of power lithium battery cell production line	32,672,773.81		32,672,773.81	21,718,435.25		21,718,435.25
Building decoration project – Lanxi Industrial Park - Construction project of production line of Lanxi-consumption-based battery (laptop)	39,020,129.78		39,020,129.78	35,004,817.81		35,004,817.81
Dongtai Jinaier Lake Exploration Right	54,045,034.61		54,045,034.61	49,479,339.30		49,479,339.30
11.5.9MW Rooftop Distributed Photovoltaic Power Generation Project				56,184,007.15		56,184,007.15
Other minor items	42,051,849.83		42,051,849.83	7,258,426.17		7,258,426.17
Total	8,040,856,161.48		8,040,856,161.48	2,015,739,313.97		2,015,739,313.97

(2) Changes in significant construction in progress during the period

Unit: RMB

Project name	Budget	Opening balance	Increase during the period	Transfer to fixed assets during the period	Other decrease for the period	Closing balance	Proportion of accumulated investment to budget	Construction progress	Accumulated amount of capitalised interest	Including: Amount of capitalised interest for the period	Interest capitalization rate for the period	Source of fund
Building decoration project – Nanchang Industrial Park		68,560,657.63	1,593,291.102.15		1,661,851.759.78							Others
Building decoration project- Zaozh uang Industrial Park			283,272,374.91			283,272,374.91						Others
Building decoration project- Lanxi Industrial Park		5,888,555.30	38,001,611.71		24,924,698.40	18,965,468.61						Others
Building decoration project- Nanjing Industrial Park			13,861,540.60		612,452.64	13,249,087.96						Others

Building decoration projects-others		88,353,919.07	318,411,066.74		347,983,239.03	58,781,746.78						Others
Installation of purchased equipment-Nanchang power battery production line			3,704,108.950.87	589,504,793.84		3,114,604.157.03			21,695,012.74	21,695,012.74		Others
Installation of purchased equipment-Nanjing power battery production line		376,244,930.38	1,072,258.490.43	960,036,748.45		488,466,672.36						Others
Installation of purchased equipment-Lanxi consumer battery (note book) production line	360,000,000.00	49,693,774.11			30,837,225.85	18,856,548.26	57.00%	Gradually completed				Funds raised
Installation of	1,120,000,000.00	458,277,892.50	367,868,245.03	521,527,951.74		304,618,185.79	70.00%	Gradually compl				Funds raised

purchased equipment-Lanxi consumer battery cell production line								eted				
Installation of purchased equipment-Huizhou power battery production line		177,120,792.91	328,217,181.47	207,447,075.75		297,890,898.63						Others
Installation of purchased equipment-Zaozh uang power battery production line			232,094,589.52			232,094,589.52						Others
Installation of purchased equipment-others		248,744,267.65	354,563,603.66	288,235,607.38	21,017,006.84	294,055,257.09						Others
Construction Project of Nanjing		20,916,961.06	1,209,011,140.49		17,839,279.78	1,212,088,821.77						Others

Industrial Park												
Construction Project of Zaozh uang Industrial Park			631,207,682.14			631,207,682.14						Others
Construction Project of Boluo Industrial Park		120,159,466.10	124,940,689.32	12,509,977.37	16,299,330.53	216,290,847.52						Others
Construction Project of Shilongzai Industrial Park	405,000,000.00	160,686,096.63	302,029,526.05			462,715,622.68	53.00%	Gradually completed	2,360,000.00	2,360,000.00		Others
Improvement of fixed assets		66,951,249.61	991,672,849.90	824,045,826.46	10,940,502.85	223,637,770.20	28.00%	Gradually completed				Others
Buidling decoration project – Lanxi Industrial Park – Construction project of production line of Lanxi-consumption-based battery		4,495,725.34	62,416,448.80		64,641,531.94	2,270,642.20	54.00%	Gradually completed				Funds raised

cell												
Buidling decoration project – Construction project of power lithium battery cell production line	270,000,000.00	21,718,435.25	36,576,405.76	25,598,438.88	23,628.32	32,672,773.81			34,488,199.31	34,488,199.31		Others
Building decoration project – Lanxi Industrial Park - Construction project of production line of Lanxi-consumption-based battery (laptop)	72,000,000.00	35,004,817.81	4,015,311.97			39,020,129.78	85.00%	Gradually completed				Funds raised
Dongtai Jinaier Lake Exploration Right		49,479,339.30	4,565,695.31			54,045,034.61						Others
11.5.9 MW Rooftop Distributed Photovoltaic		56,184,007.15	105,781.24	44,851,253.34	11,438,535.05							Others

Power Generation Project												
Other minor items		7,258,426.17	52,224,300.80		17,430,877.14	42,051,849.83						Others
Total	2,227,000.00	2,015,739,313.97	11,724,714,588.87	3,473,757,673.21	2,225,840,068.15	8,040,856,161.48			58,543,212.05	58,543,212.05		

(3) Provision for impairment of construction in progress for the period

Unit: RMB

Item	Provision for the period	Reason for provision
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Other explanation:

(4) Construction materials

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount

Other explanation:

23. Bearer biological assets**(1) Bearer biological assets measured at cost** Applicable Not applicable**(2) Bearer biological assets measured at fair value** Applicable Not applicable**24. Oil and gas assets** Applicable Not applicable**25. Right-of-use assets**

Unit: RMB

Item	Buildings and structures	Others	Total
1. Original book value:			
1. Opening balance	930,606,247.10	1,767,705.09	932,373,952.19

2. Increase for the period	1,330,272,779.92		1,330,272,779.92
(1) New leases	1,311,426,513.16		1,311,426,513.16
(2) Revaluation adjustments	18,846,266.76		18,846,266.76
3. Decrease in the period	214,835,391.36		214,835,391.36
(1) Disposal	146,066,849.04		146,066,849.04
(2) Other decreases	68,768,542.32		68,768,542.32
4. Closing balance	2,046,043,635.66	1,767,705.09	2,047,811,340.75
2. Accumulated depreciation			
1. Opening balance	282,389,618.07	1,141,642.88	283,531,260.95
2. Increase for the period	277,477,996.59	441,926.27	277,919,922.86
(1) Provision	277,477,996.59	441,926.27	277,919,922.86
3. Decrease in the period	148,141,795.91		148,141,795.91
(1) Disposal	128,299,775.58		128,299,775.58
(2) Other decreases	19,842,020.33		19,842,020.33
4. Closing balance	411,725,818.75	1,583,569.15	413,309,387.90
3. Provision for impairment			
1. Opening balance			
2. Increase for the period			
(1) Provision			
3. Decrease in the period			
(1) Disposal			
4. Closing balance			
4. Carrying amount			
1. Closing book value	1,634,317,816.91	184,135.94	1,634,501,952.85
2. Opening book value	648,216,629.03	626,062.21	648,842,691.24

Other explanation:

26. Intangible assets

(1) Intangible assets

Unit: RMB

Item	Land use rights	Patent right	Non-patented technology	Software	Total
1. Original book value:					
1. Opening balance	630,841,885.45	44,415,115.84		101,301,676.64	776,558,677.93
2. Increase for the period				34,529,879.95	34,529,879.95
(1)				34,529,879.95	34,529,879.95

Purchase					
(2) Internal R&D					
(3) Increase due to business combination					
3. Decrease in the period	0.00	36,315.84		3,048,834.89	3,085,150.73
(1) Disposal	0.00	36,315.84		3,048,834.89	3,085,150.73
4. Closing balance	630,841,885.45	44,378,800.00		132,782,721.70	808,003,407.15
2. Accumulated amortisation					
1. Opening balance	48,201,686.58	30,901,299.17		49,259,488.67	128,362,474.42
2. Increase for the period	14,089,817.35	4,557,880.00		20,600,889.16	39,248,586.51
(1) Provision	14,089,817.35	4,557,880.00		20,600,889.16	39,248,586.51
3. Decrease in the period	0.00	36,315.84		1,734,519.66	1,770,835.50
(1) Disposal	0.00	36,315.84		1,734,519.66	1,770,835.50
4. Closing balance	62,291,503.93	35,422,863.33		68,125,858.17	165,840,225.43
3. Provision for impairment					
1. Opening balance					
2. Increase for the period					
(1) Provision					
3. Decrease in the period					
(1) Disposal					
4. Closing balance					
4. Carrying amount					
1. Closing	568,550,381.52	8,955,936.67		64,656,863.53	642,163,181.72

book value					
2. Opening book value	582,640,198.87	13,513,816.67		52,042,187.97	648,196,203.51

The proportion of intangible assets formed through internal R&D of the Company to the balance of intangible assets at the end of the period.

(2) Land use rights with pending certificates of ownership

Unit: RMB

Item	Carrying amount	Reason for not obtaining the certificates of ownership
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Other explanation:

27. Development expenditure

Unit: RMB

Item	Opening balance	Increase during the period			Decrease in the period			Closing balance
	Opening balance	Internal development expenditure	Others		Recognised as intangible assets	Transferred to current profit or loss		Closing balance
Total								

Other explanation:

28. Goodwill

(1) Original book value of goodwill

Unit: RMB

Name of investee or matters resulting in goodwill	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Formed through business combination		Disposals		
Dongguan Liwinon	51,211,434.67					51,211,434.67
Yuke PV	7,945,765.47					7,945,765.47
Dianjin Factoring	11,571,400.01					11,571,400.01
Total	70,728,600.15					70,728,600.15

(2) Provision for impairment of goodwill

Unit: RMB

Name of investee or matters resulting in goodwill	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Provision		Disposals		
Total						

Information about the asset group or set of asset groups to which goodwill belongs

1) Dongguan Liwinon

① Information on the asset groups or groups of asset groups to which the goodwill belongs

The “consumer lithium battery cells business” owned by Dongguan Liwinon as at the acquisition date is the only asset group. At the end of the year, the asset group of goodwill is consistent with the asset group determined at the acquisition date, and its composition has not changed.

② Goodwill impairment test process, key parameters and recognition method of impairment loss on goodwill

The recoverable amount of an asset group is determined based on the present value of the estimated future cash flows of that asset group. The future cash flow is estimated based on the five-year financial budget of the above asset group approved by the management, and the compound annual growth rate of operating revenue in the next five years is 4.26%. The perpetual cash flows beyond the five-year period are determined based on the level of the final year of the detailed forecast period, combined with factors such as industry development trends. The discount rate used to calculate the present value is 13.39%, which is a pre-tax discount rate that reflects the specific risks of the relevant asset group.

With 31 December 2022 as the benchmark date for goodwill impairment test, on the premise that the above assumptions are satisfied, the recoverable amount of the asset group related to goodwill of Dongguan Liwinon held by the Group is higher than the book value of the asset group, and the goodwill was not impaired after tests.

2) Yuke PV

① Information on the asset groups or groups of asset groups to which the goodwill belongs

The “solar power plant business” owned by Yuke PV as at the acquisition date is the only asset group. At the end of the year, the asset group of goodwill is consistent with the asset group determined at the acquisition date, and its composition has not changed.

② Goodwill impairment test process, key parameters and recognition method of impairment loss on goodwill

The recoverable amount of an asset group is determined based on the present value of the estimated future cash flows of that asset group. The future cash flow is estimated based on the five-year financial budget of the above asset group approved by the management, and the operating revenue in the next five years is calculated based on the power generation and the estimated price. The perpetual cash flows beyond the five-year period are determined based on the level of the final year of the detailed forecast

period, combined with factors such as industry development trends. The discount rate used to calculate the present value is 12%, which is a pre-tax discount rate that reflects the specific risks of the relevant asset group.

With 31 December 2022 as the benchmark date for goodwill impairment test, on the premise that the above assumptions are satisfied, the recoverable amount of the asset group related to goodwill of Yuke PV held by the Group is higher than the book value of the asset group, and the goodwill was not impaired after tests.

3) Dianjin Factoring

① Information on the asset groups or groups of asset groups to which the goodwill belongs

The “factoring business” owned by Dianjin Factoring as at the acquisition date is the only asset group. At the end of the year, the asset group of goodwill is consistent with the asset group determined at the acquisition date, and its composition has not changed.

The recoverable amount of an asset group is determined based on the present value of the estimated future cash flows of that asset group. The future cash flow is estimated based on the five-year financial budget of the above asset group approved by the management, and the compound annual growth rate of operating revenue in the next five years is 8.72%. The perpetual cash flows beyond the five-year period are determined based on the level of the final year of the detailed forecast period, combined with factors such as industry development trends. The discount rate used to calculate the present value is 12%, which is a pre-tax discount rate that reflects the specific risks of the relevant asset group.

② Goodwill impairment test process, key parameters and recognition method of impairment loss on goodwill

With 31 December 2022 as the benchmark date for goodwill impairment test, on the premise that the above assumptions are satisfied, the recoverable amount of the asset group related to goodwill of Dianjin Factoring held by the Group is higher than the book value of the asset group, and the goodwill was not impaired after tests.

Description of the process of goodwill impairment test, key parameters (e.g. the growth rate in the forecast period, the growth rate in the stable period, the profit margin, the discount rate, the forecast period, etc.) and the recognition method of goodwill impairment loss:

Effect of goodwill impairment test

Other explanation:

29. Long-term prepaid expenses

Unit: RMB

Item	Opening balance	Increase during the period	Amortisation for the period	Other decreases	Closing balance
Building decoration project – Huizhou	612,105,977.65	199,286,752.97	101,452,314.49	36,666,087.47	673,274,328.66

Industrial Park					
Building decoration project-Huizhou Industrial Park-construction project of power lithium battery production line	153,184,984.68		23,445,332.48		129,739,652.20
Building decoration project-Huizhou Industrial Park-construction project of consumer battery cell production line	56,236,289.21	20,734,656.06	11,323,354.89	57,156.68	65,590,433.70
Building decoration project-Guangming Industrial Park	61,918,819.82	28,623,487.77	14,193,051.78	5,101,179.25	71,248,076.56
Building Renovation Works-Shilongzai Industrial Park	40,882,522.46	5,443,480.09	8,131,994.68		38,194,007.87
House Renovation Works-Jinjia Industrial Park	22,568,772.76	421,245.95	14,563,626.80		8,426,391.91
Building Renovation Works – Yu Yong Xing Industrial Park	38,262,323.14		5,391,678.31		32,870,644.83
Building Renovation Works-India Industrial Park	17,651,691.10	10,529,833.97	4,989,917.12	8,242,423.64	14,949,184.31
Building decoration project-Nanjing Industrial Park-construction project of power lithium battery production line	239,342,403.05	12,283,605.01	28,043,742.94		223,582,265.12
Building decoration project-Nanjing Industrial Park	30,213,444.22	23,679,960.02	3,788,733.66		50,104,670.58
Building decoration project-Lanxi Industrial Park-	23,117,499.53	73,797,886.97	4,000,129.44		92,915,257.06

construction project of consumer battery cell production line					
Housing decoration project – Nanchang Industrial Park – construction project of power lithium battery production line		560,538,725.77	3,936,387.15		556,602,338.62
Building decoration project – Nanchang Industrial Park		1,101,313,034.01	18,616,007.90		1,082,697,026.11
Building improvement works – other leased factories and dormitories	107,136,798.20	174,926,014.11	30,693,912.49	742,604.76	250,626,295.06
Other long-term prepaid expenses	14,411,498.05	16,444,587.47	5,694,127.51	656,755.76	24,505,202.25
Total	1,417,033,023.87	2,228,023,270.17	278,264,311.64	51,466,207.56	3,315,325,774.84

Other explanation:

30. Deferred income tax assets/deferred income tax liabilities

(1) Deferred tax assets before offset

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for asset impairment	827,416,069.68	178,204,224.64	453,048,244.01	77,593,096.34
Unrealized profit from internal transactions	894,582,760.32	170,182,126.86	940,923,931.30	156,800,087.97
Deductible losses	1,951,907,037.78	386,935,356.15	156,943,141.90	33,273,674.99
Restricted share incentive expenses	76,533,630.26	11,480,044.54	123,809,633.54	18,571,445.03
Deferred income-government subsidies	355,309,104.51	82,799,066.46	282,080,933.05	67,696,815.99
Valuation of financial instruments held for trading and derivative financial instruments	123,824,406.43	18,573,660.97	25,674.94	3,851.24
Accrued expenses	5,409,202.40	1,361,388.07	4,566,378.13	1,149,266.05

Accrued warranty	416,544,032.06	62,481,604.81		
Revenue from scrap during the trail operation	217,243,504.09	52,095,973.19		
Total	4,868,769,747.53	964,113,445.69	1,961,397,936.87	355,088,237.61

(2) Deferred tax liabilities before offset

Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Assets appraisal appreciation from business combination not under common control	8,275,936.67	2,068,984.17	12,593,816.67	3,148,454.17
Valuation of financial instruments held for trading and derivative financial instruments	320,067,983.43	80,016,995.86	441,971,998.48	76,496,376.18
Accelerated depreciation of fixed assets permitted by the tax bureau	2,005,303,958.00	311,023,993.41	474,406,797.86	78,850,892.15
Equity investment income that is not intended to be held for a long time	40,055,138.77	10,013,784.69	23,844,855.51	5,961,213.89
Total	2,373,703,016.87	403,123,758.13	952,817,468.52	164,456,936.39

