



浙江零跑科技股份有限公司

ZHEJIANG LEAPMOTOR TECHNOLOGY CO., LTD.

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

Stock code: 9863



2025 INTERIM REPORT

Contents

Company Information	2
Key Highlights	4
Management Discussion and Analysis	6
Other Information	16
Report on Review of Interim Financial Information	38
Interim Condensed Consolidated Statement of Profit or Loss	39
Interim Condensed Consolidated Statement of Comprehensive Income/(Loss)	40
Interim Condensed Consolidated Balance Sheet	41
Interim Condensed Consolidated Statement of Changes in Equity	43
Interim Condensed Consolidated Statement of Cash Flows	44
Notes to the Interim Condensed Consolidated Financial Information	45
Definitions	88

Company Information

DIRECTORS

Executive Directors

Mr. Zhu Jiangming (朱江明) (*Founder, Chairperson of the Board and Chief Executive Officer*)
Mr. Cao Li (曹力) (*Senior vice president*)
Mr. Zhou Hongtao (周洪濤) (*Senior vice president*)

Non-executive Directors

Mr. Grégoire Olivier
Mr. Douglas Ostermann
Mr. Jin Yufeng (金宇峰)

Independent Non-executive Directors

Mr. Fu Yuwu (付于武)
Ms. Drina C Yue (萬家樂)
Mr. Shen Linhua (沈林華)

SUPERVISORS

Ms. Yao Tianzhi (姚甜芝)
Mr. Mo Chengrui (莫承銳)
Mr. Wu Yefeng (吳燁鋒) (*resigned on 25 June 2025*)
Mr. Zhao Zhiding (趙志定) (*appointed on 25 June 2025*)

AUDIT COMMITTEE

Mr. Shen Linhua (沈林華) (*Chairperson*)
Mr. Fu Yuwu (付于武)
Ms. Drina C Yue (萬家樂)

REMUNERATION COMMITTEE

Ms. Drina C Yue (萬家樂) (*Chairperson*)
Mr. Zhu Jiangming (朱江明)
Mr. Shen Linhua (沈林華)

NOMINATION AND ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE (ESG) COMMITTEE

Mr. Zhu Jiangming (朱江明) (*Chairperson*)
Mr. Fu Yuwu (付于武)
Ms. Drina C Yue (萬家樂)

JOINT COMPANY SECRETARIES

Ms. Lee Mei Yi (李美儀) (*FCG, HKFCG*)
Mr. Shen Ke (沈珂)

AUTHORISED REPRESENTATIVES

Mr. Zhu Jiangming (朱江明)
Ms. Lee Mei Yi (李美儀) (*FCG, HKFCG*)

STOCK CODE

9863

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16 Harcourt Road
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PRINCIPAL BANKS

Agricultural Bank of China Co., Ltd.
Hangzhou Binjiang Branch
Industrial and Commercial Bank of China Co., Ltd.
Hangzhou Qianjiang Branch
Industrial Bank Yiwu Branch,
Banking Department (興業銀行義烏分行營業部)
China CITIC Bank Corporation Limited
Hangzhou Yan'an Branch

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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REPORTING ACCOUNTANT AND INDEPENDENT AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building, Central, Hong Kong

LEGAL ADVISOR TO THE COMPANY

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One Connaught Place
Central, Hong Kong

COMPANY WEBSITE

www.leapmotor.com

Key Highlights

FINANCIAL HIGHLIGHTS

	For the Six Months Ended 30 June		
	2025 (unaudited) (RMB in thousands, except percentages)	2024 (unaudited)	Change (%)
Revenue	24,249,601	8,845,408	174.1%
Gross gain	3,425,633	100,225	3,317.9%
Gross margin	14.1%	1.1%	13.0%
Operating loss	(88,630)	(2,395,029)	-96.3%
Operating margin	-0.4%	-27.1%	26.7%
Profit/(loss) before income tax	33,023	(2,211,720)	-101.5%
Profit/(loss) for the period attributable to the equity holders of our Company	33,030	(2,211,736)	-101.5%
Profit/(loss) per share attributable to the equity holders of our Company (in RMB)	0.02	(1.65)	-101.2%

Finance

- Revenue was RMB24.25 billion for the six months ended 30 June 2025, representing an increase of 174.0%^{Note 1} from RMB8.85 billion for the same period of 2024. The year-on-year increase was mainly attributable to the increase in the delivery of vehicles and spare parts, the increased income generated from strategic cooperation and carbon credit trading, and the higher income from relevant services driven by the increase in the delivery of vehicles;
- Gross margin was 14.1% for the six months ended 30 June 2025, representing an increase of 13 percentage points from 1.1% in the same period of 2024. The year-on-year increase was mainly attributable to: (i) economies of scale driven by the increase in sales volume; (ii) ongoing cost management efforts; (iii) the optimisation of product mix; and (iv) income generated from other businesses;
- Net profit attributable to the equity holders of the Company was RMB30 million for the six months ended 30 June 2025, compared with RMB(2.21) billion for the same period of 2024. Excluding the share-based payment as part of employee benefit expenses, the adjusted net profit (non-IFRS) was RMB330 million for the six months ended 30 June 2025, compared with RMB(2.02) billion for the same period of 2024;
- Net cash generated from operating activities was RMB2.86 billion for the six months ended 30 June 2025, compared with net cash generated from operating activities of RMB270 million for the same period of 2024;
- Free cash flow was RMB860 million for the six months ended 30 June 2025, compared with free cash flow of RMB(480) million for the same period of 2024;

Note 1: The differences in the tail numbers of the relevant change percentages are due to different unit in the whole text, such as in thousands, in millions, or in hundreds of millions)

- The Company has ample cash on hand. As of 30 June 2025, the balance of cash and cash equivalents, restricted cash, financial assets at fair value through profit or loss, and time deposits with banks was RMB29.58 billion.

Sales volume

- Total deliveries of vehicles of the Company were 221,664 units for the first half of 2025, ranking first among emerging auto brands in China in terms of sales, representing an increase of 155.7% as compared to the deliveries for the same period of 2024;
- In July and August 2025, the Company's vehicle deliveries reached new highs of 50,129 units and 57,066 units, respectively, ranking first among emerging auto brands in China in terms of sales for six consecutive months. It also became the only emerging auto brands company in China with a monthly delivery exceeding 50,000 units since 2025;
- As of 25 September 2025, Leapmotor's one millionth vehicle was officially rolled off the production line, marking its status as the second new force automaker in China to enter the "Million Club";
- Since its launch and as of 31 August 2025, the delivery of C10 had achieved approximately 170,000 units, with a peak monthly delivery exceeding 15,000 units; Leapmotor C10 ranked first in cumulative sales of midsize SUVs among emerging auto brands from January to August 2025;
- In June 2025, C11 surpassed the milestone of 250,000 cumulative sales;
- As of 17 September 2025, C16 has maintained the top spot in the sales rankings for mid-to-large SUVs priced under RMB200,000 for eight consecutive months, with the upgraded C16 maintaining the top spot for 13 consecutive weeks;
- B10 achieved over 10,000 deliveries in its second month after launch, making it Leapmotor's fastest-selling model to surpass the 10,000-unit mark, reflecting a new level of the Company's comprehensive capabilities such as sales capabilities, brand influence, and production capacity;
- B01 was launched on 24 July 2025, and its deliveries exceeded 10,000 units within 37 days of its launch.

Management Discussion and Analysis

PRODUCTS

Since 2025, the Company has launched three new models based on Platform B and redesigned three existing models based on Platform C, further enriching its product portfolio to meet the diverse needs of users. All of the above models are built on the new LEAP 3.5 architecture, providing users with the most cutting-edge technological experience.

Leapmotor B10 was launched on 10 April 2025. Leveraging its full-suit in-house R&D capabilities, the Company has achieved end-to-end assisted driving functionality in the RMB120,000-level SUV segment, equipped with a lidar system and the Qualcomm 8650 chip. Within one month of its launch, B10 won 18 prestigious awards, including China's first "Thermal Comfort Star" and "Energy-Efficient Cabin Star" for pure EVs under the latest standards, China's first "2024 International CMF Design Award • Green Design Award", the first vehicle in the category to receive Platinum Award at the United States "Good Design Award", and the only vehicle in the category to receive Gold Awards at the "French Design Award" and the "London Design Award". On 8 September, the B10 was also officially launched at the Munich Auto Show, with simultaneous delivery in the European market commencing, injecting new momentum into the Company's global strategy.

Leapmotor B01 was launched on 24 July 2025, positioning itself as a high-quality intelligent sedan targeting the mainstream market, aimed at young individuals and young family users. B01 features class-leading functions such as a 650km ultra-long range and luxury-grade run-flat stability control, presenting itself as a versatile, fully-equipped "all-rounder" with disruptive product capabilities to enter the A-segment sedan market.

The upgraded C10 was launched on 15 May 2025, embodying the "technology equality" philosophy by bringing advanced configurations such as an 800V high-voltage platform, lidar, end-to-end ADAS, and million-class luxury chassis technology to the RMB140,000 market segment. It is the only product in its class offering 600km pure-electric range and a full-suit 800V high-voltage fast-charging platform. Additionally, the chassis hardware has been re-calibrated and upgraded, paired with a 220kW high-voltage electric drive system, to deliver enhanced driving pleasure and comfort for users. Leapmotor C10 has earned five-star safety certifications from China, Europe, and Australia, and has won multiple international design awards for its core values of elegance, comfort, intelligence, and safety.

The updated C16 was launched on 18 June 2025 and is the only product in its class to adopt the CTC2.0 and 800V technology. Positioned as a "super-comfort intelligent long-range SUV," it offers dual versions: the "Champion 6-Seater" and the "New 5-Seater." With over 70 upgrades and an additional value of over RMB25,000, it delivers a comprehensive travel experience for families with multiple children and those seeking high-quality lifestyles.

Leapmotor C11, which has remained a bestseller for four years since its launch, has reached the milestone of 250,000 units sold and was newly launched on 10 July 2025. The all-new C11 has nearly 50% of its core components refreshed compared to the original C11, over 110 experience upgrades, and 125 premium standard features. It redefines the value benchmark for the RMB150,000 to RMB200,000 mid-size SUV market with its premium configuration, bringing AR-HUD, lidar, and 800V ultra-fast charging to the mainstream market.

On 8 September, the Lafa 5, Leapmotor's all-new strategic model for the personalized segment, made its debut at the Munich Auto Show in Germany and is planned to be officially launched in Mainland China in the fourth quarter of 2025, with deliveries commencing immediately upon launch. The Ultra version is scheduled to start deliveries in the first half of 2026.

RESEARCH AND DEVELOPMENT

On 10 March 2025, the Company unveiled the LEAP 3.5 technical architecture, which integrates the Qualcomm 8650 chip with the Qualcomm 8295 intelligent cockpit chip. This innovative integration achieves a unified cockpit-driving system for combined assisted driving, while centralizing regional controllers into a single master regional controller. This results in the world's highest level of integration for central domain control system, enabling brand-new upgrades to intelligent driving, intelligent cockpits, electric drive, battery, thermal management, and chassis technologies with central domain control as the foundation.

In the first half of 2025, R&D investment in intelligent driving continued to increase, with both the size of the intelligent driving team and computational resource allocation growing by nearly 100% as compared to the same period in 2024. In terms of intelligent driving assistance technology implementation, the city commuting navigation assistance function based on end-to-end algorithms was first mass-produced and deployed in vehicles; the Qualcomm 8650 domain controller combination driving assistance solution based on the EEA 3.5 architecture saw significantly improved R&D efficiency, with development completed in just six months and first applied to Platform B models. The Company plans to make further strategic investments in the second half of 2025, increasing R&D resources for end-to-end and VLA technologies, and aims to achieve urban NOA combined driving assistance capabilities by the end of 2025.

The Company's full-suite in-house AR-HUD has been first applied to the all-new C11, featuring the largest 60-inch AR-HUD in its class, supporting intelligent switching among speed, AR, and map modes. It will also be extended to cover the main models of Platform D and Platform C in the future. The Company's AR-HUD technology is based on two core advantages: in optical imaging technology, the Company leverages the founding team's experience in optical design and supply chain integration capabilities from the security industry to ensure high imaging quality and cost advantages; in AR algorithm integration, the full-suite in-house system efficiently integrates data from multiple systems including ADAS, intelligent cockpits, and HUD, shortening development cycles and enhancing interactive experience.

In the first half of 2025, the CLTC efficiency of the electric drive system was improved by approximately 1% through systematic optimization across multiple dimensions, including component manufacturing processes, cooling systems, motor electromagnetics, and controller circuits, maintaining its leading position in the industry in terms of comprehensive efficiency level. The next-generation compressor project has successfully entered mass production, with NVH performance optimized to the best level in the industry, achieving a root mean square (RMS) value of ≤ 10 kPa.

Management Discussion and Analysis

Leapmotor's CTC batteries have become the first to meet the new national standards for power batteries (GB 38031-2025), securing the "safety certification" under the most stringent national standards in history one year ahead of schedule. Additionally, based on the industry's most stringent safety standards, Leapmotor's CTC batteries have passed rigorous corporate standards assessment, including 1,029 safety experiments and 128 performance validations, ensuring no fires, explosions, or thermal runaway under extreme conditions. Leapmotor's various platform models have already been equipped with over 250,000 sets of CTC2.0 batteries, aiming to set an industry innovation benchmark with "ultra-safety, ultra-fast charging, ultra-intelligence, ultra-performance, and ultra-energy density".

The Company has always been committed to providing safe and reliable products for its users. During the 2025 Summer Testing, the Company conducted more than 2,925 tests of various types, including extreme-temperature charging speed, high-temperature air conditioning cooling performance, extreme-temperature 100km acceleration, and extreme-temperature explosion resistance calibration. Under high-temperature and complex extreme road conditions, the accumulated test mileage of its vehicles reached 1.15 million kilometers, which was achieved by simulating real-world vehicle usage scenarios under extreme high temperatures.

SALES CHANNELS

As of 30 June 2025, the Company's sales and service network has expanded to cover 286 cities, representing an increase of 88 cities as compared to the same period last year. The network now includes 806 sales outlets (including 315 Leapmotor Centers and 491 Experience Centers) and 461 service outlets. Thanks to the Company's measures including "1+N" model and the "Golden Seed" program for cultivating core dealers, the average store efficiency per outlet increased by over 50% year-on-year in the first half of the year.

In the second half of 2025, the Company will continue to deepen its channel layout in first- and second-tier cities while simultaneously advancing channel expansion into untapped cities to enhance channel coverage, quality, and operational capabilities. By the end of 2025, the Company expects to expand coverage to 60 new cities, counties and prefecture-level cities, with the urban coverage rate reaching 90%, further expanding the brand's influence. Additionally, the Company will accelerate the expansion of Leapmotor Centers and city showroom stores, further penetrating core automotive business districts.

RETAIL

The Company has established an integrated operational system centered on end users by deploying a full-chain digital marketing and service system. This system deeply integrates online and offline service touchpoints to achieve seamless coverage of the user experience across all scenarios. Utilizing intelligent tools such as DMP, the Company follows a full lifecycle, full-chain, and full-scenario approach centered on "potential customer identification –potential customer engagement –potential customer conversion and transaction – post-transaction user operations". By leveraging data and standardized processes, the Company achieves 360-degree user engagement. This systematic solution not only enables data-driven decision-making across the entire process but also sets a new industry benchmark for operational efficiency. In the first half of 2025, core retail metrics saw significant improvements: potential customer conversion rates increased by 2 percentage points as compared to the end of 2024, and conversion rates for all vehicle models raised by 5 percentage points; store operational efficiency grew by 27% year-over-year, with ongoing optimization of operational efficiency.

SERVICE

In the first half of 2025, the “Three Quicks and Two Saves” strategy delivered significant results: (1) quick service response, with 99.5% 15-minute response rate in dedicated service groups, representing an increase of 9 percentage points year-on-year; (2) quick repairs, with the one-time repair rate rising to 98.3%, representing an increase of 4.4 percentage points as compared to the previous period; (3) quick parts supply with a 48-hour delivery rate of 91.5%, representing an increase of 14.3 percentage points as compared to the previous period. In the second half of 2025, the Company will continue to uphold the core service philosophy of “Three Quicks and Two Saves” (quick response, quick repairs, quick parts supply, saving time, and saving hassle), and continuously strengthen the strategic competitive advantage of user service through systematic capacity building.

CAPITAL AND STRATEGIC COOPERATION

On 3 March 2025, FAW Group and the Company signed a “Memorandum of Understanding on Strategic Cooperation”. Both parties will leverage their respective technical expertise in R&D to jointly develop new energy passenger vehicles and collaborate on components. Currently, the first jointly developed vehicle model project has been launched, and subsequent work is being actively advanced. Both parties will further explore the feasibility of deepening capital cooperation to achieve full-chain resource synergy.

On 26 March 2025, the China Securities Regulatory Commission issued the “Approval for the Registration of the Issuance of Shares to Specific Parties by Zhejiang Leapmotor Technology Co., Ltd.” (Zheng Jian Xu Ke [2025] No. 614), approving Leapmotor’s private placement of domestic shares. On 29 August 2025, as advised by China Securities Depository and Clearing Corporation Limited, the share registration for the non-public issuance of 70,213,338 Domestic Shares under the Domestic Share Subscription Agreement was completed on 22 August 2025.

GLOBALIZATION

In the first half of 2025, the Company exported 20,375 units, ranking first among emerging auto brands; in June, Leapmotor’s market share in Germany’s BEV market exceeded 1%; in July, over 4,000 European users placed orders for Leapmotor products, setting a new record.

The first batch of B10 models were officially shipped to Europe in July 2025 and the model was also launched at the Munich Auto Show in Germany on 8 September, with simultaneous delivery in the European market commencing. Up to now, the Company has the T03, C10, and B10 models available for sale overseas.

In 2025, the Company continued to strengthen its product and brand influence overseas. The T03 secured first place for efficiency in the 2025 ECOBEST European Range Challenge; the Company was named the top new brand in Germany for auto dealer satisfaction in the “2025 German Dealer Satisfaction Survey” initiated by the German Automotive Industry Research Institute’s brand monitoring program.

Management Discussion and Analysis

On 12 June 2025, the right-hand drive versions of C10 and T03 officially entered the Hong Kong market. With the establishment of Leapmotor's 1,500th global Leapmotor Center in Hong Kong, the Company further expanded its global sales network, with the Hong Kong market becoming an important hub connecting the European and Southeast Asian markets.

As of the end of June 2025, Leapmotor International B.V. ("**Leapmotor International**") had established over 600 sales and after-sales service centers across approximately 30 international markets in Europe, the Middle East, Africa, and the Asia-Pacific region, with over 550 in Europe and nearly 50 in the Asia-Pacific market, setting a new record for the speed of overseas expansion among new-energy vehicle brands.

On 18 April 2025, the Company and Stellantis Group announced plans to launch the Leapmotor C10 Malaysia localization assembly project at Stellantis Group's Gurun factory in Kedah State, Malaysia. On August 7, the first Leapmotor C10-OTS automobile has been successfully assembled and rolled off the production line, positioning itself well for the following mass production.

The Company plans to establish a European localization production base by the end of 2026, further advancing its global market expansion.

ESG

Leapmotor released its third ESG report in the first half of 2025, systematically presenting the Company's latest progress in sustainable development. Notably, in January 2025, the Company received an MSCI ESG AA rating for the second consecutive year, an authoritative recognition that fully demonstrates Leapmotor's comprehensive leading advantages in environmental protection, social responsibility, and corporate governance.

As an innovative enterprise guided by the principle of "technology for good," we are committed to deeply integrating technological innovation with the creation of social value. On 26 March 2025, the Company donated RMB5 million to the Zhejiang Provincial Disabled Persons' Welfare Foundation to support the Zhejiang Province Science and Technology Assistance Project for Persons with Physical Disabilities, aiming to effectively improve the quality of life and social participation of persons with physical disabilities, and make technological progress a vital force in promoting social equity.

Additionally, the Company actively explores market-valued carbon credit transfers, striving to achieve a win-win outcome between economic benefits and environmental benefits.

FINANCIAL ANALYSIS

Revenue

Total revenue was RMB24.25 billion for the six months ended 30 June 2025, representing an increase of 174.0% from RMB8.85 billion for the six months ended 30 June 2024. This change was primarily due to the increase in the delivery of vehicles and spare parts, in the income generated from strategic cooperation and carbon credit trading, and in the income from relevant services driven by the increase in the delivery of vehicles.

Sales of electric vehicles and parts were RMB23.10 billion for the six months ended 30 June 2025, representing an increase of 161.4% from RMB8.84 billion for the six months ended 30 June 2024. This change was primarily attributable to the increase in the delivery of vehicles and spare parts.

Cost of Sales

Cost of sales was RMB20.82 billion for the six months ended 30 June 2025, representing an increase of 137.9% from RMB8.75 billion for the six months ended 30 June 2024. This increase was primarily attributable to the rise in sales volume, partially offset by the ongoing cost management work.

Gross Profit and Gross Margin

Gross profit was RMB3.43 billion for the six months ended 30 June 2025, representing an increase of 3,330.0% from RMB0.1 billion for the six months ended 30 June 2024.

Gross margin improved from 1.1% for the six months ended 30 June 2024 to 14.1% for the six months ended 30 June 2025, mainly due to (i) economies of scale driven by the increase in sales volume; (ii) ongoing cost management efforts; (iii) the optimisation of product mix; and (iv) income generated from other businesses.

Selling Expenses

Selling expenses were RMB1.41 billion for the six months ended 30 June 2025, representing an increase of 56.7% from RMB0.9 billion for the six months ended 30 June 2024. This increase was primarily due to the intensified efforts in advertising and promotional activities as well as the increase in headcount of sales personnel.

Administrative Expenses

Administrative expenses were RMB790 million for the six months ended 30 June 2025, representing an increase of 79.5% from RMB440 million for the six months ended 30 June 2024. This increase was primarily due to the increase in headcount of administrative staff.

Management Discussion and Analysis

R&D Expenses

R&D expenses were RMB1.89 billion for the six months ended 30 June 2025, representing an increase of 54.9% from RMB1.22 billion for the six months ended 30 June 2024. This increase was primarily due to the increased investment in research and development, as well as the increase in R&D personnel.

Operating Profit

Operating profit was RMB(90) million for the six months ended 30 June 2025, representing an improvement of 96.3% from RMB(2.4) billion for the six months ended 30 June 2024, which was primarily due to the significant increase in gross profit driven by rapid increase in sales volume.

Net Finance Income

Net finance income was RMB110 million for the six months ended 30 June 2025, representing a decrease of 42.1% from RMB190 million for the six months ended 30 June 2024. This decrease was primarily due to the decrease in interest income.

Share of Net Profit of Associates

Share of net profit of associates was RMB10 million for the six months ended 30 June 2025, representing an improvement of 200.0% from RMB(10) million for the six months ended 30 June 2024. This increase was primarily due to the growth in the performance of the associates.

Net Profit and Adjusted Net Profit

Based on the above, net profit was RMB30 million for the six months ended 30 June 2025, compared with RMB(2.21) billion for the six months ended 30 June 2024. Excluding the share-based payment as part of employee benefit expenses, the adjusted net profit (non-IFRS) was RMB330 million for the six months ended 30 June 2025, compared with RMB(2.02) billion for the six months ended 30 June 2024. Please refer to “Management Discussion and Analysis – Non-IFRS Measure”.

Basic and Diluted Profit Per Share

Basic and diluted profit per share was RMB0.02 for the six months ended 30 June 2025, compared with RMB(1.65) for the six months ended 30 June 2024.

Liquidity and Capital Resources

As of 30 June 2025, the Group’s cash and cash equivalents, restricted cash, financial assets at fair value through profit or loss and short-term and long-term bank deposits amounted to RMB29.58 billion. We believe our capital resources (including available cash and cash equivalents, restricted cash, financial assets at fair value through profit or loss and short-term and long-term bank deposits, cash generated from operating activities and available credit facilities) are sufficient to finance our continuing operations, having considered our business development and expansion plans.

Interest Expenses on Bank and Other Borrowings

Interest expenses on bank and other borrowings were RMB50 million for the six months ended 30 June 2025, representing an increase of 66.7% from RMB30 million for the six months ended 30 June 2024.

Borrowings

As of 30 June 2025 and 31 December 2024, the Group's total borrowings were RMB2.67 billion and RMB2.37 billion, respectively. Our bank and other borrowings were denominated in RMB.

Gearing Ratio

The Company monitored capital using gearing ratio. As of 30 June 2025, the Group's gearing ratio was negative value, which is calculated as net debt divided by total capital at the end of each financial period. Net debt equals to our total borrowings and lease liabilities less our cash and cash equivalents. Total capital is calculated as total equity plus net debt.