(3) Deferred tax assets or liabilities presented in net amount after offset

Unit: RMB

Item	Offset amount of deferred tax assets and liabilities at the end of the period	Closing balance of deferred tax assets or liabilities after offset	Offset amount of deferred tax assets and liabilities at the beginning of the period	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	221,435,881.39	763,090,339.87	81,547,536.44	273,540,701.17
Deferred tax liabilities	221,435,881.39	202,100,652.31	81,547,536.44	82,909,399.95

(4) Details of unrecognised deferred income tax assets

Unit: RMB

Item	Closing balance	Opening balance
Deductible temporary differences	97,521,784.94	115,587,932.08
Deductible losses	4,499,160,160.87	4,611,684,704.83
Changes in fair value of financial assets	5,995,186.73	

Total	4,602,677,132.54	4,727,272,636.91
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(5) Deductible losses of unrecognised deferred income tax assets will expire in the following years

Unit: RMB

Year	Closing amount	Opening balance	Remarks
2022		109,409,810.07	
2023	28,006,358.83	116,986,430.87	
2024	39,708,596.02	143,996,564.72	
2025	72,093,142.25	218,481,376.15	
2026	268,560,135.13	976,735,767.82	
2027	498,584,832.97		
2028	236,531,814.55	207,886,878.63	
2029	440,804,057.40	548,007,464.81	
2030	662,306,574.00	671,873,960.38	
2031	1,263,086,974.84	1,603,389,864.61	
2032	959,829,808.33		
Indefinite	29,647,866.55	14,916,586.77	
Total	4,499,160,160.87	4,611,684,704.83	

Other explanation:

31. Other non-current assets

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Prepayments for equipment	1,479,229,157.21		1,479,229,157.21	1,021,875,230.26		1,021,875,230.26
Prepayments for purchase of properties	133,000,000.00		133,000,000.00			
Prepayments for construction	115,796,256.35		115,796,256.35	212,137,462.91		212,137,462.91
Prepaid land premiums	11,500,000.00		11,500,000.00	21,500,000.00		21,500,000.00
Prepayment for software	10,541,425.26		10,541,425.26	8,142,160.61		8,142,160.61
Others	16,586,222.01		16,586,222.01	15,163,859.35		15,163,859.35
Total	1,766,653,060.83		1,766,653,060.83	1,278,818,713.13		1,278,818,713.13

Other explanation:

32. Short-term borrowings**(1) Classification of short-term borrowings**

Unit: RMB

Item	Closing balance	Opening balance
Secured loans	586,000,000.00	
Guaranteed loans	2,925,093,394.22	2,857,309,393.85
Credit loans	644,127,424.24	712,994,553.77
Pledged and guaranteed loans	4,209,474,263.90	2,726,190,637.42
Total	8,364,695,082.36	6,296,494,585.04

Description of classification of short-term loans:

(2) Overdue and outstanding short-term borrowings

The total amount of overdue and outstanding short-term borrowings at the end of the period is RMB[*], of which the significant overdue and outstanding short-term borrowings are as follows:

Unit: RMB

Borrower	Closing balance	Interest rate	Overdue time	Overdue interest rate

Other explanation:

33. Financial liabilities held for trading

Unit: RMB

Item	Closing balance	Opening balance
Financial liabilities held for trading		25,674.94
Including:		
Derivative financial liabilities		25,674.94
Financial liabilities designated as at fair value through profit or loss	1,144,000,000.00	
Including:		
Others	1,144,000,000.00	
Total	1,144,000,000.00	25,674.94

Other explanation:

34. Derivative financial liabilities

Unit: RMB

Item	Closing balance	Opening balance

Other explanation:

35. Notes payable

Unit: RMB

Type	Closing balance	Opening balance
Bank acceptances	8,001,826,405.84	3,680,833,300.96
Letter of credit	5,957,234.24	
Total	8,007,783,640.08	3,680,833,300.96

The total amount of notes payable due but unpaid at the end of the period is RMB[*].

36. Trade payables**(1) Particulars of accounts payable**

Unit: RMB

Item	Closing balance	Opening balance
Payables for goods	11,088,687,028.77	8,606,031,317.97
Payables for construction and equipment	4,076,201,635.33	1,078,668,554.87
Total	15,164,888,664.10	9,684,699,872.84

(2) Significant accounts payable aged over one year

Unit: RMB

Item	Closing balance	Reason for outstanding or carried forward

Other explanation:

37. Receipts in advance**(1) Particulars of receipts in advance**

Unit: RMB

Item	Closing balance	Opening balance

(2) Significant advances from customers aged over one year

Unit: RMB

Item	Closing balance	Reason for outstanding or carried forward

38. Contract liabilities

Unit: RMB

Item	Closing balance	Opening balance
Within 1 year (inclusive)	461,334,795.63	258,697,041.07
1 to 2 years (inclusive)	75,161,143.56	145,046,120.57
2 to 3 years (inclusive)	57,306,015.20	1,270,427.08

Over 3 years	1,755,844.59	3,864,870.22
Total	595,557,798.98	408,878,458.94

Amount and reasons for significant changes in carrying amount during the Reporting Period

Unit: RMB

Item	Amount of change	Reason for change
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39. Employee benefits payable**(1) Particulars of employee benefits payable**

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
1. Short-term remuneration	671,057,147.97	6,042,967,017.30	5,856,118,689.54	857,905,475.73
2. Post-employment benefits-defined contribution plans	1,067,134.15	272,253,282.22	271,158,690.49	2,161,725.88
Total	672,124,282.12	6,315,220,299.52	6,127,277,380.03	860,067,201.61

(2) Particulars of short-term remuneration

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
1. Salaries, bonuses, allowances and subsidies	666,213,427.88	5,692,401,865.19	5,502,841,683.16	855,773,609.91
2. Employee benefits	3,768,470.30	157,307,278.23	160,608,580.86	467,167.67
3. Social insurance	657,123.14	134,887,805.29	134,582,379.99	962,548.44
Including: Medical insurance	602,720.53	123,248,516.96	122,914,523.11	936,714.38
Work-related injury insurance	16,639.73	7,171,438.61	7,163,465.62	24,612.72
Maternity insurance	37,762.88	4,467,849.72	4,504,391.26	1,221.34
4. Housing provident fund	398,126.65	56,677,124.15	56,403,101.09	672,149.71
5. Labour union expenses and employee education expenses	20,000.00	1,692,944.44	1,682,944.44	30,000.00
Total	671,057,147.97	6,042,967,017.30	5,856,118,689.54	857,905,475.73

(3) Particulars of defined contribution plans

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
1. Basic pension insurance	1,030,048.12	263,064,215.20	261,991,812.38	2,102,450.94
2. Unemployment insurance	37,086.03	9,189,067.02	9,166,878.11	59,274.94
Total	1,067,134.15	272,253,282.22	271,158,690.49	2,161,725.88

Other explanation:

40. Taxes payable

Unit: RMB

Item	Closing balance	Opening balance
Value-added tax	78,495,825.38	16,268,537.79
Corporate income tax	13,965,737.70	68,332,772.77
Individual income tax	15,801,093.66	3,432,789.20
Urban maintenance and construction tax	2,063,991.80	1,123,946.51
Education surcharge	1,744,353.50	783,510.97
Stamp duty	9,222,923.54	5,308,998.98
Other taxes	626,962.41	313,231.48
Total	121,920,887.99	95,563,787.70

Other explanation:

41. Other payables

Unit: RMB

Item	Closing balance	Opening balance
Other payables	635,362,745.51	533,265,218.34
Total	635,362,745.51	533,265,218.34

(1) Interest payable

Unit: RMB

Item	Closing balance	Opening balance
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Significant overdue and unpaid interest:

Unit: RMB

Borrower	Amount past due	Overdue reason
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Other explanation:

(2) Dividends payable

Unit: RMB

Item	Closing balance	Opening balance
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Other explanations, including significant dividends overdue over one year, should disclose the reasons for failure to pay:

(3) Other payables**1) Other payables by nature**

Unit: RMB

Item	Closing balance	Opening balance
Security deposits for production capacity	247,370,202.54	
Other security deposits and deposits	64,063,629.74	27,072,068.58
Accrued expenses	73,460,864.42	52,090,215.29
Share-based compensation with repurchase obligation	105,481,734.70	226,384,246.70
Capital increase of subsidiaries with repurchase obligation		124,131,589.04
Guarantee fee payable	13,408,301.88	13,408,301.88
Others	131,578,012.23	90,178,796.85
Total	635,362,745.51	533,265,218.34

2) Significant other payables aged over one year

Unit: RMB

Item	Closing balance	Reason for outstanding or carried forward
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Other explanation:

42. Liabilities held for sale

Unit: RMB

Item	Closing balance	Opening balance
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Other explanation:

43. Non-current liabilities due within one year

Unit: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year	1,993,572,810.19	1,012,451,869.66
Bonds payable due within one year	610,902,177.82	

Long-term payables due within one year	133,741,933.05	334,851,141.76
Lease liabilities due within one year	174,618,990.74	145,393,721.09
Unrealized profit or loss of sale and leaseback due within one year		10,140,226.37
Other long-term liabilities due within one year	525,171.08	87,059,503.05
Provisions due within one year	32,713,261.97	
Total	2,946,074,344.85	1,579,756,235.56

Other explanation:

44. Other current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Short-term bonds payable		813,282,191.76
Output value-added tax to be transferred	460,696,190.16	292,331,103.34
Liabilities recognised for share repurchase obligations	706,152,328.77	
Total	1,166,848,518.93	1,105,613,295.10

Changes in short-term bonds payable:

Unit: RMB

Name of bond	Nominal value	Date of issuance	Term of bond	Issue amount	Opening balance	Issued during the period	Interest accrued at par value	Amortisation of premium/discount	Repayment during the period		Closing balance
Total											

Other explanation:

45. Long-term borrowings

(1) Classification of long-term borrowings

Unit: RMB

Item	Closing balance	Opening balance
Guaranteed loans	2,706,860,219.86	671,962,788.66
Guaranteed and mortgaged borrowings	1,018,907,135.11	1,533,005,902.58
Total	3,725,767,354.97	2,204,968,691.24

Explanation on the classification of long-term loans:

Other notes, including interest rate range:

46. Bonds payable**(1) Bonds payable**

Unit: RMB

Item	Closing balance	Opening balance
Bonds payable	387,840,834.27	994,393,616.16
Total	387,840,834.27	994,393,616.16

(2) Changes in bonds payable (excluding preferred shares, perpetual bonds and other financial instruments classified as financial liabilities)

Unit: RMB

Name of bond	Nominal value	Date of issuance	Term of bond	Issue amount	Opening balance	Issued during the period	Interest accrued at par value	Amortisation of premium/discount	Repayment during the period	Other decreases	Closing balance
20 Xin Wang 01	390,000,000.00	2020-6-23	3 years	390,000,000.00	391,815,058.93	139,500,000.00	15,522,000.00	5,712,587.02	155,022,000.00	397,527,645.95	
20 Xin Wang 02	210,000,000.00	2020-8-31	3 years	210,000,000.00	209,505,174.57	30,000,000.00	8,500,454.77	2,636,258.71	38,925,000.00	211,716,888.05	
20 Xin Wang 03	400,000,000.00	2020-8-31	5 years	400,000,000.00	393,073,382.66		19,267,068.49	4,478,026.94	19,320,000.00	9,657,643.82	387,840,834.27
Total				1,000,000,000.00	994,393,616.16	169,500,000.00	43,289,523.26	12,826,872.67	213,267,000.00	618,902,177.82	387,840,834.27

(3) Description of conditions and timing of conversion of convertible corporate bonds**(4) Description of other financial instruments classified as financial liabilities**

Preference shares, perpetual bonds and other financial instruments outstanding at the end of the period

Changes in preference shares, perpetual bonds and other financial instruments outstanding at the end of the period

Unit: RMB

Financial instruments outstanding	Beginning of period		Increase during the period		Decrease during the period		End of the period	
	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount

Explanation on the basis of other financial instruments classified as financial liabilities

Other explanation:

47. Lease liabilities

Unit: RMB

Item	Closing balance	Opening balance
Lease payments	2,559,511,523.91	721,760,867.47
Less: unrecognised finance charges	-905,707,615.34	-149,532,101.66
Total	1,653,803,908.57	572,228,765.81

Other explanation:

48. Long-term payables

Unit: RMB

Item	Closing balance	Opening balance
Long-term payables	102,784,829.73	213,192,010.39
Special payables	1,434,791,191.02	
Total	1,537,576,020.75	213,192,010.39

(1) Long-term payables by nature

Unit: RMB

Item	Closing balance	Opening balance
Long-term payables	102,784,829.73	213,192,010.39
Including: Unrecognised financing expenses	5,667,173.00	1,024,366.02
Total	102,784,829.73	213,192,010.39

Other explanation:

(2) Special payables

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance	Reasons for formation
Total				1,434,791,191.02	

Other explanation:

49. Long-term employee benefits payable**(1) Table of long-term employee benefits payable**

Unit: RMB

Item	Closing balance	Opening balance
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(2) Changes in defined benefit plans

Present value of defined benefit obligations:

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Plan assets:

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Net liabilities (net assets) of defined benefit plan

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Description of the contents of the defined benefit plan and the related risks, the impact on the Company's future cash flow, time and uncertainty:

Description of significant actuarial assumptions and sensitivity analysis results of defined benefit plans:

Other explanation:

50. Provisions

Unit: RMB

Item	Closing balance	Opening balance	Reasons for formation
Product quality assurance	383,830,770.09	127,493,020.40	After-sales comprehensive service fees for automobile motive batteries
Total	383,830,770.09	127,493,020.40	

Other notes, including important assumptions and estimates related to important estimated liabilities:

51. Deferred income

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance	Reasons for formation
Government subsidies	522,969,102.91	201,896,174.50	48,126,001.02	676,739,276.39	

Others	198,736.59	6,136,455.75	6,119,482.89	215,709.45	
Total	523,167,839.50	208,032,630.25	54,245,483.91	676,954,985.84	

Items involving government subsidies:

Unit: RMB

Liabilities Item	Opening balance	New subsidies for the period	Amount included in non-operating income	Amount included in other income for the period	Amount of expenses written off during the period	Other changes	Closing balance	Related to assets/income
Science and technology support fund of Yuanzhou Town People's Government	302,520,332.01			10,958,366.40			291,561,965.61	Related to assets
Nanjing Sunwoda land payment support (equity repurchase payment on behalf of Sunwoda Electric Vehicle)		74,549,600.00		1,531,841.04			73,017,758.96	Related to assets
Subsidies for arrival of Phase 1 equipments of Nanchang Sunwoda		40,045,062.10					40,045,062.10	Related to assets
Subsidies received for technical equipment	36,400,000.00						36,400,000.00	Related to assets
Special subsidy for the first batch of equipment investment in 2020	4,814,125.65	30,000,000.00		4,949,318.98			29,864,806.67	Related to assets
Subsidies for enhanced technological transformations in industrial enterprises in 2019 from Boluo County Science and Technology Industry and Information Technology Bureau	22,036,744.05	5,286,100.00		3,203,732.85			24,119,111.20	Related to assets
Equipment subsidies from Zhejiang government		23,490,000.00		3,855,922.24			19,634,077.76	Related to assets
Special fund for the integration of "innovation chain + industry chain" for the independent R&D and application of Pack intelligent manufacturing production line for lithium-ion batteries	20,624,762.32			1,907,466.54			18,717,295.78	Related to assets

Technology transformation subsidy from Shenzhen Baoan Industrial and Information Technology Bureau	15,000,000.00						15,000,000.00	Related to assets
Equipment subsidy from Lanxi Science and Technology Industrial Park Management Committee		15,672,200.00		1,091,530.58			14,580,669.42	Related to assets
Subsidies for “Lithium-ion Power Battery PACK Assembly High Flexible Digital Factory” of 2017 Intelligent Manufacturing New Model Application Project	11,057,735.86			27,341.00			11,030,394.86	Related to assets
“Distributed Energy System Demonstration with Multi-energy Complementary Integration and Optimisation” Special Project of National Key R&D Programme “Intelligent Power Grid Technology and Equipment”	14,600,914.00			4,528,100.00			10,072,814.00	Related to assets
2021 Nanjing Industrial Enterprise Technology and Equipment Investment Financial Incentive Subsidies Project	10,000,000.00						10,000,000.00	Related to assets
Second batch of funding for key enterprise research institute project 20220092		10,000,000.00					10,000,000.00	Related to assets
Digital twin system project in production line based on industrial internet platform	8,970,237.00			1,602,097.00			7,368,140.00	Related to assets
Second batch of funding plan for major project incentive subsidies-technical transformation and upgrading project of Sunwoda Guangming Industrial Park	8,646,254.13			2,358,069.24			6,288,184.89	Related to assets

Research and development and industrialization of key technologies of lithium battery formation and battery management system for electric vehicles	6,521,968.84			2,881,432.01			3,640,536.83	Related to assets
Technological transformation investment project of enterprise technological transformation support plan	3,430,000.00						3,430,000.00	Related to assets
Research funds for high energy density electrodes and battery technology	3,208,370.21			34,889.40			3,173,480.81	Related to assets
Special funds for provincial technological transformation in 2021	1,542,737.45	1,851,000.00		418,764.04			2,974,973.41	Related to assets
Funding Project of 2020 Industrial Internet Development Support Programme	2,650,000.00						2,650,000.00	Related to assets
Key Technology Research and Development of Heavy 20180005 Distributed Photovoltaic-Energy Storage Power Station Joint Operation and Dispatch Management System	2,600,000.00			209,652.84			2,600,000.00	Related to assets
First batch of funding plan for Technological Transformation for Productivity Doubling Special Technical Transformation Investment Project-the technological transformation and upgrading project of Sunwoda Guangming Industrial Park	2,736,314.13			276,596.86			2,526,661.29	Related to assets
Funds for industrialization project of distributed lithium battery energy storage system	2,802,710.01						2,526,113.15	Related to assets
Smart grid lithium-ion battery energy storage device	2,400,000.00						2,400,000.00	Related to assets