Net Cash Generated from Operating Activities

Net cash generated from operating activities was RMB2.86 billion for the six months ended 30 June 2025, compared with net cash generated from operating activities of RMB270 million for the six months ended 30 June 2024, representing an increase of RMB2.59 billion in net cash of operating activities over the same period of last year. The improvement in cash flows of operating activities was primarily due to (i) the increase in product deliveries and optimization of gross profit margin; and (ii) the enhancement of operating cash flow management.

Free Cash Flow

Free cash flow was RMB860 million for the six months ended 30 June 2025, compared to RMB(480) million for the six months ended 30 June 2024, representing an increase of RMB1.34 billion in free cash flow compared to the same period of 2024. The improvement was mainly due to the increase in net cash generated from the above-mentioned operating activities.

Treasury Policy

If the Company determines that its cash requirements exceed the amount of cash and cash equivalents it has on hand at the time, it may seek to issue equity or debt securities or obtain credit facilities.

Pledge of Assets

As of 30 June 2025, our Company pledged restricted deposits of RMB4.94 billion for the issuance of bank acceptance notes, security deposits of bank borrowings, customs guarantee and guarantee deposits for the contracts with the Group's suppliers, representing an increase of 149.5% from RMB1.98 billion as of 31 December 2024.

As at 30 June 2025, the Company pledged certain financial assets at FVOCI, land use rights and property, plant and equipment to obtain borrowings and issue bank acceptance notes.

Significant Investments Held

For the six months ended 30 June 2025, the Company did not have any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 30 June 2025).

Management Discussion and Analysis

Future Plans for Material Investments and Capital Assets

As of 30 June 2025, save as otherwise disclosed, the Group has no specific plan for material investments and acquisition of capital assets.

Capital Commitments and Capital Expenditures

The Company had capital commitments amounting to RMB5.34 billion for the acquisition of property, plant and equipment as of 30 June 2025. The Company recorded capital expenditures of RMB2.00 billion for the six months ended 30 June 2025, which were primarily used for the investment in new factory machinery and equipment and the introduction of new model production lines in existing factories.

Contingent Liabilities

As of 30 June 2025, the Company did not have any material contingent liabilities.

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

For the six months ended 30 June 2025, the Company did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Non-IFRS Measure

To supplement our interim results, which are presented in accordance with IFRS, we also use adjusted net profit as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company by eliminating potential impacts of items.

We believe this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS. We define adjusted net profit as net profit for the period adjusted by adding back share-based payment expenses.

Management Discussion and Analysis

The following table reconciles our adjusted net profit for the periods presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is net profit for the period:

	For the six months ended 30 June	
	2025 RMB'00 million	2024 RMB'00 million
Reconciliation of net profit to adjusted net profit:		
Net profit for the six months ended 30 June 2025	0.3	(22.1)
Add:		
– Share-based payment expenses ⁽¹⁾	3.0	1.9
Adjusted net profit (Non-IFRS measure)	3.3	(20.2)

Note:

- (1) Share-based payment expenses mainly represent the arrangement that we receive services from employees as consideration for our equity instruments. Share-based payments are not expected to result in future cash payments.

Risk Management

Foreign Exchange Risk

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the Group. The Company and its major subsidiaries were incorporated in Mainland China. The Company considers RMB as the functional currency and believes that it currently does not have any significant direct foreign exchange risk arising from its operating activities. As of 30 June 2025, the Company did not hold any financial instruments for hedging purposes.

Interest Rate Risk

The Group's interest-rate risk mainly arises from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest-rate risk. For the six months ended 30 June 2025, the Group did not use any interest rate swap contracts or other financial instruments to hedge against its interest rate risk.

Other Information

DIVIDENDS

The Board did not recommend the distribution of any interim dividend during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF OUR COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sales of treasury shares (as defined in the Listing Rules)) for the six months ended 30 June 2025. As of the end of the Reporting Period, the Company and any of its subsidiaries did not hold treasury shares.

EMPLOYEES, TRAINING AND REMUNERATION POLICIES

As of 30 June 2025, the Group had 21,656 full-time employees, the majority of whom are based in Zhejiang Province, China.

The Group primarily recruits its employees through campus recruitment, online recruitment, internal referrals, recruitment firms or agents, and other channels, to satisfy its demand for different types of talents. The Group conducts safety awareness, quality awareness and corporate culture training for R&D and manufacturing staff, and implements a comprehensive training system for all employees. During the Reporting Period, the Group incurred employee benefit expenses of approximate RMB2.97 billion. The Group also holds various training courses conducted online and offline on a weekly basis.

The Group offers its employees competitive compensation packages and a dynamic work environment that encourages initiative. The Group participates in various government statutory employee benefit plans, including social insurance, namely pension insurance, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance, and housing funds. In addition, the Group purchased employer's liability insurance and additional commercial health insurance to increase insurance coverage of its employees.

To recognise the contributions of key employees and motivate them to further promote the development of the Company, the Company adopted two Share Award Schemes and one Pre-IPO Share Option Scheme. For details, please refer to the paragraph headed "Employee Incentive Schemes" below.

INTERESTS AND/OR SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF OUR COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of the Directors and chief executives of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporations within the meaning of Part XV of the SFO, which were required (a) to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept by our Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules are set out as follows:

Name	Position	Nature of Interest	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding in the total share capital of our Company ⁽¹⁾
Domestic Shares					
Mr. Zhu	Founder, chairperson of the Board, executive Director and chief executive officer	Beneficial owner	55,557,839	25.19%	4.16%
		Interests held jointly with another person ⁽³⁾	72,960,000	33.08%	5.46%
H Shares					
Mr. Zhu	Founder, chairperson of the Board, executive Director and chief executive officer	Beneficial owner	47,665,059	4.27%	3.57%
		Interests in controlled corporations ⁽²⁾	49,445,238	4.43%	3.70%
		Interests held jointly with another person ⁽³⁾	130,197,407	11.66%	9.74%
Mr. Cao Li (曹力先生)	Executive Director and senior vice president	Beneficial owner ⁽⁴⁾	2,000,000	0.18%	0.15%
Mr. Zhou Hongtao (周洪濤先生)	Executive Director and senior vice president	Beneficial owner ⁽⁵⁾	2,000,000	0.18%	0.15%

Other Information

Notes:

- (1) All interests stated are long position. The calculation is based on the total number of 220,552,174 Domestic Shares^{Note} in issue and 1,116,413,915 H Shares in issue as at 30 June 2025. Figures for the percentage of shares held have been corrected to the nearest second decimal place.
- (2) Hangzhou Xintu is held as to 70% and 30% by Mr. Zhu and Ms. Liu (the spouse of Mr. Zhu), respectively. Mr. Zhu is therefore deemed to be interested in the 4,077,472 H Shares converted from Domestic Shares held through Hangzhou Xintu. Mr. Zhu is the general partner of Ningbo Jinghang and Hangzhou Mingzhao and therefore Mr. Zhu is deemed to be interested in 23,606,500 H Shares converted from Domestic Shares held through Ningbo Jinghang and Hangzhou Mingzhao. Mr. Zhu held 48.31% in Ningbo Gulin and is regarded as the controlling person of Ningbo Gulin. Mr. Zhu is therefore deemed to be interested in the 21,761,266 H Shares converted from Domestic Shares held through Ningbo Gulin. Therefore, Mr. Zhu is deemed to be interested in a total of 49,445,238 H Shares through Hangzhou Xintu, Ningbo Jinghang, Hangzhou Mingzhao and Ningbo Gulin.
- (3) Pursuant to an acting-in-concert agreement renewed on 5 March 2025 by Mr. Zhu and Mr. Fu, Mr. Zhu and Mr. Fu agreed to act in concert by aligning their votes at the Board and/or Shareholders' meetings of our Company in accordance with the consensus achieved among them. In the event that they are unable to reach consensus on any matter presented, the parties shall vote in accordance with the direction of Mr. Zhu, subject to applicable laws and regulations and without prejudice to interests of our Company, Shareholders and creditors. The term of the agreement will end on 28 September 2028. Ms. Chen, as spouse of Mr. Fu, and her controlled entity, Ningbo Hualing, have been acting in concert with Mr. Fu and Mr. Zhu on voting and making decisions in respect of her interest in our Company. Ms. Liu, as spouse of Mr. Zhu, has also been acting in concert with Mr. Zhu and Mr. Fu. Accordingly, Mr. Zhu, Mr. Fu, Ms. Liu and Ms. Chen are members of the Single Largest Group of Shareholders with respect to their shareholding in the Company. Therefore, under the SFO, in addition to their respective direct shareholding or interest in controlled corporations, each of such individual is also deemed to be interested in the interest of the other individuals.

- (4) Mr. Cao Li (曹力先生) is entitled to receive 2,000,000 Shares pursuant to the options granted to him under the Pre-IPO Share Option Scheme, subject to vesting conditions. For details of the Pre-IPO Share Option Scheme, refer to the paragraph headed "Employee Incentive Schemes" below.
- (5) Mr. Zhou Hongtao (周洪濤先生) is entitled to receive 2,000,000 Shares pursuant to the options granted to him under the Pre-IPO Share Option Scheme, subject to vesting conditions. For details of the Pre-IPO Share Option Scheme, refer to the paragraph headed "Employee Incentive Schemes" below.

Save as disclosed herein, as at 30 June 2025, none of the Directors, the Supervisors or the chief executives of the Company held or was deemed to hold any interests or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept by our Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code.

Note: On 31 March 2025, the Company received the "Approval for the Registration of the Issuance of Shares to Specific Parties by Zhejiang Leapmotor Technology Co., Ltd." (Zheng Jian Xu Ke [2025] No. 614) issued by the CSRC on 26 March 2025, approving the issue of 70,213,338 Domestic Shares by the Company to the specific parties under general mandate. On 29 August 2025, the Company received a notification from China Securities Depository and Clearing Corporation Limited that the share registration has been completed on 22 August 2025. Therefore, the Domestic Shares issued as at 30 June 2025 excluded the additional Domestic Shares.

INTERESTS AND/OR SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF OUR COMPANY

So far as the Directors or chief executives of our Company are aware, as at 30 June 2025, the following persons (other than the Directors or chief executives of our Company) had interests and/or short positions in the Shares or underlying Shares of our Company which shall be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept pursuant to Section 336 of the SFO or had otherwise notified to the Company:

Name of Shareholder	Nature of Interest	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding in total share capital of our Company ⁽¹⁾
Domestic Shares				
Ms. Liu	Deemed interests ⁽³⁾	55,557,839	25.19%	4.16%
	Interests held jointly with another person ⁽²⁾	72,960,000	33.08%	5.46%
Mr. Fu	Beneficial owner	72,960,000	33.08%	5.46%
	Interests held jointly with another person ⁽²⁾	55,557,839	25.19%	4.16%
Ms. Chen	Interests held jointly with another person ⁽²⁾	55,557,839	25.19%	4.16%
	Deemed interests ⁽⁵⁾	72,960,000	33.08%	5.46%
Stellantis	Beneficial owner ⁽⁷⁾	45,000,000	20.40%	3.37%
Hangzhou Guoshun Lingpao Equity Investment Partnership (Limited Partnership) (杭州國舜領跑股權投資合夥企業(有限合夥)) ("Guoshun Lingpao")	Beneficial owner ⁽⁸⁾	12,107,202	5.49%	0.91%
Ningbo Meishan Free Trade Zone Sequoia Zhisheng Capital Investment L.P. (寧波梅山保稅港區紅杉智盛股權投資合夥企業(有限合夥)) ("Sequoia Zhisheng")	Beneficial owner ⁽¹⁰⁾	11,229,358	5.09%	0.84%
	Interests in controlled corporations ⁽¹¹⁾	1,223,242	0.55%	0.09%

Other Information

Name of Shareholder	Nature of Interest	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding in total share capital of our Company ⁽¹⁾
H Shares				
Ms. Liu	Deemed interests ⁽³⁾	205,546,438	18.41%	15.37%
Mr. Fu	Beneficial owner	27,888,400	2.50%	2.09%
	Interests in controlled corporations ⁽⁴⁾	45,761,266	4.10%	3.42%
	Deemed interests ⁽⁵⁾	56,547,741	5.07%	4.23%
	Interests held jointly with another person ⁽²⁾	97,110,297	8.70%	7.26%
	Interests in controlled corporation ⁽¹²⁾	6,120,000	0.55%	0.46%
Ms. Chen	Interests in controlled corporation ⁽⁶⁾	56,547,741	5.07%	4.23%
	Deemed interests ⁽⁵⁾	73,649,666	6.60%	5.51%
	Interests held jointly with another person ⁽²⁾	97,110,297	8.70%	7.26%
	Deemed interest ⁽¹³⁾	6,120,000	0.55%	0.46%
Stellantis	Beneficial owner ⁽⁷⁾	239,260,030	21.43%	17.90%
Guosen Securities Co., Ltd. (國信證券股份有限公司) ("Guosen Securities")	Trustee ⁽⁸⁾	57,723,164	5.17%	4.32%
Ningbo Hualing	Beneficial owner ⁽¹⁴⁾	56,547,741	5.07%	4.23%