Construction of second-level node for industrial internet identification analysis of Sunwoda	2,400,000.00						2,400,000.00	Related to assets
Key Technology Research and Development of Heavy 20200054 High Safety 350Wh/kg Power Battery	2,250,000.00						2,250,000.00	Related to assets
Production expansion and efficiency enhancement technology transformation project of precision mould workshop	2,030,000.00						2,030,000.00	Related to assets
Closed-loop quality testing technology for Pack intelligent manufacturing production line of lithium-ion batteries	2,413,176.13			461,055.99			1,952,120.14	Related to assets
Key Technology Research and Development of Heavy 20170083 300Wh/Kg Lithium-ion Power Battery	3,716,391.76			1,869,013.37			1,847,378.39	Related to assets
Heavy 20200055 High-performance solid-state battery R&D and industrialization project	1,800,000.00						1,800,000.00	Related to assets
2021 provincial economic promotion funds from Boluo County Science and Technology Industry and Information Technology Bureau	1,750,000.00			133,084.60			1,616,915.40	Related to assets
Research and application verification of distributed computing system	1,360,000.00						1,360,000.00	Related to assets
Research and development of solid-state lithium batteries and key materials based on material genome technology	1,083,629.44			43,875.36			1,039,754.08	Related to assets
Lithium battery application	1,000,000.00						1,000,000.00	Related to assets

industrialization project	0							
Other government subsidies related to assets	20,602,699.92	1,002,212.40		5,783,850.68			15,821,061.64	Related to assets
Total	522,969,102.91	201,896,174.50		48,126,001.02			676,739,276.39	

Other explanation:

52. Other non-current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Loans from shareholders	315,200,000.00	
Payment on behalf of Nanjing Sunwoda Phase II plant	297,534,542.21	104,716,455.57
Total	612,734,542.21	104,716,455.57

Other explanation:

53. Share capital

Unit: RMB

	Opening balance	Changes (+, -)					Closing balance
		Issuance of new shares	Bonus issue	Conversion from reserves	Others	Sub-total	
Total number of Shares	1,718,957,276.00	143,795,000.00			-330,620.00	143,464,380.00	1,862,421,656.00

Other explanation:

54. Other equity instruments

(1) Preference shares, perpetual bonds and other financial instruments outstanding at the end of the period

(2) Changes in preference shares, perpetual bonds and financial instruments outstanding at the end of the period

Unit: RMB

Financial instruments outstanding	Beginning of period		Increase during the period		Decrease during the period		End of the period	
	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount

Total		0.00						0.00
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Changes in other equity instruments during the period, explanations on the reasons for the changes, and the basis for relevant accounting treatment:

Other explanation:

55. Capital reserve

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Capital premium (share premium)	6,951,370,688.07	3,077,883,388.83	2,734,897.60	10,026,519,179.30
Other capital reserve	502,114,393.07	2,843,444,870.17	104,006,276.06	3,241,356,186.80
Total	7,453,485,081.14	5,921,131,458.62	106,741,173.66	13,267,875,366.10

Other explanations, including changes during the period and reasons for changes:

The increase in share premium was due to:(1) an increase of RMB 2,973,877,112.77 in the issuance of GDRs; and (2) an increase of RMB 104,006,276.06 in share premium resulting from the unlocking of restricted shares.

Decrease in share premium: decrease of RMB2,734,897.60 in repurchase of restricted shares.

The increase in other capital reserves was mainly due to the increase in other capital reserves of RMB180,127,264.67 as a result of the implementation of equity incentives, and the increase in other capital reserves of RMB2,663,120,805.12 as a result of the change in the share of owners' equity in subsidiaries.

The decrease in other capital reserves was mainly due to the decrease in share premium of RMB104,006,276.06 due to the unlock of restricted shares.

56. Treasury shares

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Proceeds from restricted shares with repurchase obligation	226,359,606.70		120,115,796.00	106,243,810.70
Total	226,359,606.70		120,115,796.00	106,243,810.70

Other explanations, including changes during the period and reasons for changes:

Participants of the Company's restricted share incentive scheme paid the subscription price when subscribing for the restricted shares. The Group recognized the share capital and capital reserve (share premium) upon receipt of the subscription price, and at the same time recognized a liability in full for the repurchase obligation and recognized treasury shares.

The decrease in the current year was due to the reverse of phase III restricted shares purchased and released to treasury shares.

57. Other comprehensive income

Unit: RMB

Item	Opening balance	Amount for the current period						Closing balance
		Amount before income tax for the period	Less: Amount previously included in other comprehensive income transferred to current profit or loss	Less: Amount previously included in other comprehensive income transferred to retained earnings	Less: Income tax expenses	Attributable to parent company after tax	Attributable to minority shareholders after tax	
2. Other comprehensive income that will be reclassified to profit or loss	- 158,017.64	3,959,046.6 2				3,960,464.6 1	-1,417.99	3,802,446.9 7
Exchange differences on translation of foreign operations	- 158,017.64	3,959,046.6 2				3,960,464.6 1	-1,417.99	3,802,446.9 7
Total other comprehensive income	- 158,017.64	3,959,046.6 2				3,960,464.6 1	-1,417.99	3,802,446.9 7

Other explanations, including adjustments for the effective portion of gains and losses on cash flow hedges transferred to initial recognition of hedged items:

58. Special reserve

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
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Other explanations, including changes during the period and reasons for changes:

59. Surplus reserve

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Statutory surplus reserve	638,362,496.61	149,387,065.22		787,749,561.83
Total	638,362,496.61	149,387,065.22		787,749,561.83

Explanation on surplus reserve, including changes in the current period and reasons for changes:

60. Retained earnings

Unit: RMB

Item	Current period	Previous period
Undistributed profits at the end of the previous period before adjustment	3,445,778,924.09	2,803,039,775.29
Total adjustment to undistributed profit at the beginning of the period (increase +, decrease -)		-30,226,753.78
Undistributed profits at the beginning of the period after adjustment	3,445,778,924.09	2,772,813,021.51
Add: Net profit attributable to owners of the parent company for the period	1,063,753,672.60	915,654,084.18
Less: Appropriation to statutory surplus reserve	149,387,065.22	132,415,222.49
Appropriation to general reserve	3,000,000.00	
Ordinary share dividends payable	119,506,307.85	110,272,959.11
Retained earnings at the end of the period	4,237,639,223.62	3,445,778,924.09

Details of adjustment to undistributed profit at the beginning of the period:

- 1) Due to the retrospective adjustment of the Accounting Standards for Business Enterprises and relevant new regulations, the undistributed profit of [RMB] at the beginning of the period was affected.
- 2) Due to changes in accounting policies, the undistributed profit of [RMB] at the beginning of the period is affected.
- 3) Due to the correction of major accounting errors, the undistributed profit of [RMB] at the beginning of the period was affected.
- 4) Due to the change of consolidation scope caused by the same control, the undistributed profit of [RMB] at the beginning of the period was affected.
- 5) Other adjustments affect the undistributed profit of [RMB] at the beginning of the period.

61. Revenue and operating costs

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Main business	51,639,424,634.00	44,701,303,207.18	37,094,903,498.88	31,789,817,195.27
Other Businesses	522,844,679.89	241,646,089.15	263,820,013.19	81,938,508.94

Total	52,162,269,313.89	44,942,949,296.33	37,358,723,512.07	31,871,755,704.21
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Whether the lower of the audited net profit before and after deducting non-recurring profit or loss is negative

Yes No

Revenue related information:

Unit: RMB

Contract classification	Segment 1	Segment 2		Total
Type of goods				52,162,269,313.89
Including:				
Consumer battery				32,015,430,640.92
EV battery				12,686,519,262.82
Energy Storage system				454,946,772.51
Others				7,005,372,637.64
By operating region				52,162,269,313.89
Including:				
Domestic				29,576,325,140.18
Overseas				22,585,944,173.71
Market or customer type				
Including:				
Contract type				
Including:				
By time of transfer of goods				
Including:				
By contract term				
Including:				
By sales channels				
Including:				
Total				

Information related to performance obligations:

Nil

Information about the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations that have been signed but not yet fulfilled or not yet fulfilled is RMB0.00, of which RMB[*] is expected to be recognised in the year [*], RMB[*] is expected to be recognised in the year [*], and RMB[*] is expected to be recognised in the year [*].

Other explanation:

62. Taxes and surcharges

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Urban maintenance and construction tax	32,654,063.54	30,653,665.31
Education surcharge	26,857,445.63	25,890,643.01
Property tax	24,757,838.83	16,385,962.99
Land use tax	2,811,717.52	2,933,851.44
Vehicle and vessel usage tax	386,040.14	33,252.12
Stamp duty and others	50,694,632.22	40,500,712.54
Environmental protection tax	142,648.93	1,131,465.79
Total	138,304,386.81	117,529,553.20

Other explanation:

63. Selling expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee compensation	139,668,210.33	95,954,145.43
After-sales comprehensive service fees	312,427,049.94	82,195,400.74
Material Consumption	56,406,001.66	34,780,118.51
Operating expenses	29,812,953.96	24,195,968.63
Consulting fees	16,769,385.02	12,891,787.27
Share-based payment expenses	9,224,806.87	12,871,176.44
Others	33,878,049.45	17,501,079.12
Total	598,186,457.23	280,389,676.14

Other explanation:

64. Administrative expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee compensation	1,179,729,828.27	763,288,785.11
Depreciation and amortisation expenses	239,977,101.74	187,134,201.81
Material Consumption	172,192,401.80	100,218,866.43
Water, electricity and property management fees	121,463,850.70	84,006,570.69
Share-based payment expenses	75,744,261.57	69,844,629.63
Office expenses	68,076,947.10	59,690,551.67
Intermediary consulting service fee	60,495,623.57	53,534,233.65
Entertainment expenses	39,989,265.87	30,243,635.11
Others	191,183,397.69	145,559,940.41
Total	2,148,852,678.31	1,493,521,414.51

Other explanation:

65. Research and development expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee compensation	1,286,817,497.49	921,676,784.57
Material Consumption	932,948,772.61	925,516,686.88
Depreciation and amortisation expenses	197,471,009.24	224,618,124.83
Water, electricity and property management fees	84,189,306.46	44,337,006.64
Certification and inspection fee	78,729,958.90	74,953,319.12
Share-based payment expenses	49,776,534.74	44,648,091.96
Intermediary consulting service fee	16,451,730.46	9,462,165.45
Travelling expenses	15,483,118.51	11,084,367.23
Others	79,935,379.14	70,376,085.03
Total	2,741,803,307.55	2,326,672,631.71

Other explanation:

66. Financial expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Interest expense	655,320,430.19	525,998,966.21
Including: Interest expenses on lease liabilities	123,995,876.09	27,966,122.01
Including: Share repurchase interest expenses	76,962,709.99	
Less: Interest income	210,562,592.57	92,317,193.02
Foreign exchange gains and losses	156,267,590.36	25,864,150.55
Discounted bills interest	9,236,859.27	5,495,259.50
Others	64,277,366.76	57,160,748.41
Total	674,539,654.01	522,201,931.65

Other explanation:

67. Other income

Unit: RMB

Source of other revenue	Amount for the current period	Amount for the previous period
Government subsidies	305,375,896.55	227,135,421.69
Immediate levy and refund	3,336,449.96	20,704,728.43
Additional deduction of input tax	574,473.23	475,589.08
Others	565,786.05	914,203.25
Total	309,852,605.79	249,229,942.45

68. Investment income

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Income from long-term equity investment under equity method	-8,271,128.79	-13,561,456.64
Investment income from disposal of long-term equity investments	-395,889.45	-64,155.06
Investment income from disposal of financial assets held for trading	455,861.16	36,441,600.05
Investment income from holding other non-current financial assets	6,450,153.22	14,165,017.56
Investment income from disposal of other non-current financial assets	30,100,637.19	
Total	28,339,633.33	36,981,005.91

Other explanation:

69. Net exposure hedging gains

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Other explanation:

70. Incomes from change in fair value

Unit: RMB

Source of gains from changes in fair value	Current period	Prior period
Financial assets held for trading	324,481.18	-10,021,010.40
Including: Gains from changes in fair value of derivative financial instruments	324,481.18	-10,021,010.40
Other non-current financial assets	58,193,603.88	-13,657,951.66
Financial liabilities held for trading	-104,000,000.00	
Total	-45,481,914.94	-23,678,962.06

Other explanation:

71. Credit impairment losses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Loss on bad debts of other receivables	-87,904,576.88	-9,728,951.13
Loss on bad debts of accounts receivable	-56,909,430.00	-6,413,743.03
Total	-144,814,006.88	-16,142,694.16

Other explanation:

72. Asset impairment losses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
II. Impairment losses of inventories and impairment losses of contract performance costs	-622,292,433.53	-164,566,719.16
XII. Impairment losses on contract assets	-1,587,925.58	
Total	-623,880,359.11	-164,566,719.16

Other explanation:

73. Gains on disposal of assets

Unit: RMB

Source of gains from disposal of assets	Amount for the current period	Amount for the previous period
Gains on disposal of fixed assets	-21,534,485.60	-18,013,311.84
Gains on disposal of intangible assets and construction in progress	352,830.18	176,903,504.86
Gain or loss on disposal of right-of-use assets	-185,437.59	
Total	-21,367,093.01	158,890,193.02

74. Non-operating income

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount included in non-recurring profit or loss for the current period
Gain on retirement of non-current assets	2,020,326.38		2,020,326.38
Scrap income	23,568,582.27	24,537,830.38	23,568,582.27
Penalty income	22,846,426.06	18,564,628.07	22,846,426.06
Others	682,510.89	13,531,835.75	682,510.89
Total	49,117,845.60	56,634,294.20	49,117,845.60

Government subsidies included in current profit or loss:

Unit: RMB

Subsidy items	Issuing entity	Reason for issuing the subsidies	Nature Type	Whether the grant affects the profit or loss for the year	Special subsidy or not	Amount incurred in the current period	Amount incurred in the previous period	Related to assets/income
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Other explanation:

75. Non-operating expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount included in non-recurring profit or loss for the current period
External donations	9,838,117.75	7,596,438.76	9,838,117.75
Losses on damaged or retirement of non-current assets	13,384,245.02	9,049,722.07	13,384,245.02
Penalty expenses	451,940.04	813,200.00	451,940.04
Others	6,216,230.78	8,459,116.14	6,216,230.78
Total	29,890,533.59	25,918,476.97	29,890,533.59

Other explanation:

76. Income tax expenses**(1) Table of income tax expense**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Current income tax expenses	78,315,873.05	169,070,532.92
Deferred income tax expenses	-397,021,471.72	-5,982,305.87
Total	-318,705,598.67	163,088,227.05

(2) Adjustment process of accounting profit and income tax expenses

Unit: RMB

Item	Amount for the current period
Total profit	439,509,710.84
Income tax expenses calculated at statutory/applicable tax rate	65,926,456.63
Effect of different tax rates applicable to subsidiaries	-121,283,562.06
Effect of adjustment to previous income tax	210,797.72
Effect of non-deductible costs, expenses and losses	30,122,417.96
Effect of utilisation of previously unrecognised deductible tax losses	-145,865,726.34
Effect of temporary differences for which no deferred tax asset was recognised or deductible tax losses	285,385,107.37
Changes in the balance of deferred tax assets/liabilities at the beginning of the period due to tax rate adjustments	2,213,871.31
Additional deductible expenses under the Tax Law (additional deduction)	-436,442,355.36
Others	1,027,394.10
Income tax expenses	-318,705,598.67

Other explanation:

77. Other comprehensive income

See notes.