Notes:

- (1) In the above table, the information on the individuals/entities in which the interests are held, the nature of such interests and the number of Shares is based on information available on the website of the Stock Exchange (<http://www.hkexnews.hk>). All interests stated are long position. The calculation is based on the total number of 220,552,174 Domestic Shares^{Note} in issue and 1,116,413,915 H Shares in issue as 30 June 2025. Figures for the percentage of shares held have been corrected to the nearest second decimal place.
- (2) Pursuant to an acting-in-concert agreement dated 1 February 2016 entered into by and between Mr. Zhu and Mr. Fu, Mr. Zhu and Mr. Fu agreed to act in concert by aligning their votes at the Board and/or Shareholders' meetings of our Company in accordance with the consensus achieved among them. In the event that they are unable to reach consensus on any matter presented, the parties shall vote in accordance with the direction of Mr. Zhu, subject to applicable laws and regulations and without prejudice to interests of our Company, Shareholders and creditors. The agreement was renewed on 5 March 2025, and will end on 28 September 2028. Ms. Chen, as spouse of Mr. Fu, and her controlled entity, Ningbo Hualing, have been acting in concert with Mr. Fu and Mr. Zhu on voting and making decisions in respect of her interest in our Company. Ms. Liu, as spouse of Mr. Zhu, has also been acting in concert with Mr. Zhu and Mr. Fu. Accordingly, Mr. Zhu, Mr. Fu, Ms. Liu and Ms. Chen are members of the Single Largest Group of Shareholders with respect to their shareholding in the Company. Therefore, under the SFO, in addition to their respective direct shareholding or interest in controlled corporations, each of such individual is also deemed to be interested in the interest of the other individuals.

Note: On 31 March 2025, the Company received the "Approval for the Registration of the Issuance of Shares to Specific Parties by Zhejiang Leapmotor Technology Co., Ltd." (Zheng Jian Xu Ke [2025] No. 614) issued by the CSRC on 26 March 2025, approving the issue of 70,213,338 Domestic Shares by the Company to the specific parties under general mandate. On 29 August 2025, the Company received a notification from China Securities Depository and Clearing Corporation Limited that the share registration has been completed on 22 August 2025. Therefore, the Domestic Shares issued as at 30 June 2025 excluded the additional Domestic Shares.

Other Information

- (3) Mr. Zhu and Ms. Liu are spouses. Therefore, under the SFO, Mr. Zhu and Ms. Liu are deemed to be interested in the Shares of our Company held by each other.
- (4) Mr. Fu is the general partner of Ningbo Huayang and Ningbo Gulin. Mr. Fu is therefore deemed to be interested in the total of 45,761,266 H Shares converted from Domestic Shares held through Ningbo Huayang and Ningbo Gulin.
- (5) Mr. Fu and Ms. Chen are spouses. Therefore, under the SFO, Mr. Fu and Ms. Chen are deemed to be interested in the Shares of our Company held by each other.
- (6) Ms. Chen is the general partner of Ningbo Hualing. Therefore, Ms. Chen is deemed to be interested in 56,547,741 H Shares held through Ningbo Hualing.
- (7) Stellantis is listed on the New York Stock Exchange (stock code: STLA).
- (8) Guoshun Lingpao is one of our major Pre-IPO Investors and is a limited partnership established in the PRC. The general partner of Guoshun Lingpao is Hangzhou Guoyi Enterprise Management Co., Ltd. (杭州國屹企業管理有限公司), which holds approximately 0.0018% therein and is wholly owned by Hangzhou Industrial Investment Co., Ltd. (杭州產業投資有限公司) ("**Hangzhou Industrial Investment**"). The remaining interest is owned by three limited partners, including 60.6% by Hangzhou Industrial Investment, 9.09% by Hangzhou Heda Industrial Fund Investment Co., Ltd. (杭州和達產業基金投資有限公司) ("**Heda Industrial Fund**") and 30.3% by Hangzhou Industrial Development Investment Co., Ltd. (杭州市產業發展投資有限公司), each a state-owned enterprise.
- (9) Guosen Securities is the manager of Guosen Securities Leapmotor Technology Employee Shareholding No. 1 Single Asset Management Plan (國信證券零跑科技員工持股1號單一資產管理計劃) ("**Employee Shareholding Plan**"), our Company's employee shareholding plan. For details of our Employee Shareholding Plan, please refer to the paragraph headed "Employee Incentive Schemes" below.
- (10) Sequoia Zhisheng is one of our major Pre-IPO Investors and is a limited partnership established in the PRC. The general partner of Sequoia Zhisheng is Jiaxing Sequoia Kunsheng Investment Management Partnership (嘉興紅杉坤盛投資管理合夥企業(有限合夥)) ("**Sequoia Kunsheng**") and the general partner of Sequoia Kunsheng is Ningbo Meishan Bonded Port Area Sequoia Huanjia Investment Management Limited (寧波梅山保稅港區紅杉桓嘉投資管理有限公司), which is ultimately controlled by an Independent Third Party, Mr. Zhou Kui (周達). Sequoia Zhisheng is owned as to (i) 0.01% by Sequoia Kunsheng, and (ii) 59.99% and 40.0% by Ningbo Meishan Free Trade Port Sequoia Mingsheng Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區紅杉銘盛股權投資合夥企業(有限合夥)) and Ningbo Meishan Bonded Port Area Sequoia Jiazheng Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區紅杉嘉盛股權投資合夥企業(有限合夥)) respectively, which are limited partnerships themselves with the general partner being Sequoia Kunsheng.
- (11) Ningbo Sequoia Jiesheng Equity Investment L.P (寧波紅杉捷盛股權投資合夥企業(有限合夥)) is interested in 1,223,242 Domestic Shares of the Company. As Ningbo Sequoia Jiesheng Equity Investment L.P is held as to 58.83% by Sequoia Zhisheng, Sequoia Zhisheng is deemed interested in the Domestic Shares held by Ningbo Sequoia Jiesheng Equity Investment L.P.
- (12) The general partner of Hangzhou Jingbo Equity Investment L.P. (杭州景博股權投資合夥企業(有限合夥)) ("**Hangzhou Jingbo**") is Mr. Zhang Xingming (張興明), an Independent Third Party holding 33.33% therein. The limited partners of Hangzhou Jingbo are Mr. Fu and an Independent Third Party, each holding 33.33% therein respectively. Therefore, under the SFO, Mr. Fu is deemed to be interested in the 6,120,000 H Shares converted from Domestic Shares held through Hangzhou Jingbo.
- (13) Mr. Fu and Ms. Chen are spouses. Therefore, under the SFO, Ms. Chen is deemed to be interested in the 6,120,000 H Shares converted from Domestic Shares held by Mr. Fu through Hangzhou Jingbo.
- (14) Ningbo Hualing is controlled by Mr. Fu Yiqin. Therefore, Mr. Fu Yiqin is deemed to be interested in the 56,547,741 H Shares held through Ningbo Hualing.

Save as disclosed herein, as at 30 June 2025, there is no other person known to the Directors or chief executive of our Company who, as at the date of this interim report, had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 under Part XV of the SFO or who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

Other Information

EMPLOYEE INCENTIVE SCHEMES**A. Share Award Scheme I**

The following is a summary of the principal terms of our Share Award Scheme I adopted on 31 January 2021.

Purpose. The purposes of the Share Award Scheme I are to recognise the contributions of our key employees and motivate them to further promote the development of our Company.

The Number of Shares. The total number of Shares available for issue under the Share Award Scheme I is 12,806,500, representing approximately 0.90% of the share capital in issue (excluding treasury shares) of our Company as at the date of this interim report.

Participants. We granted awards to key employees of our Company and its subsidiaries in office or those with major contributions to our Company (the “**Participants of Share Award Scheme I**”).

Restricted share unit(s) is/are granted under the Share Award Scheme I to the Participants of Share Award Scheme I as an award. The award incentive shares are held by Ningbo Jinghang, which has a business operation period until September 2037. After the grant of the Award, the Participants will become limited partners of Ningbo Jinghang and are indirectly interested in the incentive shares under the terms and conditions contained in relevant agreements of Share Award Scheme I.

Administration. The Share Award Scheme I is managed by the executive partner of Ningbo Jinghang (the “**Executive Partner**”). As of the date of this interim report, the Executive Partner was Mr. Zhu Jiangming, the chairperson of our Board, an executive Director and the chief executive officer. The Executive Partner has the power to manage the Share Award Scheme I, including determining the persons with major contributions to our Company as the Participants under the Share Award Scheme I and exercising the conditions and other terms in relation to the Award granted.

Rights and Restrictions as Attached in the Award. During the lock-up period of the Share Award Scheme I, Shares of our Company held under the Share Award Scheme I shall not be transferred to external parties, and the Participants under the Share Award Scheme I shall not request to dispose any interests in Ningbo Jinghang during the lock-up period.

After the expiration of the lock-up period of the Share Award Scheme I, the Participants of Share Award Scheme I are entitled to apply to the Executive Partner for disposal of their limited partnership interests in Ningbo Jinghang. The Executive Partner will reduce, based on the application of the Participants of Share Award Scheme I, the corresponding number of Shares in accordance with the applicable principles under the relevant agreement of the Share Award Scheme I and the conditions of the secondary market.

Remaining Life. The remaining life of the Share Award Scheme I is 12 years.

Maximum Entitlement. There is no maximum entitlement for each participant under the Share Award Scheme I.

Details of the Awards Granted. At the beginning and the end of Reporting Period, the number of Shares available for future granting under the Share Award Scheme I was 6,000,000 shares, respectively.

Other Information

The details are set out as follows:

Name of the grantees	Position held in our Group	Grant date	Outstanding and subject to vesting conditions as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding and subject to vesting conditions as at 30 June 2025	Vesting Period ¹	Purchase Price ²
<i>Directors</i>										
Mr. Zhu	Founder, chairperson of the Board, executive Director and chief executive officer of the Company	23/2/2021	10,000	-	-	-	-	10,000	23/2/2021 – 29/9/2025	RMB1.27
Mr. Wu Baojun (吳保軍先生) ⁽⁸⁾	Former executive Director	23/2/2021	3,000,000	-	-	-	-	3,000,000	23/2/2021- 29/9/2025	RMB1.27
<i>Employee Participants other than Directors</i>										
Ms. Jing Hua (敬華女士)	Senior vice president of the Company	23/2/2021	643,600	-	-	-	-	643,600	23/2/2021 – 29/9/2025	RMB1.27
Mr. Xu Wei (許偉先生)	Former Director of the Company and a subsidiary of the Company	23/2/2021	3,152,900	-	-	-	-	3,152,900	23/2/2021- 29/9/2025	RMB1.27
<i>Subtotal of Employee Participants other than Directors</i>			3,796,500	-	-	-	-	3,796,500		
Total			/ 6,806,500	-	-	-	-	6,806,500		

Other Information

Notes:

- (1) All of the Shares granted under the Share Award Scheme I shall be vested on the third anniversary of the Listing Date. The vesting of the Awards is subject to the decision of the Board and the evaluation result of the grantee.
- (2) The purchase price of the Awards under the Share Award Scheme I shall be RMB1.27, which was determined with reference to (i) the nominal value of RMB1 of the Shares, (ii) purchase price paid by the Company to the original shareholders for the Shares which became the underlying Shares of the Share Award Scheme I, and (iii) the estimated costs for the administration and operation of the Share Award Scheme I. Pursuant to the terms of the Share Award Scheme I, the payment of the purchase price were settled on or before the date of the grant and the Company did not provide any financial assistance to the purchase of the Awards.
- (3) For the fair value of the share awards granted at the grant date and the accounting standard adopted, please refer to Note 23 to the interim condensed consolidated financial information.
- (4) There were no Participants that had been granted Shares exceeding 1% of the total number of issued Shares.
- (5) Mr. Wu Baojun resigned as a Director of our Company on 25 June 2024. Pursuant to the terms of the Share Award Scheme I, the Company has retained 3,000,000 incentive shares of Mr. Wu Baojun in consideration of his contribution to the Company.

B. Share Award Scheme II

The following is a summary of the principal terms of our Share Award Scheme II adopted on 31 January 2021.

Purposes. The purposes of the Share Award Scheme II are to recognise the contributions of our key employees and motivate them to further promote the development of our Company.