78. Cash flow statement items**(1) Cash received relating to other operating activities**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Interest income	170,366,745.57	106,922,700.56
Penalty income and other non-operating income	71,166,786.92	36,141,428.17
Government subsidies	437,803,070.29	195,081,075.27
Security deposits and deposits	561,904,171.72	18,605,266.91
Current and others	68,606,652.48	69,392,290.19
Total	1,309,847,426.98	426,142,761.10

Notes to other cash receipts related to operating activities:

(2) Other cash payments related to operating activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Cash paid for selling expenses	152,951,073.85	125,821,106.39
Cash paid for management expenses	510,381,361.62	479,861,530.61
Cash paid for research and development expenses	530,175,464.24	436,359,820.71
Cash paid for finance expenses	36,819,337.75	23,410,307.06
Donation expenditure	6,551,629.97	6,596,108.76
Security deposits and deposits	168,231,096.89	43,795,915.53
Current and others	101,014,122.66	204,901,402.65
Total	1,506,124,086.98	1,320,746,191.71

Notes to other cash payments related to operating activities:

(3) Cash received relating to other investing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Notes to other cash receipts related to investment activities:

(4) Cash paid relating to other investing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Ending cash from sales of subsidiaries	785,152.24	80,533.00
Loss from forward settlement and sales exchange	7,527,979.14	
Total	8,313,131.38	80,533.00

Notes to other cash payments related to investment activities:

(5) Cash received relating to other financing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Collection of security deposits or time deposits for pledge	270,179,753.95	
Sale and leaseback financing	50,000,000.00	322,855,896.18
Discounted bills	87,144,294.19	
Borrowing from others	91,000,000.00	56,025,159.32
Financing from external investors	1,839,000,000.00	800,000,000.00
Total	2,337,324,048.14	1,178,881,055.50

Notes to other cash receipts related to financing activities:

(6) Cash paid relating to other financing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Security deposits or time deposits for financing	2,246,311,572.47	589,520,000.00
Payments for finance lease and security deposits	143,150,452.24	588,133,385.85
Financing issue expenses	90,670,632.10	7,723,773.60
Repurchase of shares	4,052,233.60	218,486,257.80
Repayment of principal and interest of lease liabilities	229,539,430.07	156,412,507.61
Repayment of loans to others	77,770,900.00	
Total	2,791,495,220.48	1,560,275,924.86

Notes to other cash payments related to financing activities:

79. Supplementary information to cash flow statement**(1) Supplementary information to the cash flow statement**

Unit: RMB

Supplementary information	Amount for the period	Amount for the previous period
1. Reconciliation of net profit to cash flows from operating activities		
Net profit	758,215,309.51	854,992,956.83
Add: Provision for asset impairment	768,694,365.99	180,709,413.32
Depreciation of fixed assets, oil and gas assets and productive biological assets	1,174,277,729.00	770,743,193.86
Depreciation of right-of-use assets	277,919,922.86	151,306,741.69
Amortisation of intangible assets	39,248,586.51	36,132,351.69
Amortisation of long-term prepaid expenses	278,264,311.64	249,710,485.17
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by “-”)	-21,367,093.01	-159,846,865.51
Losses on retirement of fixed assets (gains are indicated by “-”)	11,363,918.64	9,049,722.07
Losses from changes in fair value (gains are indicated by “-”)	45,481,914.94	23,678,962.06
Financial expenses (Gains are indicated by with “-”)	655,320,430.19	525,998,966.21
Investment losses (gains are indicated by “-”)	-28,339,633.33	-36,981,005.91
Decrease in deferred tax assets (increase is indicated by “-”)	-489,549,638.70	-51,200,643.73
Increase in deferred tax liabilities (decrease is indicated by “-”)	119,191,252.36	20,149,420.62
Decrease in inventories (increase is indicated by “-”)	-2,863,089,869.74	-2,679,055,862.53
Decrease in operating receivables (increase is indicated by “-”)	-8,613,897,547.32	-1,535,715,344.69
Increase in operating payables (decrease is indicated by “-”)	7,967,841,933.98	3,220,951,763.30
Others	436,465,014.36	53,543,953.73
Net cash flows from operating activities	558,775,093.90	1,634,168,208.18
2. Significant investing and financing activities not involving cash receipts and payments		
Conversion of debt into capital	800,000,000.00	1,122,196,857.66
Convertible bonds due within one year		
Fixed assets acquired under finance leases		

3. Net changes in cash and cash equivalents:		
Closing balance of cash	11,097,753,361.35	5,441,712,417.93
Less: Opening balance of cash	5,441,712,417.93	2,362,810,717.86
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	5,656,040,943.42	3,078,901,700.07

(2) Net cash paid for acquisition of subsidiaries in the current period

Unit: RMB

	Amount
Including:	
Including:	
Including:	

Other explanation:

(3) Net cash received from disposal of subsidiaries in the current period

Unit: RMB

	Amount
Cash or cash equivalents received from disposal of subsidiaries during the period	384,000.00
Including:	
Sunwoda Japan	384,000.00
Less: Cash and cash equivalents held by subsidiaries on the date of loss of control	1,169,152.24
Including:	
Sunwoda Japan	1,169,152.24
Including:	
Net cash received from disposal of subsidiaries	-785,152.24

Other explanation:

(4) Composition of cash and cash equivalents

Unit: RMB

Item	Closing balance	Opening balance
I. Cash	11,097,753,361.35	5,441,712,417.93
Including: Cash on hand	364,317.39	758,689.27
Bank deposits readily available	11,097,389,043.96	5,440,953,728.66

for payment		
III. Cash and cash equivalents at the end of the period	11,097,753,361.35	5,441,712,417.93

Other explanation:

80. Notes to items in the statement of changes in equity

Notes to items and adjustment amount of “others” adjusted for the closing balance of the previous year:

81. Assets with restricted ownership or use rights

Unit: RMB

Item	Closing book value	Reason for restriction
Cash at bank and on hand	8,256,249,635.83	Bank acceptance drafts and L/C deposits
Notes receivable	741,572,730.37	Notes receivable pledged, endorsed but not qualified for derecognition
Fixed assets	1,261,566,139.86	Mortgage for borrowing
Intangible assets	461,029,808.06	Mortgage for borrowing
Accounts receivable	69,623,027.95	Pledge of right to collect electricity incomes from PV power station
Receivable financing	5,050,000.00	Notes pledged
Total	10,795,091,342.07	

Other explanation:

82. Foreign currency monetary items

(1) Foreign currency monetary items

Unit: RMB

Item	Closing balance of foreign currency	Exchange rate	Closing balance converted in RMB
Cash at bank and on hand			4,178,482,751.21
Including: USD	519,590,070.71	6.9646	3,618,749,501.68
EUR	122,681.27	7.4229	910,651.29
HKD	791,970.79	0.8933	707,446.29
TWD	1,356,751.00	0.2286	310,124.59
Rupee	6,630,419,235.16	0.0841	557,805,027.31
JPY	1.00	0.0524	0.05
Accounts receivable			4,520,849,241.15
Including: USD	520,356,754.98	6.9646	3,624,076,655.75
EUR			
HKD			

TWD	10,452.85	0.2286	2,389.30
Rupee	10,668,567,359.35	0.0841	896,770,196.10
Long-term borrowings			
Including: USD			
EUR			
HKD			
Accounts payable			2,608,481,393.51
Including: USD	250,139,392.40	6.9646	1,742,120,812.31
EUR	289,777.02	7.4229	2,150,985.84
HKD	966,825,778.10	0.8933	863,636,462.80
JPY	10,946,000.00	0.0524	573,132.56

Other explanation:

(2) Description of overseas business entities, and for important overseas business entities, shall disclose their main overseas business places, functional currency and selection basis, and shall disclose the reasons for any change in the functional currency.

Applicable Not applicable

Overseas operating entities	Principal place of business	4. Functional currency	Selection basis of functional currency
Hong Kong Xinwei	Hong Kong	HKD	Common currency of the place of operation
Sunwoda Germany	Germany	EUR	Common currency of the place of operation
Sunwoda India	India	Rupee	Common currency of the place of operation
Winone HK	Hong Kong	HKD	Common currency of the place of operation
Winone India	India	Rupee	Common currency of the place of operation
Japan New Energy	Japan	JPY	Common currency of the place of operation

83. Hedging

The qualitative and quantitative information of the hedged item, the relevant hedging instrument and the hedged risk is disclosed according to the category of hedging:

84. Government subsidies

(1) Basic information of government subsidies

Unit: RMB

Type	Amount	Presentation item	Amount included in current
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			profit or loss
Science and technology support fund of Yuanzhou Town People's Government	291,561,965.61	Deferred income	10,958,366.40
Nanjing Sunwoda land payment support	73,017,758.96	Deferred income	1,531,841.04
Subsidies for arrival of Phase 1 equipments of Nanchang Sunwoda	40,045,062.10	Deferred income	
Subsidies received for technical equipment	36,400,000.00	Deferred income	
Special subsidy for the first batch of equipment investment in 2020	29,864,806.67	Deferred income	4,949,318.98
Subsidies for enhanced technological transformations in industrial enterprises in 2019 from Boluo County Science and Technology Industry and Information Technology Bureau	24,119,111.20	Deferred income	3,203,732.85
Equipment subsidies from Zhejiang government	19,634,077.76	Deferred income	3,855,922.24
Special fund for the integration of "innovation chain + industry chain" for the independent R&D and application of Pack intelligent manufacturing production line for lithium-ion batteries	18,717,295.78	Deferred income	1,907,466.54
Technology transformation subsidy from Shenzhen Baoan Industrial and Information Technology Bureau	15,000,000.00	Deferred income	
Equipment subsidy from Lanxi Science and Technology Industrial Park Management Committee	14,580,669.42	Deferred income	1,091,530.58
Subsidies for "Lithium-ion Power Battery PACK Assembly High Flexible Digital Factory" of 2017 Intelligent Manufacturing New Model Application Project	11,030,394.86	Deferred income	27,341.00
"Distributed Energy System Demonstration with Multi-energy Complementary Integration and Optimisation" Special Project of National Key R&D Programme "Intelligent Power Grid Technology and Equipment"	10,072,814.00	Deferred income	4,528,100.00
2021 Nanjing Industrial Enterprise Technology and Equipment Investment	10,000,000.00	Deferred income	

Financial Incentive Subsidies Project			
Second batch of funding for key enterprise research institute project	10,000,000.00	Deferred income	
Other government subsidies related to assets	72,695,320.03	Deferred income	16,072,381.39
Subsidy for bailout development of industrial enterprises in 2022	6,861,310.82	Other income	6,861,310.82
Incentive project for exceeding industrial output value	20,000,000.00	Other income	20,000,000.00
Special support funds from the Boluo County Science and Technology Industry and Information Technology Bureau	15,000,000.00	Other income	15,000,000.00
Subsidy of 2022 Technology Innovation Support Scheme (National Technology Innovation Demonstration Enterprise rewards) Project	3,000,000.00	Other income	3,000,000.00
Second batch of project funding plan of 2022 enterprise technology transformation project support plan	17,700,000.00	Other income	17,700,000.00
Subsidies for expansion and growth	97,726,632.36	Other income	97,726,632.36
Subsidies for stable employment and suitable employment	25,864,244.28	Other income	25,864,244.28
Research and development subsidies	16,167,021.16	Other income	16,167,021.16
Post-doctoral subsidies	7,140,000.00	Other income	7,140,000.00
Other government subsidies	47,790,686.91	Other income	47,790,686.91
Total	933,989,171.92		305,375,896.55

(2) Refund of government subsidies

Applicable Not applicable

Other explanation:

85. Others

VIII. Changes in the scope of consolidation

1. Business combination not under common control

(1) Business combination not under common control in the current period

Unit: RMB

Name of acquiree	Time of acquisition	Cost of equity acquisition	Percentage of equity acquired	Method of equity acquisition	Date of purchase	Basis for determining the acquisition date	Income of the acquiree from the acquisition date to the end of the period	Net profit of the acquiree from the acquisition date to the end of the period

Other explanation:

(2) Combination cost and goodwill

Unit: RMB

Cost of combination	
-Cash	
-Fair value of non-cash assets	
-Fair value of debt issued or assumed	
-Fair value of equity securities issued	
-Fair value of contingent consideration	
-Fair value of equity interest held before the acquisition date on the acquisition date	
-Others	
Total combination cost	
Less: share of fair value of identifiable net assets acquired	
Goodwill/combination cost less than the fair value of the identifiable net assets acquired	

Description of the method for determining the fair value of combination cost, contingent consideration and its changes:

The main reasons for the large amount of goodwill:

Other explanation:

(3) Identifiable assets and liabilities of the acquiree on the acquisition date

Unit: RMB

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	Fair value at acquisition date	Book value on acquisition date
Assets:		
Cash at bank and on hand		
receivables		
Inventories		
Fixed assets		
Intangible assets		
Liabilities:		
Borrowings		
Trade payables		
Deferred tax liabilities		
Net assets		
Less: Minority interests		
Net assets acquired		

Method for determining the fair value of identifiable assets and liabilities:

Contingent liabilities of the acquiree assumed in business combination:

Other explanation:

(4) Gains or losses arising from re-measurement of equity held before the acquisition date at fair value

Whether there is a business combination achieved in stages through multiple transactions and obtained control during the reporting period

Yes No

(5) Explanation on the combination consideration or fair value of identifiable assets and liabilities of the acquiree cannot be reasonably determined on the acquisition date or the end of the combination period

(6) Other explanations

2. Business combination under common control

(1) Business combination under common control during the period

Unit: RMB

Name of	Proportion	Basis for	Date of	Basis for	Income of	Net profit	Revenue of	Net profit
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the acquiree	of ownership interest acquired in business combination	business combination under common control	combination	determining the combination date	the acquiree from the beginning of the current period to the combination date	of the acquiree from the beginning of the current period to the combination date	the acquiree during the comparative period	of the acquiree for the comparative period
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Other explanation:

(2) Combination cost

Unit: RMB

Cost of combination	
-Cash	
-Carrying amount of non-cash assets	
-Book value of debt issued or assumed	
-Nominal value of equity securities issued	
-Contingent consideration	

Description of contingent consideration and its changes:

Other explanation:

(3) Book value of assets and liabilities of the acquiree on the date of the combination date

Unit: RMB

	Date of combination	End of last period
Assets:		
Cash at bank and on hand		
receivables		
Inventories		
Fixed assets		
Intangible assets		
Liabilities:		
Borrowings		
Trade payables		
Net assets		
Less: Minority interests		

Net assets acquired		
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Contingent liabilities of the acquiree assumed in business combination:

Other explanation:

3. Reverse purchase

Basic information of the transaction, the basis for the transaction constituting a reverse purchase, whether the assets and liabilities retained by the listed company constitute a business and its basis, the determination of the combination cost, the amount of adjustment to equity and its calculation based on equity transaction:

4. Disposal of subsidiaries

Whether there is a single disposal of investment in a subsidiary that leads to loss of control

Yes No

Unit: RMB

Name of subsidiary	Equity disposal price	Percentage of equity disposal	Equity disposal method	Time point of losing control	Basis for determining the time point of losing control	Difference between the disposal price and the share of the subsidiary's net assets at the level of the consolidated financial statement corresponding to the disposal of the investment	Percentage of remaining equity at the date of loss of control	Carrying amount of remaining equity at the date of loss of control	Fair value of remaining equity at the date of loss of control	Gains or losses arising from remeasurement of the fair value of remaining equity	Method of determining the fair value of remaining equity at the date of loss of control and key assumption	Amount of other consolidated revenue which is related to the original equity investment in subsidiary and stated as investment gains/losses
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						ment						
Sunwoda Japan	480,000.00	99.94%	Cash transfer	30 June 2022	The equity transfer agreement has been signed and become effective	-395,889.45						

Other explanation:

Whether there is disposal of investment in subsidiaries in stages through multiple transactions and loss of control in the current period

Yes No

5. Changes in consolidation scope due to other reasons

Explanation on changes in the scope of consolidation due to other reasons (e.g., establishment of new subsidiaries, liquidation of subsidiaries, etc.) and relevant information:

(1) 24 consolidated entities were newly added due to the establishment of subsidiaries, including Deyang Sunwoda, Zhuhai Sunwoda, Huizhou PTL, Yingchuang Precision, Smart Energy, Shandong Xingaotou, Shandong Xinneng Power, Shandong Xinzhi New Energy, Zaozhuang Xinyue, Zaozhuang Xinding, Xinwei Zhiwang, Xinyi Zhilian, Xinzhi Wangjia, Hong Kong Xinzhiwang, Zhuhai Sunwinon, Zhejiang Lixin, Sunwoda Resources, Hubei Dongyu Xincheng, Zhejiang Sunwoda Power, Bosheng Investment, Wanhong Power, Zaozhuang Sunwoda Venture Capital, Superstar Shandong and Japan New Energy.

(2) 3 consolidated entities were derecognised due to the deregistration of subsidiaries, including Dongguan Hongsheng Technology, Huizhou Xinwei Intelligent and Sunwoda Liuzhou.

(3) Transfer of one non-operating subsidiary: Hong Kong Xinzhiwang.

6. Others

IX. Interests in other entities

1. Interests in subsidiaries

(1) Composition of the Group

Name of subsidiary	Principal place of business	Place of registration	Nature of business	Percentage of shareholding		Acquisition method
				Direct	Indirect	
Xinwei Electronic	Shenzhen	Shenzhen	Manufacturing	100.00%		Business combination under common control
Hong Kong Xinwei	Hong Kong	Hong Kong	Trading	100.00%		Establishment
Sunwoda Germany	Germany	Germany	Trading		100.00%	Establishment
Sunwoda India	India	India	Manufacturing		99.99%	Establishment
Teamwork Electronics	Hong Kong	Hong Kong	Trading		100.00%	Establishment
Santo Electronic	British Virgin Islands	British Virgin Islands	Trading		100.00%	Establishment
Sinaean Electronic	Cayman Islands	Cayman Islands	Trading		100.00%	Establishment
Sunwoda Japan	Japan	Japan	Trading		99.94%	Establishment
Huizhou New Energy	Huizhou	Huizhou	Manufacturing	98.00%	2.00%	Establishment
Electric vehicle battery	Shenzhen	Shenzhen	Manufacturing		50.00%	Establishment
Power New Energy	Huizhou	Huizhou	Manufacturing		100.00%	Establishment
Sunwoda Liuzhou	Liuzhou	Liuzhou	Manufacturing		100.00%	Establishment
Putian Sunwoda	Putian	Putian	Manufacturing		100.00%	Establishment
Nanjing New Energy	Nanjing	Nanjing	Manufacturing		100.00%	Establishment
Nanchang Sunwoda	Nanchang	Nanchang	Manufacturing		99.76%	Establishment
Shandong Sunwoda	Zaozhuang	Zaozhuang	Manufacturing		100.00%	Establishment
Deyang Sunwoda	Deyang	Deyang	Manufacturing		100.00%	Establishment
Zhuhai Sunwoda	Zhuhai	Zhuhai	Manufacturing		100.00%	Establishment
Hubei Dongyu Xincheng	Yichang	Yichang	Manufacturing		51.00%	Establishment
Zhejiang Sunwoda Power	Yiwu	Yiwu	Manufacturing		80.00%	Establishment
Zaozhuang Sunwoda Venture Capital	Zaozhuang	Zaozhuang	Investments		100.00%	Establishment
Japan New Energy	Japan	Japan	Trading		100.00%	Establishment
Huizhou	Huizhou	Huizhou	Manufacturing		100.00%	Establishment

Intelligent Industry						
Sunwoda Electric	Shenzhen	Shenzhen	Manufacturing	100.00%		Establishment
Qianhai Hongsheng	Shenzhen	Shenzhen	Manufacturing and investment	100.00%		Establishment
Dianjin Factoring	Shenzhen	Shenzhen	Financial		60.00%	Business combination not under common control
Yisheng Investment	Shenzhen	Shenzhen	Investments		100.00%	Business combination not under common control
Bosheng Investment	Shenzhen	Shenzhen	Investments		99.00%	Establishment
Green Energy	Shenzhen	Shenzhen	Manufacturing		100.00%	Establishment
Winone Precision	Huizhou	Huizhou	Manufacturing		52.41%	Establishment
Winone HK	Hong Kong	Hong Kong	Manufacturing		100.00%	Establishment
Winone India	India	India	Manufacturing		100.00%	Establishment
Yingchuang Precision	Huizhou	Huizhou	Manufacturing		100.00%	Establishment
Dongguan Hongsheng Technology	Dongguan	Dongguan	Manufacturing		100.00%	Establishment
Haixi Yueshan Membrane	Debingha	Debingha	Manufacturing		90.76%	Business combination not under common control
Xinhuicai	Shenzhen	Shenzhen	Trading		100.00%	Establishment
PTL	Shenzhen	Shenzhen	Testing		66.81%	Establishment
Nanjing PTL	Nanjing	Nanjing	Testing		100.00%	Establishment
Huizhou PTL	Huizhou	Huizhou	Testing		100.00%	Establishment
Xinwei Intelligence	Shenzhen	Shenzhen	Manufacturing		100.00%	Establishment
Huizhou Xinwei Intelligent	Huizhou	Huizhou	Manufacturing		100.00%	Establishment
Dongguan Liwinon	Dongguan	Dongguan	Manufacturing	100.00%		Business combination not under common control
Sunwoda Energy	Shenzhen	Shenzhen	Manufacturing	100.00%		Establishment
Yuke PV	Yuzhou	Yuzhou	Power Industry		90.00%	Business combination not under common control
Qinghai New Energy	Xi Ning	Xi Ning	Manufacturing		100.00%	Establishment
Huizhou	Huizhou	Huizhou	Manufacturing		100.00%	Establishment

Energy Technology						
Xinneng Nanjing	Nanjing	Nanjing	Manufacturing		100.00%	Establishment
Smart Energy	Shenzhen	Shenzhen	Manufacturing		100.00%	Establishment
Shandong Xingtaotou	Zaozhuang	Zaozhuang	Manufacturing		94.00%	Establishment
Shandong Xinneng Power	Zaozhuang	Zaozhuang	Manufacturing		100.00%	Establishment
Shandong Xinzhi New Energy	Zaozhuang	Zaozhuang	Manufacturing		100.00%	Establishment
Wanhong Power	Guangzhou	Guangzhou	Civil engineering construction industry		100.00%	Establishment
Zaozhuang Xinyue	Zaozhuang	Zaozhuang	Manufacturing		100.00%	Establishment
Zaozhuang Xinding	Zaozhuang	Zaozhuang	Manufacturing		100.00%	Establishment
Sunwoda Intelligent Technology	Shenzhen	Shenzhen	Manufacturing	100.00%		Establishment
Xinwei Zhiwang	Shenzhen	Shenzhen	Manufacturing		100.00%	Establishment
Shenzhen Sunwinon	Shenzhen	Shenzhen	Manufacturing	100.00%		Establishment
Huizhou Sunwinon	Huizhou	Huizhou	Manufacturing		100.00%	Establishment
Dongguan Intelligent Hardware	Dongguan	Dongguan	Manufacturing		100.00%	Establishment
Hunan Sunwinon	Changsha	Changsha	Manufacturing		100.00%	Establishment
Xinyi Zhilian	Shenzhen	Shenzhen	Manufacturing		51.00%	Establishment
Xinzhi Wangjia	Shenzhen	Shenzhen	Manufacturing		51.00%	Establishment
Hong Kong Xinzhawang	Hong Kong	Hong Kong	Trading		99.00%	Establishment
Zhuhai Sunwinon	Zhuhai	Zhuhai	Manufacturing		100.00%	Establishment
Xinxiangrong	Shenzhen	Shenzhen	Commercial services	51.00%		Establishment
Shenzhen Sunynn	Shenzhen	Shenzhen	Manufacturing	64.81%		Establishment
Hunan Sunynn	Changsha	Changsha	Manufacturing		100.00%	Establishment
Shenzhen Xindong Energy	Shenzhen	Shenzhen	Manufacturing	60.00%		Establishment
Sunwoda Property	Shenzhen	Shenzhen	Services	100.00%		Establishment
Nanchang Sunwoda Property	Nanchang	Nanchang	Services		100.00%	Establishment
Zhejiang Sunwoda	Lanxi	Lanxi	Manufacturing	100.00%		Establishment
Zhejiang Xindong	Lanxi	Lanxi	Manufacturing	60.00%		Establishment

Energy						
Huizhou Xindong Energy	Huizhou	Huizhou	Manufacturing		100.00%	Establishment
Huizhou Liwinon	Huizhou	Huizhou	Manufacturing	80.00%	20.00%	Establishment
Dongguan Liwinon Microelectronics	Dongguan	Dongguan	Manufacturing		100.00%	Establishment
Zhejiang Liwinon	Lanxi	Lanxi	Manufacturing		100.00%	Establishment
Zhejiang Lixin	Jinhua	Jinhua	Manufacturing		70.00%	Establishment
Zhejiang Liwinon Electronics	Lanxi	Lanxi	Manufacturing		52.92%	Establishment
Huizhou Liwinon Electronics	Huizhou	Huizhou	Manufacturing		100.00%	Establishment
Superstar	Shenzhen	Shenzhen	Manufacturing	51.00%		Business combination not under common control
Huaxin Zhilian	Shenzhen	Shenzhen	Software		100.00%	Business combination not under common control
Superstar Shandong	Zaozhuang	Zaozhuang	Manufacturing		100.00%	Establishment
Sunwoda Energy	Shenzhen	Shenzhen	Manufacturing	100.00%		Establishment

Explanation on the difference between the proportion of shareholding in subsidiaries and the proportion of voting rights:

The basis for holding half or less than half of the voting rights but still controlling the investee, and holding more than half of the voting rights but not controlling the investee:

Basis for control of significant structured entities included in the scope of consolidation:

Basis for determining whether the Company is an agent or a principal:

Other explanation:

(2) Significant non-wholly owned subsidiaries

Unit: RMB

Name of subsidiary	Shareholding percentage of minority	Profit or loss attributable to minority	Dividends declared to minority shareholders	Closing balance of minority interests
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	shareholders	shareholders for the period	in the current period	
Electric vehicle battery	50.00%	-385,391,558.24		5,802,251,851.46
Winone Precision	47.59%	53,692,489.63		282,614,997.49

Explanation on the difference between the proportion of shares held by minority shareholders of subsidiaries and the proportion of voting rights:

Other explanation:

(3) Main financial information of significant non-wholly-owned subsidiaries

Unit: RMB

Name of subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Electric vehicle battery	18,010,664,050.44	15,990,903,797.57	34,001,567,848.01	17,486,121,291.94	4,914,763,746.19	22,400,885,038.13	3,760,042,094.98	5,002,672,342.21	8,762,714,437.19	5,769,686,335.17	719,444,542.05	6,489,130,877.22
Winone Precision	1,282,246,520.62	545,188,035.84	1,827,434,556.46	1,176,698,773.88	53,574,904.63	1,230,273,678.51	986,498,238.39	383,210,46.20	1,369,708,284.59	1,064,901,573.70	48,953,943.07	1,113,855,516.77

Unit: RMB

Name of subsidiary	Amount for the current period				Amount for the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Electric vehicle battery	12,950,531,991.30	-	-	-	2,949,128,455.25	-	-	-
		1,261,213,807.02	1,261,213,807.02	1,646,731,671.92		1,064,024,258.57	1,064,024,258.57	1,124,173,689.38
Winone Precision	2,647,740,677.91	128,511,393.26	131,870,248.53	114,992,039.28	2,174,926,099.68	118,038,525.06	118,038,525.06	382,708,995.03

Other explanation:

(4) Significant restrictions on the use of assets of the enterprise group and the repayment of debts of the enterprise group

(5) Financial support or other support provided to structured entities included in the scope of consolidated financial statements

Other explanation:

2. Transactions in which the share of owners' equity in subsidiaries changes and still controls the subsidiaries

(1) Explanation on changes in the share of owners' equity in subsidiaries

(2) Impact of the transaction on Minority interests and equity attributable to owners of the parent company

Unit: RMB

	Electric Vehicle Battery	Nanjing Sunwoda	Winone Precision	Nanjing Sunwoda	Winone India
Acquisition cost/disposal consideration	8,751,750,000.00	230,000,000.00	200,000,000.00	4,800,000.00	0.87
-Cash	8,751,750,000.00	230,000,000.00	200,000,000.00	4,800,000.00	0.87
-Fair value of non-cash assets					
Total purchase cost/disposal consideration	8,751,750,000.00	230,000,000.00	200,000,000.00	4,800,000.00	0.87
Less: Share of net assets of subsidiaries calculated based on the proportion of equity acquired/disposed	6,119,958,628.69	196,793,356.96	122,180,369.71	4,852,696.91	13.38
Difference	2,631,791,371.31	33,206,643.04	77,819,630.29	-52,696.91	-12.51
Including: Adjustment to capital reserve	2,631,791,371.31	-33,206,643.04	77,819,630.29	-52,696.91	-12.51
Adjustment to surplus reserve					
Adjustment to retained earnings					

Other explanation:

3. Interests in joint arrangements or associates

(1) Significant joint ventures or associates

Name of joint venture or associate	Principal place of business	Place of registration	Nature of business	Percentage of shareholding	Accounting treatment of investments in joint ventures or associates

				Direct	Indirect	
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Explanation on the difference between the proportion of shareholding in joint ventures or associates and the proportion of voting rights:

The basis for holding less than 20% of the voting rights but having significant influence, or holding 20% or more of the voting rights but not having significant influence:

(2) Main financial information of significant joint ventures

Unit: RMB

	Closing balance/current period	Opening balance/Amount incurred in previous period
Current assets		
Including: Cash and cash equivalents		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Minority interests		
Equity attributable to owners of the parent company		
Share of net assets calculated based on shareholding ratio		
Adjustment events		
-goodwill		
Unrealized profit from internal transactions		
-Others		
Carrying amount of equity investment in joint ventures		
Fair value of equity investments in joint ventures with public offer		
Operating revenue		
Finance expenses		
Income tax expenses		
Net profit		
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income		
Dividends received from joint ventures during the year		

Other explanation:

(3) Main financial information of significant associates

Unit: RMB

	Closing balance/current period	Opening balance/Amount incurred in previous period
Current assets		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Minority interests		
Equity attributable to owners of the parent company		
Share of net assets calculated based on shareholding ratio		
Adjustment events		
-goodwill		
Unrealized profit from internal transactions		
-Others		
Carrying amount of equity investment in associates		
Fair value of equity investments in associates with public offer		
Operating revenue		
Net profit		
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income		
Dividends received from associates during the year		

Other explanation:

(4) Summary financial information of insignificant joint ventures and associates

Unit: RMB

	Closing balance/current period	Opening balance/Amount incurred in previous period

Joint ventures:		
Total carrying value of investments	579,304,683.24	244,376,295.85
Total amount of the following items calculated in proportion to shareholding		
-Net profit	-8,271,128.79	-13,561,456.64
Associates:		
Total amount of the following items calculated in proportion to shareholding		
-Total consolidated income	-8,271,128.79	-13,561,456.64

Other explanation:

(5) Significant restrictions on the ability of joint ventures or associates to transfer funds to the Company

(6) Excess loss incurred by joint ventures or associates

Unit: RMB

Name of joint venture or associate	Accumulated unrecognised losses in prior periods	Unrecognised losses for the period (or share of net profit for the period)	Accumulated unrecognised losses at the end of the period

Other explanation:

(7) Unconfirmed commitments related to investment in joint ventures

(8) Contingent liabilities related to investments in joint ventures or associates

4. Significant joint operations

Name of joint operation	Principal place of business	Place of registration	Nature of business	Shareholding percentage/share	
				Direct	Indirect

Explanation on the difference between the proportion of shares held or entitled in the joint operation and the proportion of voting rights:

If the joint operation is a separate entity, the basis for classification as joint operation:

Other explanation:

5. Interests in unconsolidated structured entities

Description of structured entities not included in the scope of consolidated financial statements:

6. Others

X. Risks related to financial instruments

(1) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument fails to perform its obligations and causes financial losses to the Group. The Group is mainly exposed to customer credit risk caused by credit sales. Before the signing of the new contract, the Group will evaluate the credit risk of the new customer, including the external credit rating and, in some cases, the bank credit certificate (when this information is available). The Company sets a credit limit for each customer, which is the maximum amount that does not require additional approval.

The Company ensures that the Company's overall credit risk is within control of the Company through quarterly monitoring of existing customer credit ratings and monthly review of accounts receivable aging analysis. When monitoring the customer's credit risk, they are grouped according to their credit characteristics. Customers rated as "high-risk" will be placed on the list of restricted customers, and the Company can only sell them on the premise of additional approval, otherwise they must be required to pay in advance

(2) Liquidity risk

Liquidity risk refers to the risk that an enterprise may encounter deficiency of funds in meeting obligations settled with cash or other financial assets delivery.

The Group's policy is to ensure it has sufficient cash to settle the debts when they fall due. The Group's finance department conducts centralized control over liquidity risk. Through monitoring cash balance, readily realizable marketable securities and the rolling forecasts for cash flow for the next 12 months, the finance department will ensure it has sufficient fund to settle its debts under all reasonable foreseeable circumstances. Meanwhile, it continued to monitor whether the Company is in line with the requirements of borrowing agreements, and obtain the undertakings to provide sufficient reserve funds from major financial institutions, so as to meet its short-term and long-term capital needs.

The financial liabilities of the Group are analysed by their maturity date below at their undiscounted contractual cash flows:

Item	Closing balance				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Short-term borrowings	8,472,351,543.09				8,472,351,543.09
Notes payable	8,007,783,640.08				8,007,783,640.08
Accounts payable	15,164,888,664.10				15,164,888,664.10
Other payables	529,881,010.81				529,881,010.81

Other current liabilities	706,152,328.77				706,152,328.77
Long-term borrowings	2,347,967,824.31	1,369,230,176.96	2,292,604,292.44	540,201,030.81	6,550,003,324.52
Bonds payable	642,702,950.42	19,320,000.00	407,160,834.27		1,069,183,784.69
Long-term payables	135,806,073.98	99,355,239.09	1,443,887,954.67		1,679,049,267.74
Lease liabilities	180,972,442.39	165,706,522.95	308,338,558.65	2,129,215,903.34	2,784,233,427.33
Total	36,188,506,477.96	1,653,611,939.00	4,451,991,640.03	2,669,416,934.15	44,963,526,991.13

(Continued)

Item	Opening balance				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Short-term borrowings	6,377,500,069.46				6,377,500,069.46
Notes payable	3,680,833,300.96				3,680,833,300.96
Accounts payable	9,684,693,683.34	6,189.50			9,684,699,872.84
Other payables	533,265,218.34				533,265,218.34
Non-current liabilities due within one year	1,605,859,165.47				1,605,859,165.47
Other current liabilities	813,282,191.76				813,282,191.76
Long-term borrowings	122,274,848.50		1,604,763,481.22	885,000,000.00	2,612,038,329.72
Bonds payable	43,767,000.00	663,534,076.20	418,872,923.80		1,126,174,000.00
Long-term payables		214,216,376.41			214,216,376.41
Lease liabilities			721,760,867.47		721,760,867.47
Total	22,861,475,477.83	877,756,642.11	2,745,397,272.49	885,000,000.00	27,369,629,392.43

(3) Market risk

Market risk of financial instruments is the risk of fluctuation in the fair value of financial instruments or future cash flow arising from changes in market price. Market risk includes exchange rate risk, interest rate risk and other price risk.

(1) Interest rate risk

Interest rate risk is the risk of fluctuation in the fair value of financial instruments or future cash flow arising from changes in market interest rate.

The Group's short-term borrowings are at fixed interest rates. The Group's exposure to interest rate risk mainly arises from long-term bank borrowings and obligations under finance leases.

The Company designs rationally credit lines, various credit types and the term of credit lines through the establishment of good relations between banks and enterprise to ensure sufficient bank line of credit and meet the Company's various types of needs for short-term financing.