The Number of Shares. The total number of Shares available for issue under the Share Award Scheme II is 57,723,164 Shares, representing approximately 4.06% of the share capital in issue (excluding treasury shares) of our Company as at the date of this interim report.

Participants. We granted awards to Directors, Supervisors and senior management of our Company, key employees of our Company and its subsidiaries and other employees as considered and approved by the Board of our Company (the “**Participants of Share Award Scheme II**”).

Restricted share unit(s) is/are granted under the Share Award Scheme II to the Participants of Share Award Scheme II as an award. The awarded incentive shares are held by Guosen Securities as the manager of our employee shareholding plan, Guosen Securities Leapmotor Technology Employee Shareholding No. 1 Single Asset Management Plan (國信證券零跑科技員工持股1號單一資產管理計劃).

Validity Period. The Share Award Scheme II has a term of 10 years from the date of the Shareholders' approval of the Share Award Scheme II.

Administration. Upon subscription of the Shares held under the Share Award Scheme II, a Participant of Share Award Scheme II shall become the holder under the Share Award Scheme II (the "**Holder**"). The Holders' meeting is the highest internal management body of the Share Award Scheme II. The Holders have the right to convene a meeting, consider and decide to elect and remove a member of the Management Committee and authorise the Management Committee to supervise the daily management of the Share Award Scheme II.

A Management Committee (the "**Management Committee**") is separately established for the Share Award Scheme II. The Management Committee comprises three members, including one chairperson. The members of the Management Committee shall be elected by the Holders' meeting. The Management Committee oversees the daily management of the Share Award Scheme II and exercises Shareholders' rights on behalf of the Holders or authorizes the management body to exercise the Shareholders' rights.

The Board is responsible for formulating and amending the terms of the Share Award Scheme II and handling other related matters of the Share Award Scheme II within the scope of authorization of the general meeting. Guosen Securities with the qualification for asset management business has been entrusted to manage the Share Award Scheme II.

Rights and Restrictions as Attached in the Award. During the lock-up period of the Share Award Scheme II, Shares of our Company held under the Share Award Scheme II shall not be transferred to external parties, and the Participants of Share Award Scheme II shall not request to dispose any of the Shares awarded under Share Award Scheme II.

Upon the expiration of the lock-up period of the Share Award Scheme II, the Holder has the right to apply to the Management Committee for disposal of Shares awarded under Share Award Scheme II. The Management Committee will, upon the application of the Holders, reduce the corresponding number of Shares in accordance with the principles applicable under the relevant agreement of the Share Award Scheme II and the conditions of the secondary market.

Other Information

Remaining Life. The remaining life of the Share Award Scheme II is 6 years.

Maximum Entitlement. There is no maximum entitlement for each participant under the Share Award Scheme II.

Details of the Awards Granted. At the beginning and the end of Reporting Period, the number of Shares available for future granting under the Share Award Scheme II were 1,168,190 shares and 702,404 shares, respectively.

The details are set out as follows:

Name of the grantees	Position held in our Group	Grant date	Outstanding and subject to vesting conditions as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding and subject to vesting conditions as at 30 June 2025	Vesting period ¹	Purchase price ²
<i>Directors and Supervisors</i>										
Mr. Zhu	Founder, chairperson of the Board, executive Director and chief executive officer of our Company	23/02/2021	419,214	–	–	–	419,214	–	23/02/2021 – 29/09/2025	RMB1.4
Mr. Cao Li (曹力先生)	Executive Director and senior vice president of our Company	23/02/2021	1,600,000	–	–	–	–	1,600,000	23/02/2021 – 29/09/2025	RMB1.4
Mr. Zhou Hongtao (周洪濤先生)	Executive Director and senior vice president of our Company	23/02/2021	1,150,000	–	–	–	–	1,150,000	23/02/2021 – 29/09/2025	RMB1.4
		31/05/2022	450,000	–	–	–	–	450,000	31/05/2022 – 29/09/2025	RMB1.4
		16/08/2023	400,000	–	–	–	–	400,000	16/08/2023 – 29/09/2025	RMB2
Mr. Mo Chengrui (莫承銳先生)	Supervisor of our Company	23/02/2021	550,000	–	–	–	–	550,000	23/02/2021 – 29/09/2025	RMB1.4
Ms. Yao Tianzhi (姚甜芝女士)	Employees' representative Supervisor of our Company	23/02/2021	67,000	–	–	–	–	67,000	23/02/2021 – 29/09/2025	RMB1.4
		31/05/2022	100,000	–	–	–	–	100,000	31/05/2022 – 29/09/2025	RMB1.4
Mr. Zhao Zhiding (趙志定先生)	Supervisor of our Company	23/02/2021	460,600	–	–	–	–	460,600	23/02/2021 – 29/09/2025	RMB1.4
		26/07/2023	100,000	–	–	–	–	100,000	26/07/2023 – 29/09/2025	RMB2
<i>Employee Participants other than Directors or Supervisors</i>										
Ms. Jing Hua (敬華女士)	Senior vice president of our Company	23/02/2021	100,000	–	–	–	–	100,000	23/02/2021 – 29/09/2025	RMB1.4
Aggregate of five highest paid individuals other than Directors	/	23/02/2021	2,926,600	–	–	–	–	2,926,600	23/02/2021 – 29/09/2025	RMB1.4
		31/05/2022	471,100	–	–	–	–	471,100	31/05/2022 – 29/09/2025	RMB1.4
		16/08/2023	600,000	–	–	–	–	600,000	16/08/2023 – 29/09/2025	RMB2

Other Information

Name of the grantees	Position held in our Group	Grant date	Outstanding and subject to vesting conditions as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding and subject to vesting conditions as at 30 June 2025	Vesting period ¹	Purchase price ²
Other Participants that are not Directors, Supervisors, senior management or five highest paid individuals of our Company	/	23/02/2021	37,148,360	-	-	-	-	37,148,360	23/02/2021 – 29/09/2025	RMB1.4
		31/12/2021	129,060	-	-	-	-	129,060	31/12/2021 – 29/09/2025	RMB1.4
		31/05/2022	1,695,000	-	-	-	-	1,695,000	31/05/2022 – 29/09/2025	RMB1.4
		19/08/2022	1,753,040	-	-	-	-	1,753,040	19/08/2022 – 29/09/2025	RMB1.4
		26/07/2023	500,000	-	-	-	-	500,000	26/07/2023 – 29/09/2025	Of which, 200,000 shares at RMB1.4/share; 300,000 shares at RMB2/share
		16/08/2023	2,235,000	-	-	-	20,000	2,215,000	16/08/2023 – 29/09/2025	Of which, 490,000 shares at RMB1.4/share; 1,725,000 shares at RMB2/share
		02/11/2023	1,100,000	-	-	-	-	1,100,000	02/11/2023 – 29/09/2025	RMB2
		29/12/2023	390,000	-	-	-	-	390,000	29/12/2023 – 29/09/2025	RMB2
		09/02/2024	225,000	-	-	-	-	225,000	09/02/2024 – 29/09/2025	RMB2
		22/04/2024	380,000	-	-	-	-	380,000	22/04/2024 – 29/09/2025	RMB2
		13/05/2024	260,000	-	-	-	-	260,000	13/05/2024 – 29/09/2025	Of which, 200,000 shares at RMB1.4/share; 60,000 shares at RMB2/share
		17/10/2024	290,000	-	-	-	-	290,000	17/10/2024 – 29/09/2025	RMB2
		26/11/2024	780,000	-	-	-	-	780,000	26/11/2024 – 29/09/2025	RMB2
		05/12/2024	275,000	-	-	-	-	275,000	05/12/2024 – 29/09/2025	RMB2
		03/01/2025	-	419,214	-	-	-	419,214	03/01/2025 – 29/09/2025	Of which, 300,000 shares at RMB1.4/share; 119,214 shares at RMB2/share
		13/01/2025	-	60,786	-	-	-	60,786	13/01/2025 – 29/09/2025	RMB2

Other Information

Name of the grantees	Position held in our Group	Grant date	Outstanding and subject to vesting conditions as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding and subject to vesting conditions as at 30 June 2025	Vesting period ¹	Purchase price ²
		07/04/2025	-	280,000	-	-	-	280,000	07/04/2025-29/09/2025	RMB2
		17/04/2025	-	145,000	-	-	-	145,000	17/04/2025-29/09/2025	RMB2
<i>Subtotal of Employee Participants other than Directors or Supervisors</i>		/	51,258,160	905,000	-	-	20,000	52,143,160		
Total		/	56,554,974	905,000	-	-	439,214	57,020,760		

Notes:

- (1) All of the Shares granted under the Share Award Scheme II shall be vested on the third anniversary from the Listing Date. The vesting of the Awards is subject to the decision of the Board and the evaluation result of the grantee.
- (2) The purchase price of part of the Awards granted under the Share Award Scheme II shall be RMB1.4, which was determined with reference to (i) the nominal value of RMB1 of the Shares, (ii) purchase price paid by our Company to the original shareholders for the Shares which became the underlying Shares of the Share Award Scheme II, and (iii) the estimated costs for the administration and operation of the Share Award Scheme II. The purchase price of part of the Awards under the Share Award Scheme II shall be RMB2, as these were Awards recovered from the departing participants in accordance with the rules of the scheme, thus we added the cost of recovering the awards besides the pricing factors mentioned above. Pursuant to the terms of the Share Award Scheme II, the payment of the purchase price were settled on or before the date of the grant and our Company did not provide any financial assistance to the purchase of the Awards.
- (3) For the fair value of the share awards granted during the Reporting Period at the grant date and the accounting standard adopted, please refer to Note 23 to the interim condensed consolidated financial information of this interim report. The fair value of the awards under the Share Award Scheme II during the Reporting Period was calculated based on the closing price of the Company's H Share at the grant date, which is set out as follows:

Date of Grant	Aggregate Fair Value of Awards Granted (RMB)
3 January 2025	11,670,419
13 January 2025	1,594,234
7 April 2025	10,279,308
17 April 2025	5,764,208

- (4) There were no Participants that had been granted Shares exceeding 1% of the total number of issued Shares.
- (5) The trading days immediately before grant date of the awards under the Share Award Scheme II during the Reporting Period are 2 January 2025, 10 January 2025, 3 April 2025 and 16 April 2025, respectively, and the closing price of the H Shares of the Company for each day was HK\$31.40, HK\$30.50, HK\$55.45 and HK\$44.35, respectively.

C. Pre-IPO Share Option Scheme

The following is a summary of the principal terms of our Pre-IPO Share Option Scheme adopted on 22 June 2022. No further options will be granted under the Pre-IPO Share Option Scheme after Listing.

Purpose. The purpose of the Pre-IPO Share Option Scheme is to improve our Company's incentive mechanism to attract and retain outstanding talents, to better align the interests of our Company's employees with those of the Shareholders and our Company, and to promote our Company's long-term development.

Maximum Number of Shares. The maximum number of Shares which may be issued pursuant to all options under the Pre-IPO Share Option Scheme is 50,594,348 Shares, representing approximately 3.56% of the share capital in issue (excluding treasury shares) of our Company as at the date of this interim report. Each option entitles the purchase of one Share. There is no reserved entitlement under the Pre-IPO Share Option Scheme.

Participants. We granted options to management personnel and core employees (save for the independent non-executive Directors) working for our Company and its subsidiaries. No consideration was required to be paid at the acceptance of the Pre-IPO Share Options.

Exercise Price of Share Options. The exercise price of the Pre-IPO Share Option Scheme is RMB27.26 per Share, which was determined with reference to the subscription price of the Shares of the equity financing of the Company immediately prior to the adoption of the Pre-IPO Share Option Scheme.

Exercise Period and Validity Period. The period between the Listing Date and the date on which the participants exercise all his/her options shall not exceed 6 years.

Vesting Period. The options granted under the Pre-IPO Share Option Scheme may be vested in tranches as per the agreed proportions upon satisfaction of the vesting conditions. The vesting date must be a trading day within the validity period of the Pre-IPO Share Option Scheme. Details of the vesting period and vesting arrangements are as follows:

Vesting period	Vesting time	Vesting proportion
First vesting period	The expiry of 12 months from the date of the initial public offering of the Company	25%
Second vesting period	The expiry of 24 months from the date of the initial public offering of the Company	25%
Third vesting period	The expiry of 36 months from the date of the initial public offering of the Company	25%
Fourth vesting period	The expiry of 48 months from the date of the initial public offering of the Company	25%

Remaining Life. The remaining life of the Pre-IPO Share Option Scheme is 3 years.