As at 31 December 2022, if interest rates on borrowings at floating rates had been 50 basis points higher or lower with all other variables held constant, the impact on the Group's net profit is as follows. Management believes that the 50 basis points reasonably reflect a reasonable range of possible changes in interest rates.

Change in interest rate	Effect on net profit
	Year 2022
Increase by 50 basis points	-548,250.00
Decrease by 50 basis points	548,250.00

(2) Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group tries to match the revenue and cost in foreign currencies in order to reduce the exchange rate risk. In addition, the Company may consider entering into forward exchange contract or currency swap contract to mitigate the foreign exchange risk. During the current year and the previous year, the Company has entered into forward exchange contract.

The exchange rate risk faced by the Group mainly arises from financial assets and financial liabilities denominated in US dollars and rupee. The amount of the financial assets and financial liabilities in foreign currencies converted into RMB is as follows:

Item	Closing balance			
	USD	Rupee	Other foreign currencies	Total
Foreign currency financial assets				
Cash and cash equivalents	3,618,749,501.68	557,805,027.31	1,928,222.22	4,178,482,751.21
Accounts receivable	3,624,076,655.75	896,770,196.10	2,389.30	4,520,849,241.15
Sub-total	7,242,826,157.44	1,454,575,223.41	1,930,611.52	8,699,331,992.37
Foreign currency financial liabilities				
Short-term borrowings				
Accounts payable	1,742,120,812.31		866,360,581.21	2,608,481,393.51
Sub-total	1,742,120,812.31		866,360,581.21	2,608,481,393.51
Net amount	5,500,705,345.13	1,454,575,223.41	-864,429,969.68	6,090,850,598.86

(Continued)

Item	Balance at the end of last year			
	USD	Rupee	Other foreign currencies	Total
Foreign currency				

financial assets				
Cash and cash equivalents	700,555,000.21	242,977,936.85	4,528,521.90	948,061,458.96
Accounts receivable	3,732,601,887.91	387,306,512.52	1.35	4,119,908,401.78
Sub-total	4,433,156,888.12	630,284,449.37	4,528,523.25	5,067,969,860.74
Foreign currency financial liabilities				
Short-term borrowings	1,004,131,455.42			1,004,131,455.42
Accounts payable	3,253,938,640.65	54,513,454.20	5,912,932.83	3,314,365,027.68
Sub-total	4,258,070,096.07	54,513,454.20	5,912,932.83	4,318,496,483.10
Net amount	175,086,792.05	575,770,995.17	-1,384,409.58	749,473,377.64

As at 31 December 2022, assuming all other variables remain unchanged, if the exchange rate of RMB to USD appreciates or depreciates by 5%, the net profit will be increased or decreased by RMB258,861,150.45. The management considers that 5% reflects the rational scope of fluctuations of the exchange rate of RMB to USD and RUPEE in the next year.

XI. Disclosure of fair value

1. Closing fair value of assets and liabilities measured at fair value

Unit: RMB

Item	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Continuous fair value measurement	--	--	--	--
(I) Financial assets held for trading		110,000,000.00		110,000,000.00
1. Financial assets at fair value through profit or loss		110,000,000.00		110,000,000.00
(4) Structured deposits		110,000,000.00		110,000,000.00
(II) Receivables financing			295,691,269.69	295,691,269.69
(III) Other non-current financial assets	76,103,019.97	87,034,054.63	928,575,195.01	1,102,712,269.61
2. Financial assets designated at fair value through profit or loss	76,103,019.97	87,034,054.63	928,575,195.01	1,102,712,269.61
(2) Equity instrument investment	76,103,019.97	87,034,054.63	928,575,195.01	1,508,403,539.30
Total assets measured	76,103,019.97	197,034,054.63	1,235,266,464.70	1,508,403,539.30

at fair value on a recurring basis				
Others			1,144,000,000.00	1,144,000,000.00
Total liabilities measured at fair value on a recurring basis			1,144,000,000.00	1,144,000,000.00
II. Non-recurring fair value measurement	--	--	--	--

2. Basis for determining the market price of recurring and non-recurring fair value measurement items categorised within Level 1

The Group's level 1 fair value measurement items are shares of the listed company, and the market price of the level 1 fair value measurement items is determined at the stock price on the measurement date.

3. Valuation techniques used and the qualitative and quantitative information of key parameters for recurring and non-recurring fair value measurements categorised within Level 2

The fair value of the Group's structured deposits under level 2 fair value measurement items is recognized at the investment cost on the measurement date as the fair value is low and approximate to the fair value.

4. Valuation techniques used and the qualitative and quantitative information of key parameters for recurring and non-recurring fair value measurements categorised within Level 3

Item	Closing fair value	Valuation technique	Key parameters	
			Qualitative information	Quantitative information
Other non-current financial assets	686,208,981.01	Recent financing price method		
Other non-current financial assets	243,397,800.00	Comparable listed company comparison method		P/E ratio, P/B ratio
Other non-current financial assets	9,968,414.00	Cost method		Net book value

The fair value of the Group's structured deposits under level 2 fair value measurement items is recognized at the investment cost on the measurement date as the fair value is low and approximate to the fair value.

5. Adjustment information between opening and closing book value and sensitivity analysis of unobservable parameters for recurring fair value measurements categorised within Level 3

6. For continuous fair value measurement items, if there is a transfer among levels during the period, the reasons for the transfer and the policy for determining the time of transfer

7. Changes in valuation techniques during the period and reasons for changes

8. Fair value of financial assets and financial liabilities not measured at fair value

9. Others

XII. Related parties and related party transactions

1. Parent company of the Company

Name of parent company	Place of registration	Nature of business	Registered capital	Shareholding of the parent company in the Company	Proportion of voting rights in the Company held by the parent company
Wang Mingwang, Wang Wei (persons acting in concert)				26.54%	26.54%

Description of the parent company of the Company

The ultimate controlling party of the Company is.

Other explanation:

2. Subsidiaries of the Company

Details of the subsidiaries of the Company are set out in Note IX. Interests in other entities.

3. Joint ventures and associates of the Company

Particulars of the Company's significant joint ventures or associates are set out in the notes.

Other joint ventures or associates that have related party transactions with the Company in the current period or have balance formed by related party transactions with the Company in the previous period are as follows:

Name of joint venture or associate	Relationship with the Company
Persson	A company in which the Company holds 22.35% equity

	interests. Mr. Zeng Di, a director of the Company, serves as a director of the company. Mr. Zeng Di resigned as a director of Persson on 1 August 2022.
Jili Sunwoda	A company in which the Company holds holds 30% equity interests. Mr. Wang Wei, Chairman of the Board, serves as a director of the company.
Ruikewei	A company in which the Company holds holds 10% equity interests. Mr. Wang Wei, a director of the Company, serves as a director of the company.

Other explanation:

4. Other related parties

Name of other related parties	Relationship between other related parties and the Company
Cai Di'e	Relatives of the controlling shareholder of the Company
Wang Yu	Relatives of the controlling shareholder of the Company
Lai Xin	Relatives of the controlling shareholder of the Company
Lai Xing	Relatives of the controlling shareholder of the Company
Zhao Zhiyin	Relatives of the controlling shareholder of the Company
Xiao Guangyu	Director, Chief Financial Officer, Deputy General Manager
Zeng Di	Director, Board Secretary, Deputy General Manager
Liang Rui	Deputy General Manager
Zhou Xiaoxiong	Directors
Zhang Jianjun	Independent Director
Yu Qun	Independent Director
Liu Zhengbing	Independent Director
Yuan Huiqiong	Chairman of Board of Supervisors
Liu Rongbo	Supervisor
Zhou Lijuan	Supervisor
Li Weihong	Mr. Li Weihong has resigned from Supervisor of the Company on 23 March 2023, and Mr. Li Weihong still are the related party of the Company within twelve months from the date of resignation according to the requirements of relevant laws and regulations
Dongguan Juming Electronic Technology Co., Ltd. ("Juming Electronic")	A subsidiary of the Company in which, Zhang Jianjun, an independent director of the Company, serves as an independent director (which is no longer a related party of the Company according to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (Revised in 2022) and the Rules for the Management of Related Party Transactions of Sunwoda Electronics Co., Ltd. (August 2022))
Shandong Li'an New Energy Co., Ltd.	A company over which Mr. Wang Mingwang, the de facto controller of the Company, and Mr. Wang Wei, the person acting in concert with him, have significant influence
Shenzhen Li'an Technology Co., Ltd. ("Shenzhen Li'an")	A company over which Mr. Wang Mingwang, the de facto controller of the Company, and Mr. Wang Wei, the person acting in concert with him, have significant influence
Shenzhen FRD Science & Technology Co., Ltd. ("FRD")	A subsidiary of the Company in which, Zhang Jianjun, an independent director of the Company, serves as an independent director (which is no longer a related party of the Company according to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (Revised in 2022) and the Rules for

	the Management of Related Party Transactions of Sunwoda Electronics Co., Ltd. (August 2022))
Jinhua JinKaide Honglianxin Bifang No. 2 Investment Centre (Limited Partnership)	A partnership in which Mr. Wang Mingwang, the de facto controller of the Company, acts as a limited partner, and considers Bifang No. 2 as a related party of the Company based on the principle of prudence
Shenzhen Qianhai Haotian Investment Management Partnership (Limited Partnership) (“Qianhai Haotian”)	A partnership controlled as to 100% by Mr. Wang Mingwang, the de facto controller of the Company, and his concert party Mr. Wang Wei, of which Mr. Wang Mingwang acts as the general partner and holds 70% of the shares of the partnership, and Mr. Wang Wei acts as the limited partner and holds 30% of the shares of the partnership
Shenzhen Xinrui Hongsheng Technology Partnership (Limited Partnership) (“Xinrui Hongsheng”)	Shenzhen Jingshi Investment Co., Ltd., a company controlled by Mr. Wang Mingwang, the de facto controller of the Company, is the general partner of Xinrui Hongsheng
Shenzhen Xinrui Hongrui Technology Partnership (Limited Partnership) (“Xinrui Hongrui”)	Mr. Wang Wei, the chairman of the Company, is the general partner of Xinrui Hongrui Rui. The limited partners of Xinrui Hongrui includes Mr. Xiao Guangyu, Mr. Zeng Di and Mr. Liang Rui if penetrating into ultimate natural persons
Shenzhen Qianhai Hanlong Holdings Co., Ltd. (“Qianhai Hanlong”)	A company 100% controlled by Mr. Wang Mingwang, the de facto controller of the Company, and Mr. Wang Wei, the party acting in concert with Mr. Wang Mingwang. Among which, Mr. Wang Mingwang holds 70% of the Shares and Mr. Wang Wei holds 30% of the Shares
Huizhou Xinrui Hengtai Technology Partnership (Limited Partnership) (“Xinrui Hengtai”)	Shenzhen Jingshi Investment Co., Ltd., a company controlled by Mr. Wang Mingwang, the de facto controller of the Company, is the general partner of Xinrui Hengtai
Huizhou Darui Xinneng Technology Partnership (Limited Partnership) (“Darui Xinneng”)	Shenzhen Jingshi Investment Co., Ltd., a company controlled by Mr. Wang Mingwang, the de facto controller of the Company, is a limited partner of Darui Xinneng
Yundu New Energy Vehicle Co., Ltd. (“Yundu New Energy”)	A company invested by the controlling shareholder of the Company

Other explanation:

5. Related party transactions

(1) Related party transactions of purchase and sale of goods, provision and receipt of services

Purchase of goods/receipt of services

Unit: RMB

Related parties	Content of related party transactions	Amount for the current period	Transaction amount approved	Whether exceed the transaction amount	Amount for the previous period
Juming Electronics	Semi-finished PCB, PCB, semi-finished PCBA			No	625,446.36
Persson	Nitrogen methyl pyrrolidone and processing	108,995,868.63		No	45,084,106.19

Sales of goods/rendering of services

Unit: RMB

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Yundu New Energy	Battery packs and after-sales services		1,794,867.01
Persson	NMP recycling solution, waste	46,956,228.00	712,151.77
Jili Sunwoda	Engineering projects, bare battery cell materials, office supplies and others	35,117,242.38	

Description of related party transactions on purchase and sale of goods, provision and receipt of services

(2) Related entrusted management/contracting and entrusted management/outsourcing

Entrusted management/contracting of the Company:

Unit: RMB

Name of trustee/outsourcing party	Name of trustee/contractor	Type of entrusted/contracted assets	Commencement date of entrusted/contracted	Termination date of entrusted/contracted	Basis for pricing of custody income/contracting income	Custody income/contracting income recognised in the current period
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Description of related trusteeship/contracting

Table of entrusted management/outsourcing by the Company:

Unit: RMB

Name of trustee/outsourcing party	Name of trustee/contractor	Type of entrusted/outsourced assets	Commencement date of entrustment/outsourcing	End date of entrustment/outsourcing	Basis for pricing of custodian fee/outsourcing fee	Custodian fee/outsourcing fee recognised in the current period
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Description of related party management/outsourcing

(3) Related party leases

The Company as lessor:

Unit: RMB

Name of lessee	Type of leased assets	Lease income recognised in the current period	Lease income recognised in the previous period
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The Company as lessee:

Unit: RMB

Name of lessor	Type of leased	Lease payments for short-term leases and	Variable lease payments not included	Rental paid	Interest expenses on lease liabilities	Additions to right-of-use assets
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	assets	leases of low-value assets with simplified approach (if applicable)		in the measurement of lease liabilities (if applicable)							
		Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period

Description of related party leases

(4) Related guarantees

The Company as the guarantor

Unit: RMB

Guaranteed party	Amount guaranteed	Commencement date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
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The Company as the guaranteed party

Unit: RMB

Guarantor	Amount guaranteed	Commencement date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
Wang Wei, Wang Mingwang	60,000,000.00	21 January 2022	19 January 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	16 February 2022	16 February 2023	No
Wang Wei, Wang Mingwang	195,000,000.00	24 February 2022	24 February 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	24 March 2022	23 March 2023	No
Wang Wei, Wang Mingwang	200,000,000.00	20 April 2022	19 April 2023	No
Wang Wei, Wang Mingwang	196,000,000.00	13 May 2022	12 May 2023	No
Wang Wei, Wang Mingwang	200,000,000.00	24 June 2022	23 June 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	22 June 2022	21 June 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	22 June 2022	10 January 2023	No
Wang Wei, Wang Mingwang	42,970,190.40	14 July 2022	10 January 2023	No
Wang Wei, Wang Mingwang	43,287,845.03	15 August 2022	13 February 2023	No
Wang Wei, Wang Mingwang	39,680,488.34	14 September 2022	27 August 2023	No
Wang Wei, Wang Mingwang	153,044,009.12	29 September 2022	26 July 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	18 October 2022	14 April 2023	No
Wang Wei, Wang Mingwang	165,000,000.00	25 October 2022	25 October 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	28 October 2022	27 October 2023	No

Mingwang				
Wang Wei, Wang Mingwang	150,000,000.00	14 November 2022	12 May 2023	No
Wang Wei, Wang Mingwang	35,000,000.00	15 December 2022	13 June 2023	No
Wang Wei, Wang Mingwang	277,480,000.00	13 November 2018	12 November 2023	No
Wang Wei, Wang Mingwang	50,000,000.00	02 June 2021	12 November 2023	No
Wang Wei, Wang Mingwang	22,520,000.00	09 June 2021	13 November 2023	No
Wang Wei, Wang Mingwang	500,000,000.00	January 1 2022	27 December 2023	No
Wang Wei, Wang Mingwang	288,000,000.00	07 April 2022	06 April 2024	No
Wang Wei, Wang Mingwang	144,000,000.00	15 April 2022	13 April 2024	No
Wang Wei, Wang Mingwang	18,000,000.00	25 April 2022	22 April 2024	No
Wang Wei, Wang Mingwang	199,000,000.00	15 March 2022	15 March 2024	No
Wang Wei, Wang Mingwang	500,000,000.00	19 September 2022	13 September 2025	No
Wang Wei, Wang Mingwang	77,900,000.00	02 November 2022	01 November 2024	No
Wang Wei, Wang Mingwang	80,000,000.00	25 November 2022	25 February 2024	No
Wang Wei, Wang Mingwang	14,240,000.00	23 July 2019	23 July 2027	No
Wang Wei, Wang Mingwang	85,614,820.54	15 September 2022	19 May 2023	No
Wang Wei, Wang Mingwang	34,325,813.36	29 November 2022	29 May 2023	No
Wang Wei, Wang Mingwang	88,237,520.05	20 September 2022	29 May 2023	No
Wang Wei, Wang Mingwang	89,897,393.40	23 December 2022	23 May 2023	No
Wang Wei, Wang Mingwang	130,000,000.00	16 November 2022	15 May 2023	No
Wang Wei, Wang Mingwang	169,881,541.67	01 November 2022	23 April 2023	No
Wang Wei, Wang Mingwang	64,568,963.81	25 October 2022	25 April 2023	No
Wang Wei, Wang Mingwang	26,959,148.57	21 September 2022	13 April 2023	No
Wang Wei, Wang Mingwang	52,500,000.00	20 October 2022	20 March 2023	No
Wang Wei, Wang Mingwang	22,080,000.00	20 March 2022	26 March 2023	No
Wang Wei, Wang Mingwang	75,437,460.00	20 December 2022	20 May 2023	No
Wang Wei, Wang Mingwang	200,000,000.00	21 January 2022	21 January 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	26 January 2022	16 January 2023	No
Wang Wei, Wang Mingwang	60,000,000.00	18 February 2022	16 February 2023	No