Maximum Entitlement. There is no maximum entitlement for each participant under the Pre-IPO Share Option Scheme.

Outstanding Grants. As at the end of the Reporting Period, the number of outstanding options was 34,466,723. All the options are granted on 5 August 2022, with an exercise price of RMB27.26 per Share. During the Reporting Period, none of the options were exercised.

Other Information

All the options are granted to the Company's employees. Details of the options granted under the Pre-IPO Share Option Scheme as at 30 June 2025 are set out below:

Name of the grantees	Position held in our Group/connected relationship	Outstanding as at 1 January 2025	Granted during the Reporting Period ¹	Vested during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 June 2025
<i>Directors and Supervisors</i>								
Mr. Cao Li (曹力先生)	Executive Director and senior vice president	2,000,000	-	-	-	-	-	2,000,000
Mr. Zhou Hongtao (周洪濤先生)	Executive Director and senior vice president	2,000,000	-	-	-	-	-	2,000,000
Mr. Mo Chengrui (莫承銳先生)	Supervisor	170,000	-	-	-	-	-	170,000
Ms. Yao Tianzhi (姚甜芝女士)	Employees' representative Supervisor	100,000	-	-	-	-	-	100,000
Mr. Zhao Zhiding (趙志定先生)	Supervisor	180,000	-	-	-	-	-	180,000
<i>Employee Participants other than Directors or Supervisors</i>								
Ms. Jing Hua (敬華女士)	Senior vice president	500,000	-	-	-	-	-	500,000
Mr. Wu Cun (巫存先生)	Vice president	1,500,000	-	-	-	-	-	1,500,000
Mr. Shu Chuncheng (舒春成先生)	Vice president	1,500,000	-	-	-	-	-	1,500,000
Employees that are not Directors, Supervisors, senior management, or other connected person of the Company	-	26,750,773	-	-	-	234,050	-	26,516,723
<i>Subtotal of Employee Participants other than Directors or Supervisors</i>	-	30,250,773	-	-	-	234,050	-	30,016,723
Total	-	34,700,773	-	-	-	234,050	-	34,466,723

Notes:

- (1) All of the options were granted on 5 August 2022 with an exercise price of RMB27.26. The exercise period for the options granted is 6 years, and the options will be vested in four equal tranches each year from 29 September 2022 to 28 September 2026.
- (2) There is no performance target for the options of the first two vesting period pursuant to the terms of the Pre-IPO Share Option Scheme. The performance target for the options of the third vesting period is that the audited net cash generated from operating activities for the year 2024 shall be positive, and the performance target for the options of the fourth vesting period is that realized net profits for the year 2025 shall be positive.
- (3) For the fair value of the share options at the grant date and the accounting standard adopted, please refer to Note 23 to the interim condensed consolidated financial information.
- (4) There were no Participants that had been granted options exceeding 1% of the total number of issued Shares.
- (5) As at 1 January 2025 and 30 June 2025, there was no options under the Pre-IPO Share Option Scheme which may be granted under the scheme mandate.

For the six months ended 30 June 2025, a total of 905,000 awarded shares were granted by the Company, which will not result in issuance of new Shares, therefore the percentage of the number of shares that may be issued in respect of options and awards granted under the Employee Incentive Schemes during the Reporting Period divided by the weighted average number of shares of the shares in issue for the Reporting Period (excluding treasury shares) is not applicable.

The options outstanding as at 30 June 2025 was 34,466,723. The number of shares that may be issued in respect of options granted under the Pre-IPO Share Option Scheme is 34,466,723, accounting for 2.58% of the total number of Shares as at 30 June 2025.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Our Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

DISCLOSURE OF CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT PURSUANT TO LISTING RULES 13.51B(1)

On 25 June 2025, Mr. Zhao Zhiding was elected as the shareholder representative Supervisor of the Company, and Ms. Yao Tianzhi was elected as the chairperson of the Board of Supervisors of the Company. On the same date, Mr. Wu Yefeng has ceased to act as the chairman of the Board of Supervisors of the Company and the shareholder representative Supervisor.

Save as disclosed above, during the Reporting Period and up to the date of this report, there has been no change to the information of the Directors, Supervisors and senior management which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

EQUITY FINANCING AND USE OF PROCEEDS

The Subscription by Stellantis

On 26 October 2023 (before trading hours), the Company entered into a subscription agreement with Stellantis (the “**Stellantis Subscription Agreement**”), pursuant to which the Company has conditionally agreed to allot and issue 194,260,030 H Shares (the “**Stellantis Subscription Shares**”) to Stellantis at the subscription price of HK\$43.8 per Stellantis Subscription Share. The Stellantis Subscription Shares were allotted and issued pursuant to the general mandate granted by the Shareholders’ meeting on 11 October 2023 (the “**General Mandate**”) and the total nominal value of the subscription shares is approximately RMB194.3 million. The net price

Other Information

per Stellantis Subscription Share of the Company was HK\$43.8 per Subscription Share, and the closing price per H Share as quoted on the Stock Exchange on 25 October 2023 (being the date on which the terms of the issue were fixed) was HK\$36.80. The subscription by Stellantis has been completed on 20 November 2023.

The subscription by Stellantis raised for the Company gross proceeds of approximately HK\$8,508.6 million, and the net proceeds is approximately HK\$8,496.10 million (after deducting relevant offering expenses). The proceeds were utilized as follows:

Intended use	% of use of proceeds	Net proceeds (HK\$ million)	Unutilized amount as of	Utilized amount for the six months ended	Accumulative utilized amount as of	Unutilized amount as of	Expected usage timeline
			1 January 2025 (HK\$ million)	30 June 2025 (HK\$ million)	30 June 2025 (HK\$ million)	30 June 2025 (HK\$ million)	
Expanding and upgrading smart EV portfolio, expanding the research and development team, advancement of electrification technology, and enhancing the development of advanced vehicle intelligence technologies, including autonomous driving and smart cockpit systems	40%	3,398.4	2,612.4	929.6	1,715.6	1,682.8	Three years from the settlement date
Marketing, expansion of sales and services network, enhancing brand presence and overseas market expansion	25%	2,124.1	421.9	–	1,702.2	421.9	Three years from the settlement date
Enhancing production capacity and automation capabilities, improving vertical integration and operational efficiency	15%	1,274.4	918.1	81.2	437.5	836.9	Three years from the settlement date
Working capital and general corporate purposes	20%	1,699.2	1,637.3	237.6	299.5	1,399.7	Three years from the settlement date
Total	100%	8,496.1	5,589.7	1,248.4	4,154.8	4,341.3	–

During the Reporting Period and up to the date of this interim report, the intended use of net proceeds as disclosed above remained unchanged.

The Group is a smart EV company based in China primarily focusing on the mid- to high-end segment of China's NEVs market. As disclosed in the Prospectus, one of the Company's strategies is to expand globally and establish its international presence by entering into the European market. The Company's long-term strategy is to expand its presence into other major EV markets with a view to become a global EV company. The strategic cooperation with Stellantis will assist the Company to achieve such goals. Stellantis has a strong global presence carrying a wide range of automobile brands. It has an extensive service and distribution network which the Company can leverage upon. The Stellantis Subscription, together with other transactions as disclosed in the announcement of the Company dated 26 October 2023, are all crucial parts of the strategic cooperation between the Company and Stellantis, which enable the Company's vehicles to be distributed in the territories.

For more details of the subscription by Stellantis, please refer to the announcements of the Company dated 26 October 2023 and 20 November 2023.

New Domestic Share Subscriptions

On 9 October 2024, the Company entered into a domestic share subscription agreement with each of Wuyi County Financial Investment, Jinhua Industrial Fund, Hangzhou Hehe and Huzhou Xinchuang, respectively (collectively, the **"Domestic Share Subscription Agreements"**), pursuant to which the Company has conditionally agreed to allot and issue 10,802,052 Domestic Shares to Wuyi County Financial Investment, 5,401,026 Domestic Shares to Jinhua Industrial Fund, 27,005,130 Domestic Shares to Hangzhou Hehe and 27,005,130 Domestic Shares to Huzhou Xinchuang at the Subscription Price of HK\$40.80 (equivalent to RMB37.03 at the exchange rate of HK\$1:RMB0.90767, the central parity rates of Renminbi in the interbank foreign exchange market as authorised and published by the China Foreign Exchange Trade System as of the date of the Domestic Share Subscription Agreements) per Domestic Subscription Share. On 29 August 2025, the Company was notified by China Securities Depository and Clearing Corporation Limited that the share registration for the non-public issuance of

70,213,338 Domestic Shares under the Domestic Share Subscription Agreement was completed on 22 August 2025.

Pursuant to the Domestic Share Subscription Agreements entered into between the Company and Wuyi County Financial Investment and Jinhua Industrial Fund, the H Share Subscription Agreement between the Company and Jinhua Industrial Fund on 19 January 2024, and the Domestic Share Subscription Agreement between the Company and Wuyi County Financial Investment on 19 January 2024 have been terminated, respectively.

The Domestic Subscription Shares, with an aggregate nominal value of RMB70,213,338, represent (i) approximately 31.84% and 24.15% of the total issued Domestic Shares of the Company as of the date of this interim report and the enlarged issued Domestic Shares of the Company as enlarged by the Domestic Share Subscriptions, respectively, and (ii) approximately 5.19% and 4.94% of the total issued Shares of the Company as of the date of this interim report and the enlarged issued Shares of the Company as enlarged by the Domestic Share Subscriptions, respectively.

The closing price per H Share of the Company as quoted on the Stock Exchange as at the date of the Domestic Share Subscription Agreements was HK\$31.60. The net price available for the Company from each Domestic Share under the Domestic Share Subscription is RMB36.99.

The net proceeds (after deducting relevant issuance expenses) from the Domestic Share Subscriptions will be RMB2,597.3 million, among which, (i) approximately 75%, or RMB1,948.0 million, will be used for research and development of new EV models and upgrade of existing models; and (ii) approximately 25%, or RMB649.3 million, will be used for replenishment of working capital and general corporate purposes.

During the Reporting Period and up to the date of this interim report, the intended use of net proceeds as disclosed above remained unchanged.

Other Information

As at the date of this interim report, the Domestic Share Subscriptions have been completed. During the Reporting Period, the proceeds was utilized as follows:

Intended use	% of use of proceeds	Net proceeds (RMB million)	Unutilized amount as of 1 January 2025 (RMB million)	Utilized amount for six months ended 30 June 2025 (RMB million)	Accumulative utilized amount as of 30 June 2025 (RMB million)	Unutilized amount as of 30 June 2025 (RMB million)	Expected usage timeline
Develop and research new NEV model and upgrade existing vehicle model	75%	1,948.0	1,948.0	46.8	46.8	1,901.2	Three years from the settlement date
Replenish working capital and general corporate purposes	25%	649.3	649.3	263.1	263.1	386.2	Three years from the settlement date
Total	100%	2,597.3	2,597.3	309.9	309.9	2,287.4	

The Domestic Share Subscriptions are strategic investments by the investors, similar to other strategic investments received by the Company recently. The Domestic Share Subscriptions by Jinhua Industrial Fund, Wuyi County Financial Investment, Hangzhou Hehe and Huzhou Xinchuang demonstrate their confidence in the Company's new energy and smart EV business and the long-term development and prospect of the Company. The Domestic Share Subscriptions shall also pave the way for the Company's potential business and industrial cooperation in Wuyi County, Jinhua, Hangzhou and Huzhou that would benefit both the local economies and the Company.

For more details of the New Domestic Share Subscriptions, please refer to the announcements of the Company dated 9 October 2024, 31 March 2025 and 29 August 2025.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

On 29 September 2022, the H Shares of our Company were listed on the Main Board of the Stock Exchange. The net proceeds from the Global Offering, after deducting underwriting discounts and commissions, were approximately HK\$6,168.9 million, which will be used in accordance with the use of proceeds as disclosed in the Prospectus as follows:

- Approximately 40.0% of the net proceeds, for our research and development;
- Approximately 25.0% of the net proceeds, for enhancing our production capacity and capabilities, as part of our efforts to improve vertical integration and operational efficiency;
- Approximately 25.0% of the net proceeds, for expanding our sales and service network and establishing a stronger brand presence; and
- Approximately 10.0% of the net proceeds, for working capital and general corporate purposes.

Other Information

During the Reporting Period and up to the date of this interim report, the intended use of net proceeds as disclosed above remained unchanged.

As of 30 June 2025, the Group had utilized the net proceeds as set out in the table below:

Intended use	% of use of proceeds	Net proceeds	Accumulative				Expected usage timeline
			Unutilized amount as of 1 January 2025	Utilized amount for the period ended 30 June 2025	utilized amount as of 30 June 2025	Unutilized amount as of 30 June 2025	
		(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)	
For our research and development	40%	2,467.6	609.4	258.0	2,116.2	351.4	Five years from the Listing Date
For enhancing our production capacity and capabilities, as part of our efforts to improve vertical integration and operational efficiency	25%	1,542.2	76.8	–	1,465.4	76.8	Five years from the Listing Date
For expanding our sales and service network and establishing a stronger brand presence	25%	1,542.2	242.4	–	1,299.8	242.4	Five years from the Listing Date
For working capital and general corporate purposes	10%	617.0	572.9	25.3	69.4	547.6	Five years from the Listing Date

Note: In consideration of the Company's operation, condition of the industry it operated in and its financial position, the usage timeline of the proceeds from the Global Offering was extended to five years from the Listing Date.

Other Information

MATERIAL LITIGATION

Our Company was not involved in any material litigation or arbitration during the Reporting Period.

SUBSEQUENT EVENT

On 29 August 2025, 14,633,225 H Shares were issued by the Company due to the exercise of share options by the Group's employees under the Pre-IPO Share Option Scheme (adopted on 22 June 2022).

After the Reporting Period and up to the date of this interim report, save as disclosed above and otherwise disclosed in this report, there were no other significant events occurred which have material adverse impact on the performance and value of our Group.

COMPLIANCE WITH THE MODEL CODE

Our Company has adopted the Model Code as its code of conduct regarding directors' securities transactions. Having made specific enquiries to all of the Directors, all Directors confirmed that they have fully complied with all relevant requirements set out in the Model Code during the Reporting Period and up to the date of this interim report.

To supplement the Model Code, the Company has also implemented a policy in relation to the handling and dissemination of inside information. Access to inside information is at all times confined to relevant personnel (i.e. Directors, senior management and relevant employees) on a need-to-know basis, until the inside information is properly disclosed in accordance with applicable laws and regulations. Directors, senior management and relevant employees in possession of inside information or potential inside information are required to take reasonable steps to preserve confidentiality and to ensure that its recipients recognize their obligations to maintain confidentiality.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Our Company's corporate governance practices are based on the principles and code provisions set forth in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules. In the opinion of the Board, during the Reporting Period and up to the date of this interim report, the Company has complied with all applicable code provisions as set out in the CG Code, save for the deviation from code provision C.2.1 as explained below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. The Company does not have a separate role for chairperson of the Board and chief executive officer and Mr. Zhu Jiangming currently performs these two roles. The Board believes that vesting the roles of both chairperson of the Board and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Company and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairperson of the Board and chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

REVIEW OF INTERIM REPORT BY THE AUDIT COMMITTEE OF OUR COMPANY

The Audit Committee of our Company comprises Mr. Shen Linhua, Mr. Fu Yuwu and Ms. Drina C Yue, all of whom are independent non-executive Directors. The Audit Committee of our Company has reviewed the unaudited interim results and the interim report of our Company for the six months ended 30 June 2025.

REVIEW OF INTERIM REPORT

The unaudited interim financial information of our Company for the six months ended 30 June 2025 has been reviewed by the auditor of our Company, PricewaterhouseCoopers, in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to our Company and to the knowledge of the Directors of our Company, as at the date of this interim report, our Company has maintained sufficient public float as required by the Listing Rules.

Report on Review of Interim Financial Information

To the Board of Directors of Zhejiang Leapmotor Technology Co., Ltd.

(incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 39 to 87, which comprises the interim condensed consolidated balance sheet of Zhejiang Leapmotor Technology Co., Ltd. (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at 30 June 2025 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income/(loss), the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 18 August 2025

Interim Condensed Consolidated Statement of Profit or Loss

	Note	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	2	24,249,601	8,845,408
Cost of sales	5	(20,823,968)	(8,745,183)
Gross profit		3,425,633	100,225
Selling expenses	5	(1,405,355)	(902,653)
Administrative expenses	5	(789,558)	(435,015)
Research and development expenses	5	(1,894,331)	(1,221,285)
Net impairment losses on financial and contract assets		(3,447)	(354)
Other income	3	510,496	42,756
Other gains – net	4	67,932	21,297
Operating loss		(88,630)	(2,395,029)
Finance income	7	142,240	211,865
Finance costs	7	(31,810)	(22,739)
Finance income – net		110,430	189,126
Share of net profit/(loss) of associates accounted for using the equity method	31	11,223	(5,817)
Profit/(loss) before income tax		33,023	(2,211,720)
Income tax reversal/(expense)	8	7	(16)
Profit/(loss) for the period attributable to the equity holders of the Company		33,030	(2,211,736)
Profit/(loss) per share attributable to the equity holders of the Company (in RMB)			
Basic earnings/(loss) per share	9	0.02	(1.65)
Diluted earnings/(loss) per share	9	0.02	(1.65)

The notes on pages 45 to 87 form an integral part of this interim condensed consolidated financial statement.

Interim Condensed Consolidated Statement of Comprehensive Income/(Loss)

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Profit/(loss) for the period	33,030	(2,211,736)
Other comprehensive income/(loss)		
<i>Item that may be not reclassified to profit or loss</i>		
Changes in the fair value of equity investments at fair value through other comprehensive income	7,226	(35,685)
Other comprehensive income/(loss) for the period, net of tax	7,226	(35,685)
Total comprehensive income/(loss) for the period attributable to the equity holders of the Company	40,256	(2,247,421)

The notes on pages 45 to 87 form an integral part of this interim condensed consolidated financial statement.

Interim Condensed Consolidated Balance Sheet

	Note	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	7,169,636	5,537,482
Right-of-use assets	12	798,858	736,445
Intangible assets	13	463,216	450,107
Contract assets	2	67,197	–
Investment in associates accounted for using the equity method	31	144,589	163,576
Financial assets at fair value through other comprehensive income	14	150,411	143,185
Time deposits	20	9,689,074	4,032,574
Other non-current assets	15	172,463	130,509
		18,655,444	11,193,878
Current assets			
Inventories	16	2,590,064	2,022,616
Trade and notes receivables	17	2,883,172	1,981,272
Other current assets	18	979,796	475,841
Financial assets at fair value through profit or loss	19	7,851,294	11,472,948
Financial assets at fair value through other comprehensive income	14	1,291,641	1,550,289
Time deposits	20	3,033,734	1,317,743
Restricted cash	20	2,540,016	1,253,665
Cash and cash equivalents	20	6,465,338	6,378,268
		27,635,055	26,452,642
Total assets		46,290,499	37,646,520
EQUITY			
Share capital	21	1,407,179	1,336,966
Reserves	22	28,285,234	25,451,070
Accumulated losses		(16,684,340)	(16,717,370)
Total equity		13,008,073	10,070,666

Interim Condensed Consolidated Balance Sheet

	Note	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings	25	1,212,425	1,108,437
Contract liabilities	2	357,447	285,310
Lease liabilities	12	211,821	186,949
Provisions	26	916,407	671,881
Deferred income	27	425,430	348,361
		3,123,530	2,600,938
Current liabilities			
Trade and notes payables	28	23,327,766	18,903,412
Other payables and accruals	29	4,370,802	3,725,379
Advances from customers	30	504,154	583,492
Contract liabilities	2	108,773	161,419
Borrowings	25	1,455,159	1,265,715
Lease liabilities	12	155,632	145,479
Provisions	26	236,610	190,020
		30,158,896	24,974,916
Total liabilities		33,282,426	27,575,854
Total equity and liabilities		46,290,499	37,646,520

The notes on pages 45 to 87 form an integral part of this interim condensed consolidated financial statement.

Mr. Zhu Jiangming

Director

Mr. Li Tengfei

Chief Financial Officer

Interim Condensed Consolidated Statement of Changes in Equity

	Note	Attributable to equity holders of the Company			
		Share capital RMB'000	Reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
As at 1 January 2024		1,336,966	25,057,804	(13,896,574)	12,498,196
Loss and total comprehensive loss for the period		–	–	(2,211,736)	(2,211,736)
Fair value change of financial assets at fair value through other comprehensive income		–	(35,685)	–	(35,685)
		–	(35,685)	(2,211,736)	(2,247,421)
Transactions with equity holders					
Share-based payment	23	–	195,473	–	195,473
As at 30 June 2024 (Unaudited)		1,336,966	25,217,592	(16,108,310)	10,446,248
As at 1 January 2025		1,336,966	25,451,070	(16,717,370)	10,070,666
Profit and total comprehensive income for the period		–	–	33,030	33,030
Fair value change of financial assets at fair value through other comprehensive income		–	7,226	–	7,226
		–	7,226	33,030	40,256
Transactions with equity holders					
Issuance of ordinary shares	21	70,213	2,527,152	–	2,597,365
Share-based payment	23	–	299,786	–	299,786
		70,213	2,826,938	–	2,897,151
As at 30 June 2025 (Unaudited)		1,407,179	28,285,234	(16,684,340)	13,008,073

The notes on pages 45 to 87 form an integral part of this interim condensed consolidated financial statement.

Interim Condensed Consolidated Statement of Cash Flows

		Six months ended 30 June	
	Note	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cash flows from operating activities			
Net cash generated from operations		2,801,517	82,470
Interest received from cash at banks		56,644	185,094
Income taxes received/(paid)		7	(10)
Net cash generated from operating activities		2,858,168	267,554
Cash flows from investing activities			
Investment in an associate		–	(75,972)
Dividends from an associate		4,900	–
Proceeds from sale of property, plant and equipment		7,765	34,324
Payments for land use rights		(1,059)	(6,666)
Payments for property, plant and equipment		(1,967,450)	(734,855)
Payments for intangible assets		(31,869)	(8,312)
Government grants received in relation to acquisition of non-current assets		88,396	35,595
Proceeds from disposals of financial assets at fair value through profit or loss	36(c)	18,621,090	2,356,662
Payments for financial assets at fair value through profit or loss	36(c)	(14,911,642)	(4,903,000)
Payments for time deposits		(8,702,796)	(1,054,205)
Proceeds from time deposits		1,396,251	1,813,000
Interest received from time deposits		19,650	83,330
Net cash used in investing activities		(5,476,764)	(2,460,099)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		2,600,000	–
Principal payments of lease liabilities		(95,353)	(21,390)
Net changes in restricted cash as deposits for bank borrowings		(56,080)	–
Repayments of borrowings		(140,086)	(1,037,931)
Proceeds from borrowings		421,079	749,239
Interest paid for borrowings		(12,273)	(17,609)
Interest paid for lease liabilities	12	(7,098)	(6,464)
Payments for incremental costs directly related to issuance of ordinary shares		(2,635)	(11,320)
Net cash generated from/(used in) financing activities		2,707,554	(345,475)
Net increase/(decrease) in cash and cash equivalents		88,958	(2,538,020)
Cash and cash equivalents at beginning of the period		6,378,268	11,731,389
Exchange (losses)/gains on cash and cash equivalents		(1,888)	4,484
Cash and cash equivalents at end of the period	20	6,465,338	9,197,853

The notes on pages 45 to 87 form an integral part of this interim condensed consolidated financial statement.

Notes to the Interim Condensed Consolidated Financial Information

1 SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

Zhejiang Leapmotor Technology Co., Ltd. (“**Zhejiang Leapmotor**”, or the “**Company**”) and its subsidiaries (together, the “**Group**”) are principally engaged in the production, research and development and sales of new energy vehicles in the People’s Republic of China (the “**PRC**”).

The Group has reviewed its exposure to climate-related and other emerging business risks, and has not identified any risks that could significantly impact the financial performance or position of the Group as at 30 June 2025. The Group has sufficient working capital and committed financing facilities to service its operating activities and ongoing investment commitments as at 30 June 2025.

2 SEGMENT AND REVENUE INFORMATION

The Group is engaged in the production, research and development and sales of new energy vehicles in the PRC. The executive directors of the Company (i.e. the CODM) review the operating results of the Group’s business as one operating segment to make strategic decisions and resources allocation. Therefore, the Group regards that there is only one segment which is used to make strategic decisions.