Wang Wei, Wang Mingwang	200,000,000.00	22 March 2022	16 March 2023	No
Wang Wei, Wang Mingwang	20,000,000.00	20 March 2022	25 March 2023	No
Wang Wei, Wang Mingwang	50,000,000.00	20 April 2022	20 April 2023	No
Wang Wei, Wang Mingwang	35,600,000.00	21 April 2022	17 April 2023	No
Wang Wei, Wang Mingwang	40,000,000.00	25 May 2022	25 May 2023	No
Wang Wei, Wang Mingwang	10,000,000.00	25 May 2022	25 May 2023	No
Wang Wei, Wang Mingwang	58,000,000.00	27 May 2022	19 May 2023	No
Wang Wei, Wang Mingwang	89,950,000.00	18 May 2022	22 May 2023	No
Wang Wei, Wang Mingwang	40,000,000.00	20 June 2022	21 June 2023	No
Wang Wei, Wang Mingwang	73,000,000.00	26 July 2022	29 July 2023	No
Wang Wei, Wang Mingwang	20,000,000.00	28 July 2022	25 April 2023	No
Wang Wei, Wang Mingwang	48,000,000.00	20 July 2022	17 July 2023	No
Wang Wei, Wang Mingwang	120,000,000.00	20 July 2022	20 July 2023	No
Wang Wei, Wang Mingwang	150,000,000.00	17 August 2022	17 August 2023	No
Wang Wei, Wang Mingwang	150,000,000.00	25 August 2022	26 August 2023	No
Wang Wei, Wang Mingwang	120,000,000.00	25 August 2022	26 August 2023	No
Wang Wei, Wang Mingwang	110,000,000.00	25 August 2022	26 August 2023	No
Wang Wei, Wang Mingwang	110,000,000.00	22 August 2022	22 August 2023	No
Wang Wei, Wang Mingwang	5,957,234.24	25 August 2022	25 August 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	24 August 2022	21 August 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	20 September 2022	23 August 2023	No
Wang Wei, Wang Mingwang	35,000,000.00	07 September 2022	05 March 2023	No
Wang Wei, Wang Mingwang	80,000,000.00	27 September 2022	28 September 2023	No
Wang Wei, Wang Mingwang	60,500,000.00	20 October 2022	18 April 2023	No
Wang Wei, Wang Mingwang	56,500,000.00	20 October 2022	18 April 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	19 October 2022	19 October 2023	No
Wang Wei, Wang Mingwang	105,000,000.00	24 October 2022	31 August 2023	No
Wang Wei, Wang Mingwang	84,000,000.00	28 October 2022	26 April 2023	No
Wang Wei, Wang Mingwang	79,000,000.00	15 November 2022	15 November 2023	No

Mingwang				
Wang Wei, Wang Mingwang	80,000,000.00	18 November 2022	11 September 2023	No
Wang Wei, Wang Mingwang	69,000,000.00	02 November 2022	01 May 2023	No
Wang Wei, Wang Mingwang	110,000,000.00	28 November 2022	24 November 2023	No
Wang Wei, Wang Mingwang	100,000,000.00	25 November 2022	25 November 2023	No
Wang Wei, Wang Mingwang	78,000,000.00	15 December 2022	15 December 2023	No
Wang Wei, Wang Mingwang	20,000,000.00	28 December 2022	03 July 2023	No
Wang Wei, Wang Mingwang	2,400,530.32	20 March 2020	10 April 2023	No
Wang Wei, Wang Mingwang	95,204,269.95	28 October 2021	28 October 2024	No
Wang Wei, Wang Mingwang	63,914,765.29	18 August 2021	19 August 2024	No
Wang Wei, Wang Mingwang	26,796,315.68	29 December 2020	29 December 2023	No
Wang Wei, Wang Mingwang	10,449,207.56	15 April 2020	15 April 2023	No
Wang Wei, Wang Mingwang	20,099,478.69	10 February 2022	10 February 2025	No
Wang Wei, Wang Mingwang	22,197,344.84	17 May 2022	17 May 2025	No
Wang Wei, Wang Mingwang	650,000,000.00	19 July 2022	26 July 2032	No

Description of related guarantee

(5) Borrowings from/to related parties

Unit: RMB

Related parties	Borrowing amount	Starting date	Maturity date	Note
Borrowings				
Lending				

(6) Asset transfer and debt restructuring of related parties

Unit: RMB

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period

(7) Remuneration of key management personnel

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Key management personnel remuneration	11,786,719.11	11,295,680.55

(8) Other related party transactions**6. Receivables and payables of related parties****(1) Receivables**

Unit: RMB

Project name	Related parties	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	Yundu New Energy	2,630,719.85	24,242.41	5,462,783.55	591,297.99
	Jili Sunwoda	42,265,787.10			
Other receivables					
	Jili Sunwoda	552.50			
Other non-current assets due within one year					
	Qianhai Hanlong	29,503,992.70		28,936,497.50	
Long-term receivables					
	Qianhai Hanlong			29,232,081.25	

(2) Payables

Unit: RMB

Project name	Related parties	Closing book balance	Opening book balance
Accounts payable			
	Juming Electronics		625,446.36
	Persson	5,531,572.29	25,979,192.98
Contract liabilities			
	Jili Sunwoda	54,530,586.40	

7. Commitments of related parties**8. Others**

Co-investors	Investee's	Registered capital of the investee	Total assets of the investee (RMB0'000)	Net assets of the investee (RMB0'000)	Net profit of the investee (RMB0'000)
	Name	(RMB0'000)			
Xinrui Hongsheng, Qianhai Hanlong, Xinrui Hongrui, Darui Xinneng, Xinrui Hengtai	Electric vehicle battery* 1	408,825.00	876,271.44	227,358.36	-106,402.43

Xinrui Hongsheng, Qianhai Hanlong, Xinrui Hongrui, Darui Xinneng, Xinrui Hengtai	Electric vehicle battery* 2	642,698.60	1,448,323.01	485,940.28	-50,483.40
Bifang No. 2	Hubei BJR New Materials Co., Ltd.	8,510.00	47,154.82	11,051.16	3,268.82
Qianhai Haotian	Zhejiang Lixin	5,000.00			

Other explanation:

* 1. Series of capital increase of Pre A: Each of the investors of Sunwoda Electric Vehicle Battery signed a capital increase agreement on 9 August 2021, and paid the capital increase in tranches in 2021 and 2022, respectively, within the agreed payment deadline.

* 2. Series A capital increase: Each of the investors of Sunwoda Electric Vehicle Battery signed a capital increase agreement in August 2022, and paid the capital increase in 2022.

13. Share-based payments

1. General information of share-based payment

Applicable Not applicable

Unit: RMB

Total equity instruments granted by the Company during the period	24,904,000.00
Total equity instruments exercised by the Company during the period	13,545,080.00
Total equity instruments lapsed by the Company during the period	0.00

Other explanation:

2. Equity-settled share-based payment

Applicable Not applicable

Unit: RMB

Method for determining the fair value of equity instruments on the grant date	Market approach
Basis for determining the number of exercisable equity instruments	On each balance sheet date, the number of exercisable equity instruments shall be revised according to the latest information on the change in the number of exercisable employees.
Reasons for significant difference between current estimates	Nil

and previous estimates	
Accumulated amount of equity-settled share-based payment included in capital reserve	137,935,524.12
Total expenses recognised for equity-settled share-based payments during the period	137,935,524.12

Other explanation:

3. Cash-settled share-based payment

Applicable Not applicable

4. Amendment and termination of share-based payment

There was no modification or termination of share-based payment during the reporting period.

5. Others

XIV. Commitments and contingencies

1. Significant commitments

Significant commitments existing at the balance sheet date

(1) The large-sum contracting contract which has been signed or to be performed, and financial impact

As of 31 December 2022, according to the large-sum project contracts signed or to be performed by the Group, the unpaid amount of the Group is about RMB2,241,034,100.

(2) The large-sum equipment purchase contract which has been signed or to be performed, and financial impact

As at 31 December 2022, according to the large-sum equipment purchase contract signed or to be performed by the Company, the unpaid amount of the Group is about RMB3,206,791,700.

2. Contingencies

(1) Significant contingencies existing at the balance sheet date

The Company has no significant contingencies that need to be disclosed.

(2) The Company shall explain even though it has no significant contingencies that need to be disclosed

The Company has no significant contingencies that need to be disclosed.

3. Others

XV. Events after the balance sheet date

1. Significant non-adjusting events

Unit: RMB

Item	Content	Impact on financial position and operating results	Reasons for the impact cannot be estimated
Issuance of shares and bonds	At the 48th meeting of the fifth session of the Board, the Resolution on the Issuance of Shares by the Company to Specific Subscribers in 2023 was considered and approved. The number of shares to be issued under the Issuance shall be determined by dividing the total proceeds by the issue price, and shall not exceed 30% of the total share capital of the Company prior to the Issuance, i.e. not more than 558,695,716 shares (inclusive).		The issue price cannot be determined
Significant external investments	On 7 March 2023, the 48th meeting of the fifth session of the Board was convened, at which the Resolution on External Investment in the Construction of Precision Structural Parts Project of Winone New Energy was considered and approved, pursuant to which, Winone Precision, a subsidiary of Sunwoda, was approved to establish a project company in Pujiang County, Jinhua City, Zhejiang Province to invest in the construction of the "Precision Structural Parts Project of Winone New Energy", with a total planned investment of RMB5,200,000,000.		Not yet invested
Significant external investments	On 7 March 2023, the 48th meeting of the fifth session of the Board was convened, at which the Resolution on the External Investment and Construction of the SiP System Closure and Testing		Not yet invested

	Project of Sunwoda was considered and approved, pursuant to which Zhejiang Sunwoda, a wholly-owned subsidiary of Sunwoda, was approved to invest in the construction of the "SiP System Closure and Testing Project of Sunwoda" in Lanxi City, Zhejiang Province, with a total planned investment of RMB2,600,000,000.		
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2. Profit distribution

Unit: RMB

Proposed profit or dividend	148,993,732.48
Profit distribution plan	Based on the actual operating conditions of the Company, it is proposed to distribute cash of RMB0.80 (tax inclusive) for every 10 shares to all shareholders on the basis of the total share capital of 1,862,421,656 shares of the Company as at 31 December 2022, totalling RMB 148,993,732.48 (tax inclusive). The remaining undistributed profits will be carried forward to the next year.

3. Sales return

4. Other events after the balance sheet date

XVI. Other important matters

1. Correction of previous accounting errors

(1) Retrospective restatement method

Unit: RMB

Content of correction of accounting errors	Processing Procedures	Items affected in the financial statements for each comparative period	Cumulative impact

(2) Prospective application method

Content of correction of accounting	Approval procedures	Reasons for adopting the prospective

errors		application method
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2. Debt Restructuring

3. Asset swap

(1) Exchange of non-monetary assets

(2) Other asset replacement

4. Annuity plan

5. Discontinued operation

Unit: RMB

Item	Revenue	expenses	Total profit	Income tax expenses	Net profit	Profit from discontinued operations attributable to owners of the parent company

Other explanation:

6. Segment information

(1) Determination basis and accounting policies of reporting segments

According to the internal organizational structure, management requirements and internal reporting system, the Group established 3 reportable segments, including domestic battery business, overseas battery business, and electric vehicle battery business. All reportable segments of the Group respectively provide different products or services or engage in operating activities in different areas. Due to different technologies or market strategies of each segment, the management of the Group separately manage the operating activities of each reportable segment and regularly evaluate the financial performance of these reportable segments, so as to decide the resource distributed to them and evaluate their performances.

Transfer price among segments shall be determined based on the price of actual transaction, and the expenses indirectly attributable to such segments shall be distributed in percentage of their income.

(2) Financial information of reporting segments

Unit: RMB

Item	Domestic battery business	Overseas battery business	Electric vehicle battery business	Inter-segment elimination	Total
External transaction income	38,107,216,573.36	1,384,450,479.91	12,686,519,262.82		52,178,186,316.09
Inter-segment transaction income	1,873,477,833.72	14,623,368.29	264,012,728.48	2,152,113,930.49	
Credit impairment loss	-3,654,809.79	-45,267.05	-141,113,930.04		-144,814,006.88
Asset impairment loss	-214,685,151.27	-5,620,929.41	-403,574,278.43		-623,880,359.11
Total profit (total loss)	2,119,541,876.95	45,114,517.57	-1,725,146,683.68		439,509,710.84
Income tax expense	133,187,244.52	12,040,033.47	-463,932,876.66		-318,705,598.67
Net profit (net loss)	1,986,354,632.43	33,074,484.10	-1,261,213,807.02		758,215,309.51
Total assets	38,028,107,612.24	2,867,957,341.16	34,001,567,848.01	403,170,342.31	74,494,462,459.10
Total liabilities	26,329,475,743.65	2,723,717,137.04	22,400,885,038.13	3,266,269,965.40	48,187,807,953.42

(3) If the Company has no reporting segment, or cannot disclose the total assets and total liabilities of each reporting segment, the reasons shall be explained.

(4) Other explanations**7. Other important transactions and matters affecting investors' decision-making****(1) Pledge of equities**

As at the date of Auditor's Report, Mr. Wang Mingwang, the controlling shareholder of the Company, holds 361,779,557 shares of the Company, accounting for 19.43% of the Company's total share capital. He cumulatively holds 106,680,000 pledged shares, accounting for 29.49% of Sunwoda Company's total shares and 5.73% of the Company's total share capital.

As at the date of Auditor's Report, Mr. Wang Wei, the controlling shareholder of the Company, holds 132,446,600 shares of the Company, accounting for 7.11% of the Company's total share capital. He cumulatively holds 16,680,000 pledged shares, accounting for 12.59% of Sunwoda Company's total shares and 0.90% of the Company's total share capital.

(2) Offsetting of financial assets and financial liabilities

The Group entered into contracts with banks to carry out import trade financing business, and deposited the payment for imported materials with banks as deposit margin to pay for imported materials. Subject to the relevant agreement, the Company has no right to dispose of the amount deposited in the margin account, and does not have to bear any other debt except the paid margin. The Group has the legal right to offset the recognized amount, under which case, the Group can make settlement on a net basis to offset the relevant financial assets against financial liabilities. At the end of the reporting year, the Group offset US\$182,000,000 of deposit margin with short-term borrowings.

(3) Significant Investments

At the 21st meeting of the fifth session of the Board held on 13 December 2021, the Resolution on External Investment by Subsidiaries was considered and approved, pursuant to which, it was agreed that Sunwoda Electric Vehicle Battery shall set up a project company in Zaozhuang National High-tech Industrial Development Zone to be responsible for the construction of the “Zaozhuang Project with Annual Production Capacity of 30GWh Power Battery and Energy Storage Battery”, with a total investment of approximately RMB20 billion. As at the date of the audit report, Shandong Sunwoda has been established special for the project and it continued the construction of the project as planned.

At the 26th meeting of the fifth session of the Board held on 23 February 2022, the Resolution on External Investment by Subsidiaries was considered and approved, pursuant to which, it was agreed that Shenzhen Sunwinon, a subsidiary of the Group, and the Administration Committee of Ningxiang Economic and Technical Development Zone would invest in the “Comprehensive Production Base Project for Sunwinon Intelligent Hardware in Ningxiang” within the jurisdiction of the committee. The total investment of the project is planned to be RMB2 billion.

At the 28th meeting of the fifth session of the Board held on 17 March 2022, the Resolution on the Proposed Signing of the Project Investment Agreement between the Subsidiary and the People’s Government of Shichang City was considered and approved, pursuant to which Sunwoda Electric Vehicle Battery, a subsidiary of the Group, was approved to invest in the construction of the “Sunwoda Shichang Power Battery and Energy Storage Industry Production Base Project (tentative)” within the jurisdiction of the city. The total investment of the project is planned to be RMB 8 billion. As at the date of the audit report, Deyang Sunwoda has been established for the project and the project was put into construction as scheduled.

On 31 May 2022 the 32th meeting of the fifth board reviewed and approved the proposal, “Regarding subsidiary and Jinwan district people’s government signed investment agreement”. It is agreed that Shenzhen Sunwinon, a subsidiary of Sunwoda, will invest in the construction of “Shenzhen Sunwinon Zhuhai Production Base Project (tentative)” within the jurisdiction of Jinwan District People’s Government of Zhuhai City. Shenzhen Sunwinon will set up Zhuhai Shenzhen Sunwinon Electronics Co., Ltd. in Jinwan District of Zhuhai City to be responsible for the specific implementation of the project. The total planned investment of the project is RMB1 billion.

On 31 May 2022, the “Proposal on overseas investment in the Construction of high-performance cylindrical lithium-ion battery projects” was reviewed and approved on the 32nd meeting of the fifth Board of Directors. It is agreed that a wholly-owned subsidiary or a holding subsidiary of Sunwoda shall set up a project company with a shareholding proportion of no less than 51% in Lanxi City, Zhejiang Province to invest in the construction of “Sunwoda High-performance cylindrical Lithium-ion Battery Project

(Tentative)”, with a total investment of RMB2.3 billion. As at the date of the audit report, Zhejiang Sunwoda Lithium has been established for the project and the project was put into construction as scheduled.

On 14 September 2022, the 40th meeting of the fifth session of the Board was held, at which the Resolution on the Proposed Signing of the Yichang Project Investment Agreement between the Subsidiary and the Yichang Municipal People’s Government was considered and approved, pursuant to which, it was agreed that Sunwoda Electric Vehicle Battery, a subsidiary of Sunwoda, would jointly invest in the construction of the “Sunwoda Dongfeng Yichang Power Battery Production Base Project” with Dongfeng Motor Group Co., Ltd. and Dongfeng Hongtai Holding Group Co., Ltd. within the jurisdiction of the city, with a total planned investment of RMB 12 billion.

On 19 September 2022, the 41st (extraordinary) meeting of the fifth session of the Board was held, at which the Resolution on the Proposed Signing of the Project Investment Agreement between the Subsidiary and the Yiwu Municipal People’s Government was considered and approved, pursuant to which the investment in the “Sunwoda Yiwu New Energy Power Battery Production Base Project (tentative)” by Sunwoda Electric Vehicle Battery, a subsidiary of Sunwoda within the jurisdiction of the city was approved. The total investment of the project is planned to be RMB 21.3 billion. As at the date of the audit report, Zhejiang Sunwoda Power has been established for the project and the project continued to be put into construction as scheduled.

On 2 December 2022, the 44th meeting of the fifth session of the Board was held, at which the Resolution on the Signing between the Subsidiary and the People’s Government of Dianbai District was considered and approved, pursuant to which, the investment in the “Dianbai Base Project pf Sunwoda Automobile Electronics (tentative)” by Sunwoda Electric Vehicle Battery, a subsidiary of Sunwoda within jurisdiction of the district was approved. The total investment of the project is RMB4 billion

8. Others

XVII. Notes to major items in the financial statements of the parent company

1. Accounts receivable

(1) Disclosure of accounts receivable by category

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Percentage	Amount	Percentage of provision		Amount	Percentage	Amount	Percentage of provision	
Accounts receivable subject to separate provision for bad debts						198,396,606.29	2.35%	198,396,606.29	100.00%	
Including:										

Accounts receivable that are individually insignificant but are provided for bad debts on individual basis						198,396,606.29		198,396,606.29		
Accounts receivable subject to provision for bad debts on a collective basis	9,430,598,385.97	100.00%	10,424,199.37	0.11%	9,420,174,186.60	8,241,837,183.75	97.65%	12,429,412.24	0.15%	8,229,407,771.51
Including:										
Consumer Business Portfolio	9,430,598,385.97	100.00%	10,424,199.37	0.11%	9,420,174,186.60	8,241,837,183.75	97.65%	12,429,412.24	0.15%	8,229,407,771.51
Total	9,430,598,385.97	100.00%	10,424,199.37		9,420,174,186.60	8,440,233,790.04	100.00%	210,826,018.53		8,229,407,771.51

Provision for bad debts on a collective basis:

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Percentage of provision
Consumer Business Portfolio	9,350,931,706.87	5,045,862.37	0.05%
Energy storage systems and automation equipment business portfolio	79,666,679.10	5,378,337.00	6.75%
Total	9,430,598,385.97	10,424,199.37	

Explanation of the basis for determining the portfolio:

If the provision for bad debts of accounts receivable is made in accordance with the general model of expected credit losses, please disclose the relevant information of provision for bad debts with reference to the disclosure method of other receivables:

Applicable Not applicable

Disclosure by ageing

Unit: RMB

Age	Book balance
Within 1 year (inclusive)	9,411,150,144.70
Within half year (inclusive)	9,386,745,587.52
Half-year to 1 year (including 1 year)	24,404,557.18
1 to 2 years	8,749,084.46
2 to 3 years	3,385,848.21
Over 3 years	7,313,308.60
3 to 4 years	85,000.00
4 to 5 years	489,921.63
Over 5 years	6,738,386.97

Total	9,430,598,385.97
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(2) Provision for bad debts made, recovered or reversed in the current period

Provision for bad debts for the period:

Unit: RMB

Category	Opening balance	Changes during the period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Provision for bad debts on individual basis	198,396,606.29		4,052,817.84	194,343,788.45		
Provision for bad debts on group basis	12,429,412.24		986,384.43	1,018,828.44		10,424,199.37
Total	210,826,018.53		5,039,202.27	195,362,616.89		10,424,199.37

The significant amount of bad debt provision recovered or reversed in the current period:

Unit: RMB

Company name	Amount recovered or reversed	Recovery method

(3) Accounts receivable actually written off in the current period

Unit: RMB

Item	Amount written off
Accounts receivable actually written off	195,362,616.89

Significant accounts receivable written off:

Unit: RMB

Company name	Nature of accounts receivable	Amount written off	Reason for write-off	Write-off procedures performed	Whether arising from related party transactions
Dongguan Jinming Electronics Co., Ltd.	Payment for goods	140,984,497.74	The case was closed and the customer was unable to repay	Board approval	No
Dongguan Jinzhuo Communication Technology Co., Ltd.	Payment for goods	31,806,181.76	The case was closed and the customer was unable to repay	Board approval	No
Zerotech Mobile (Beijing) Technology Co., Ltd.	Payment for goods	9,571,735.83	The case was closed and the customer was unable to repay	Board approval	No
Lemobile Information Technology (Beijing) Co., Ltd.	Payment for goods	9,366,039.20	The case was closed and the customer was unable to repay	Board approval	No
Leshi Chuangjing Technology (Beijing) Co., Ltd.	Payment for goods	2,615,333.92	The case was closed and the customer was	Board approval	No

			unable to repay		
Total		194,343,788.45			

Notes for accounts receivable write-off:

(4) Top five accounts receivable based on closing balance of debtors

Unit: RMB

Company name	Closing balance of accounts receivable	Percentage of total closing balance of accounts receivable	Closing balance of provision for bad debts
Top one	2,345,991,222.49	24.88%	174,651.42
Top two	470,853,787.61	4.99%	30,439.80
Top three	313,833,565.84	3.33%	
Top four	178,100,807.87	1.89%	19,117.41
Top five	163,599,381.63	1.73%	
Total	3,472,378,765.44	36.82%	

(5) Accounts receivable derecognised due to transfer of financial assets

Item	Amount derecognized	Way of transfer of financial assets	Gain or loss related to derecognition
Account Receivable	46,506,991.55	Sell the financial assets without any claim right	-299,561.94
Total	46,506,991.55		-299,561.94

(6) Amount of assets and liabilities formed by transfer of accounts receivable and continuous involvement

Other explanation:

2. Other receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	6,687,256,097.84	5,312,253,217.88
Total	6,687,256,097.84	5,312,253,217.88

(1) Interest receivable

1) Classification of interest receivable

Unit: RMB

Item	Closing balance	Opening balance
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2) Significant overdue interest

Unit: RMB

Borrower	Closing balance	Overdue time	Overdue reason	Whether impairment has occurred and its judgement basis
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Other explanation:

3) Provision for bad debts Applicable Not applicable**(2) Dividends payable****1) Classification of dividends receivable**

Unit: RMB

Item (or investee)	Closing balance	Opening balance
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2) Significant dividends receivable aged over 1 year

Unit: RMB

Item (or investee)	Closing balance	Age	Reason for non-recovery	Whether impairment has occurred and its judgement basis
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3) Provision for bad debts Applicable Not applicable

Other explanation:

(3) Other receivables**1) Other receivables by nature**

Unit: RMB

Nature of amount	Closing book balance	Opening book balance
Security deposits for finance lease	20,414.16	14,300,000.00
Other security deposits and deposits	25,035,069.99	32,976,492.28
Export tax refund	95,273,087.35	56,817,187.92
Other current accounts	27,687,088.26	25,255,081.50
Related party transactions	6,549,908,914.67	5,194,092,413.79
Receivables from equity transfer	30,493,444.44	30,493,444.44
Total	6,728,418,018.87	5,353,934,619.93

2) Provision for bad debts

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance at 1 January 2022	11,187,957.61		30,493,444.44	41,681,402.05
Balance at 1 January 2022 in the current period				
Reversal for the period	519,481.02			519,481.02
Balance at 31 December 2022	10,668,476.59		30,493,444.44	41,161,921.03

Changes in book balance of significant changes in loss provision for the period

 Applicable Not applicable

Disclosure by ageing

Unit: RMB

Age	Book balance
Within 1 year (inclusive)	6,670,560,573.64
Within half year (inclusive)	6,666,482,782.56
Half-year to 1 year (including 1 year)	4,077,791.08
1 to 2 years	13,038,842.46
2 to 3 years	7,377,793.63
Over 3 years	37,440,809.14
3 to 4 years	4,987,245.66
4 to 5 years	124,501.00
Over 5 years	32,329,062.48
Total	6,728,418,018.87

3) Provision, for bad debts made, recovered or reversed in the current period

Provision for bad debts for the period:

Unit: RMB

Category	Opening balance	Changes during the period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Provision for bad debts by credit risk portfolio	41,681,402.05		519,481.02			41,161,921.03
Total	41,681,402.05		519,481.02			41,161,921.03

Significant amount of bad debt provision reversed or recovered in the current period:

Unit: RMB

Company name	Amount reversed or recovered	Recovery method
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4) Other receivables actually written off in the current period

Unit: RMB

Item	Amount written off
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Significant other receivables written off:

Unit: RMB

Company name	Nature of other receivables	Amount written off	Reason for write-off	Write-off procedures performed	Whether arising from related party transactions
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Notes for verification and write-off of other receivables:

5) Top five other receivables by closing balance of debtors

Unit: RMB

Company name	Nature of amount	Closing balance	Age	Percentage of total other receivables at the end of the period	Closing balance of provision for bad debts
Top one	Current accounts with related parties	3,194,616,399.16	Within half year	47.48%	
Top two	Current accounts with related parties	1,281,965,297.17	Within half year	19.05%	
Top three	Current accounts with related parties	826,289,697.96	Within half year	12.28%	
Top four	Current accounts with related parties	494,153,155.09	Within half year	7.34%	
Top five	Current accounts with related parties	355,251,843.02	Within half year	5.28%	
Total		6,152,276,392.40		91.43%	

6) Receivables related to government subsidies

Unit: RMB

Company name	Name of government subsidies	Closing balance	Closing age	Expected time, amount and basis of collection
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7) Other receivables derecognised due to transfer of financial assets**8) Amount of assets and liabilities formed by transfer of other receivables and continuous involvement**

Other explanation:

3. Long-term equity investment

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Investments in subsidiaries	8,486,902,375.97		8,486,902,375.97	8,523,809,746.18		8,523,809,746.18
Investments in associates and joint ventures	270,216,198.54	10,170,099.53	260,046,099.01	10,170,099.53	10,170,099.53	
Total	8,757,118,574.51	10,170,099.53	8,746,948,474.98	8,533,979,845.71	10,170,099.53	8,523,809,746.18

(1) Investments in subsidiaries

Unit: RMB

Investee	Opening balance (book value)	Changes for the period				Closing balance (book value)	Closing balance of provision for impairment
		Additional investment	Decrease in investment	Provision for impairment	Others		
Xinwei Electronic	9,398,924.11	482,678.51				9,881,602.62	
Hong Kong Xinwei	71,449,392.74					71,449,392.74	
Huizhou New Energy	3,970,612,873.46	35,542,113.37				4,006,154,986.83	
Sunwoda Electric Vehicle Battery	3,078,397.83					3,078,397.83	
Sunwoda Electric	65,365,276.32	2,774,591.87				68,139,868.19	
PTL	25,588,718.35	1,083,222.40	26,671,940.75				
Qianhai Hongsheng	160,912,422.05	4,723,540.78				165,635,962.83	
Dongguan Liwinon	1,081,383,259.71	4,169,467.41				1,085,552,727.12	
Sunwoda	112,038,017.	4,503,848.49				116,541,865.	

Energy	47					96	
Sunwoda Intelligent Technology	64,588,698.37	5,292,294.45				69,880,992.82	
Shenzhen Sunwinon	72,464,148.78	7,847,709.43				80,311,858.21	
Nanjing Sunwoda	100,000,000.00		100,000,000.00				
Shenzhen Sunynn	20,060,553.93	198,859.37				20,259,413.30	
Zhejiang Sunwoda	533,037,328.24	2,810,045.70				535,847,373.94	
Zhejiang Xindong Energy	35,612,438.62	4,021,055.37				39,633,493.99	
Huizhou Liwinon	2,185,150.684.68	10,103,298.00				2,195,253.982.68	
Superstar	13,068,611.52	6,142,278.17				19,210,889.69	
Sunwoda Property		69,567.22				69,567.22	
Total	8,523,809,746.18	89,764,570.54	126,671,940.75			8,486,902,375.97	

(2) Investments in associates and joint ventures

Unit: RMB

Invested Entity	Opening balance (book value)	Changes for the period								Closing balance (book value)	Closing balance of provision for impairment
		Additional investment	Decrease in investment	Investment profit or loss recognized under equity method	Adjustment to other comprehensive income	Other changes in equity	Cash dividend or profit declared	Provision for impairment	Others		
I. Joint ventures											
II. Associates											
Xingzhi youdao (Shenzhen) Automobile Service Co., Ltd.											10,014,453.68
Intelligent Cloud Wearable Technology											155,645.85

Research Institute (Shenzhen) Co., Ltd.											
Guizhou Hengda Mining Holdings Co., Ltd.		147,000,000.00		-817,602.59						146,182,397.41	
Zhejiang JHW Lithium Co., Ltd.		87,500,000.00		-3,591,512.13						83,908,487.87	
Zhejiang Weiming Shengqing New Energy Materials Co., Ltd.		30,000,000.00		-44,786.27						29,955,213.73	
Sub-total		264,500,000.00		-4,453,900.99						260,046,099.01	10,170,099.53
Total		264,500,000.00		-4,453,900.99						260,046,099.01	10,170,099.53

(3) Other explanations

4. Revenue and cost of sales

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Main business	23,311,718,604.34	20,501,939,922.85	23,266,941,626.01	21,134,178,597.31
Other Businesses	115,559,656.29	37,478,094.01	52,326,078.96	37,478,094.01
Total	23,427,278,260.63	20,539,418,016.86	23,319,267,704.97	21,171,656,691.32

Revenue related information:

Unit: RMB

Contract classification	Segment 1	Segment 2	Total

Type of goods				23,427,278,260.63
Including:				
Consumer battery				21,662,798,556.03
Energy Storage system				277,580,091.00
Others				1,486,899,613.60
By operating region				23,427,278,260.63
Including:				
Domestic				3,982,737,463.01
Overseas				19,444,540,797.62
Market or customer type				
Including:				
Contract type				
Including:				
By time of transfer of goods				
Including:				
By contract term				
Including:				
By sales channels				
Including:				
Total				

Information related to performance obligations:

Nil

Information about the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations that have been signed but not yet fulfilled or not yet fulfilled is RMB0.00, of which RMB[*] is expected to be recognised in the year [*], RMB[*] is expected to be recognised in the year [*], and RMB[*] is expected to be recognised in the year [*].

Other explanation:

5. Investment income

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Income from long-term equity investment under cost method	147,734,647.13	350,000,000.00
Income from long-term equity investment under equity method	-4,453,900.99	
Investment income from disposal of	-6,671,940.75	

long-term equity investments		
Investment income from financial assets held for trading during the holding period	-7,826,785.38	26,308,800.27
Investment income from holding other non-current financial assets	6,292,653.22	6,400,000.00
Investment income from disposal of other non-current financial assets	30,100,637.19	
Total	165,175,310.42	382,708,800.27

6. Others

XVIII. Supplementary information

1. Breakdown of non-recurring profit or loss for the period

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Profit or loss from disposal of non-current assets	-33,126,901.11	Mainly due to gains and losses on disposal of fixed assets
Government subsidies (except for the government subsidies closely related to the normal operation of the Company and granted constantly at a fixed amount or quantity in accordance with a certain standard in compliance with national policies and regulations) accounted for in profit or loss for the current period	-14,925,416.59	Mainly due to the government subsidies received.
Profit or loss from changes in fair value of financial assets held for trading and financial liabilities held for trading, and investment income from disposal of financial assets held for trading, financial liabilities held for trading and available-for-sale financial assets, except the effective hedge business related to the normal business of the Company	5,002,834.85	
Reversal of receivables subject to independent impairment test	30,408,230.66	
Other profit and loss items that meet the definition of non-recurring profit or loss	7,226,852.69	
Other non-operating income and expenses except the above items	84,581,691.21	
Less: effect of income tax	-44,411,313.18	
Effect of minority interests	259,974,119.02	
Total	-33,126,901.11	--

Details of other profits or losses conforming to non-recurring profits and losses:

Applicable Not applicable

The Company did not have other profits or losses conforming to non-recurring profits and losses.

Explanations on defining the non-recurring gain or loss items set out in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public – Non-Recurring Gains or Losses as recurring gain or loss items

Applicable Not applicable

2. Return on net assets and earnings per share

Profit for the Reporting Period	Yield of weighted average net assets	Earnings per share	
		Basic earnings per share (RMB/share)	Diluted earnings per share (RMB/share)
Net profit attributable to ordinary shareholders of the Company	6.96%	0.62	0.62
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	5.26%	0.47	0.46

3. Differences in accounting data under domestic and overseas accounting standards

(1) Differences between the net profit and net assets disclosed in accordance with international accounting standards and China accounting standards in the financial report

Applicable Not applicable

(2) Differences between the net profit and net assets disclosed in accordance with overseas accounting standards and China accounting standards in the financial report

Applicable Not applicable

(3) Explanation on the reasons for the differences in accounting data under domestic and overseas accounting standards, if the differences are adjusted for the data audited by the overseas audit institution, the name of the overseas institution shall be indicated

4. Others