(a) Revenue by geographical

During the six months ended 30 June 2025, apart from the business and operations conducted in Mainland China, the Group exported new energy vehicles and parts outside the Mainland China. The following table shows the Group’s total consolidated revenue by location of the customers for the six months ended 30 June 2025 and 2024:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Mainland China	22,288,250	8,781,778
Europe	1,849,945	63,630
Others	111,406	–
	24,249,601	8,845,408

Notes to the Interim Condensed Consolidated Financial Information

2 SEGMENT AND REVENUE INFORMATION (CONTINUED)**(b) Revenue during the Reporting Period**

Revenue mainly comprises sales of vehicles and parts and rendering of embedded services, which is net of rebate and discounts. An analysis of the Group's revenue by category for the six months ended 30 June 2025 and 2024 is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from customers and recognized at point in time		
Sales of vehicles, parts and others	24,057,938	8,836,298
Revenue from customer and recognized over time		
Rendering of services	191,663	9,110
	24,249,601	8,845,408

(i) No revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

(c) Contract liabilities

The Group recognized the following contract liabilities related to the contracts with customers:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current		
Rendering of services	357,447	285,310
Current		
Rendering of services and customer loyalty points	108,773	161,419
	466,220	446,729

The contracts of sales of vehicles that resulted in contract liabilities include multiple embedded services (extended one-year or lifetime warranty, vehicle internet connection service, firmware over the air ("FOTA") upgrades, free lifetime roadside assistance service, free lifetime pick-up and delivery for maintenance and others) and customer loyalty points, which are separated from sales of vehicles and are recognized when the service is provided or goods are transferred.

Notes to the Interim Condensed Consolidated Financial Information

2 SEGMENT AND REVENUE INFORMATION (CONTINUED)**(d) Unsatisfied performance obligations**

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Aggregate amount of the transaction price allocated to performance obligations that are partially or fully unsatisfied as at end of period/year	768,880	446,729

Management expected that approximately RMB108,773,000 (31 December 2024: RMB161,419,000) of the transaction price allocated to unsatisfied performance obligations as at 30 June 2025 will be recognized as revenue within one year. The remaining amount of approximately RMB660,107,000 will be recognized in one to eight years (31 December 2024: RMB285,310,000 will be recognized in one to eight years).

(e) Contract assets

The Group recognized the following contract assets related to the contracts with customers:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Contract assets	68,202	–
Loss allowance	(1,005)	–
	67,197	–

Notes to the Interim Condensed Consolidated Financial Information

3 OTHER INCOME

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Government grants	510,496	42,756

The government grants mainly include government subsidies for the Group's research and development expenditures, interest expenses as incurred on borrowings and production capacity as well as the amortization of deferred government grants. There are no unfulfilled conditions or other contingencies attaching to the grants recognized.

4 OTHER GAINS – NET

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net fair value gains on financial assets at FVPL (Note 19)	87,794	50,958
Net losses on disposals of property, plant and equipment and right-of-use assets	(1,533)	(26,699)
Net foreign exchange losses	(14,915)	(2,006)
Other items	(3,414)	(956)
	67,932	21,297

Notes to the Interim Condensed Consolidated Financial Information

5 EXPENSES BY NATURE

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Changes in inventories of finished goods	412,747	214,124
Raw materials and consumables used	18,615,129	8,035,177
Reversal for impairment of inventories	(5,264)	(35,437)
Employee benefit expenses (Note 6)	2,974,680	1,433,410
Advertising and publicity expenses	856,836	541,034
Freight and storage expenses	528,306	154,161
Depreciation and amortization expenses (Notes 11, 12 and 13)	403,926	320,755
Warranty expenses (Note 26)	332,256	228,558
Design and development expenses	246,368	180,189
Legal, consulting and other professional fees	109,617	42,850
Expenses relating to short-term leases and other lease component (Note 12)	28,932	32,085
Auditors' remuneration – Audit services	2,015	2,550
Others	407,664	154,680
Total	24,913,212	11,304,136

6 EMPLOYEE BENEFIT EXPENSES

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Wages, salaries and bonuses	2,185,602	981,495
Pension obligations, housing funds, medical insurances and other social insurances (i)	397,437	196,709
Share-based payment expenses (Note 23)	299,786	195,473
Other employee benefits	91,855	59,733
	2,974,680	1,433,410

(i) Pensions – defined contribution plans

Full time employees of the Group in the PRC are members of a state-managed retirement benefit schemes operated by the PRC government. The Group is required to contribute a specified percentage of payroll costs, subject to certain ceiling, as determined by local government authority to the pension obligations, housing funds, medical insurances and other social insurances to fund the benefits. The Group's liabilities in respect of benefits schemes are limited to the contribution payable in each period.

Notes to the Interim Condensed Consolidated Financial Information

7 FINANCE INCOME – NET

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Finance income:		
Interest income on cash at banks	56,644	185,094
Interest income on time deposits	85,596	26,771
Finance income	142,240	211,865
Finance costs:		
Interest expenses on bank and other borrowings	(48,221)	(34,188)
Interest and finance charges on lease liabilities (Note 12)	(7,098)	(6,464)
	(55,319)	(40,652)
Less: borrowing costs capitalized in property, plant and equipment (i)	23,509	17,913
Finance costs	(31,810)	(22,739)
Finance income – net	110,430	189,126

(i) During the six months ended 30 June 2025, the interest rate applicable to the Group's capitalization of borrowings costs in construction in progress was 4.55% (during the six months ended 30 June 2024: 4.13%) per annum.

8 INCOME TAX

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current income tax (reversal)/expense	(7)	16

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year.

Notes to the Interim Condensed Consolidated Financial Information

8 INCOME TAX (CONTINUED)

- (a) The Group's principal applicable taxes and tax rates are as follows:

The Company was entitled to a preferential income tax rate of 15% during the six months ended 30 June 2025 and 2024. The Company obtained its High and New Technology Enterprises ("**HNTE**") status in year 2018, hence is entitled to a preferential tax rate of 15% for a three-year period commencing 2018. This status is subject to a requirement that the Company reapply for HNTE status in every three years. The Company re-applied for HNTE status and the application was approved for another three-year period commencing 2024. Zhejiang Lingsheng Powertech Co., Ltd. ("**Zhejiang Lingsheng**"), one of the Company's subsidiaries, was also entitled to a preferential income tax rate of 15% during the six months ended 30 June 2025. Zhejiang Lingsheng obtained its High and New Technology Enterprises ("**HNTE**") status in year 2024, hence is entitled to a preferential tax rate of 15% for a three-year period commencing 2024.

The Company's other subsidiaries established and operated in Mainland China are subject to the PRC corporate income tax at the statutory rate of 25% during the six months ended 30 June 2025 (during the six months ended 30 June 2024: 25%).

The Company's subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at a rate of 16.5% (for the six months ended 30 June 2024: 16.5%) for the six months ended 30 June 2025.

According to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC, from 2021 onwards enterprises engaging in research and development activities are entitled to claim 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year (the "**Super Deduction**").

- (b) In December 2021, the Organisation for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two) (i.e. BEPS 2.0), and various governments around the world have issued, or are in the process of issuing, legislation on this. Pillar Two legislation in Hong Kong, namely the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025, has been enacted on 6th June 2025 and the rules take effect from 1 January 2025. Other respective governments of the Group's major operating regions have not substantively enacted the legislation on Pillar Two as of the date of approval of these 2025 financial statements. In conjunction with the ultimate holding company of the Group, an assessment was performed on the various regions that the Group has operations and no material exposure was identified or recognised during the period ended 30 June 2025.

Notes to the Interim Condensed Consolidated Financial Information

9 EARNINGS/(LOSS) PER SHARE**(a) Basic earnings/(loss) per share**

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) of the Group attribute to owners of the Company by weighted average number of ordinary shares issued during the six months ended 30 June 2024 and 2025.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Profit/(loss) attributable to the ordinary equity holders of the company	33,030	(2,211,736)
Weighted average number of ordinary shares in issue (in thousand)	1,361,793	1,336,966
Basic earnings/(loss) per share (expressed in RMB per share)	0.02	(1.65)

(b) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. During the six months ended 30 June 2025, the Group had potential ordinary shares, including share options issued under the Company's Pre-IPO Share Option Scheme (Note 23).

As the Group incurred losses for the six months ended 30 June 2024, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended 30 June 2024 are the same as basic loss per share.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Earnings/(loss) attributable to the ordinary equity holders of the company	33,030	(2,211,736)
Weighted average number of ordinary shares in issue (in thousand)	1,361,793	1,336,966
Adjustments for share awards (in thousand)	9,870	N/A
Weighted average number of ordinary shares for diluted earnings per share	1,371,663	N/A
Diluted earnings/(loss) per share (expressed in RMB per share)	0.02	(1.65)

Notes to the Interim Condensed Consolidated Financial Information

10 DIVIDEND

No dividend had been declared or paid by the Company during the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

11 PROPERTY, PLANT AND EQUIPMENT

	Buildings (a) RMB'000	Machinery and molds (b) RMB'000	Vehicles RMB'000	Electronic equipment and others RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
As at 31 December 2024 (Audited)							
Cost	856,218	3,159,596	72,092	359,408	164,335	2,273,743	6,885,392
Accumulated depreciation	(149,912)	(972,748)	(21,540)	(144,335)	(59,375)	–	(1,347,910)
Net book amount	706,306	2,186,848	50,552	215,073	104,960	2,273,743	5,537,482
Six months ended 30 June 2025 (Unaudited)							
Opening net book amount	706,306	2,186,848	50,552	215,073	104,960	2,273,743	5,537,482
Additions	2,175	26,609	31,949	82,907	33,662	1,780,291	1,957,593
Transfers	1,814	647,200	3,167	16,061	3,640	(671,882)	–
Disposals	–	(7,189)	(2,350)	(127)	(544)	(261)	(10,471)
Depreciation charge (Note 5)	(20,531)	(220,793)	(9,490)	(45,977)	(18,177)	–	(314,968)
Closing net book amount	689,764	2,632,675	73,828	267,937	123,541	3,381,891	7,169,636
As at 30 June 2025 (Unaudited)							
Cost	860,208	3,754,365	103,787	457,112	200,302	3,381,891	8,757,665
Accumulated depreciation	(170,444)	(1,121,690)	(29,959)	(189,175)	(76,761)	–	(1,588,029)
Net book amount	689,764	2,632,675	73,828	267,937	123,541	3,381,891	7,169,636

(a) As at 30 June 2025, the Group's buildings and construction in progress with carrying value of approximately RMB399,237,000 and RMB788,246,000 (31 December 2024: RMB408,937,000 and RMB546,785,000) had been pledged for the Group's borrowings (Note 25(a)).

(b) As at 30 June 2025, the Group had one finance leasing arrangement, in the form of sale and leaseback arrangements (Note 25(b)), whereby certain machinery and molds of the Group were sold and leased back over a 24-month lease term. The Group has the option to re-acquire the property, plant and equipment on completion of the leases at an insignificant nominal value.

During such lease term and before the exercise of the completion of the repurchase options, such property, plant and equipment are effectively pledged as security for the borrowings and are restricted under the agreements where lessors' consent must be obtained for the pledge or disposal of these assets. As at 30 June 2025, the carrying value of assets under such arrangements amounted to approximately RMB14,520,000 (31 December 2024: RMB117,256,000).

Notes to the Interim Condensed Consolidated Financial Information

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**(c) Depreciation of the Group charged to profit or loss is analyzed as follows:**

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cost of sales	221,035	175,052
Research and development expenses	49,220	28,346
Administrative expenses	32,402	25,111
Selling expenses	12,311	15,537
	314,968	244,046

12 LEASES**(a) Amounts recognized in the consolidated balance sheet**

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Right-of-use assets		
Land use rights (ii)	449,014	452,876
Leased buildings (i)	349,844	283,569
	798,858	736,445
Lease liabilities		
Current	155,632	145,479
Non-current	211,821	186,949
	367,453	332,428

- (i) Additions to leased buildings during the six months ended 30 June 2025 were approximately RMB134,070,000 (during the six months ended 30 June 2024: RMB35,986,000). Decreases in leased buildings during the six months ended 30 June 2025 of approximately RMB2,154,000 (during the six months ended 30 June 2024: RMB3,325,000) were due to the early termination of lease contracts of certain leased buildings.
- (ii) Addition to land use rights during the six months ended 30 June 2025 was approximately RMB1,059,000 (during the six months ended 30 June 2024: RMB6,666,000).
- (iii) As at 30 June 2025, the Group's land use rights with carrying value of approximately RMB449,014,000 (31 December 2024: RMB452,876,000) had been pledged for the Group's borrowings (Note 25(a)).

Notes to the Interim Condensed Consolidated Financial Information

12 LEASES (CONTINUED)

(b) Amounts recognized in profit or loss

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Depreciation charge of right-of-use assets		
Land use rights	4,921	4,819
Leased buildings	65,641	55,715
	70,562	60,534
Interest expenses (included in finance cost) (Note 7)	7,098	6,464
Expenses relating to short-term leases and other lease component (included in cost of sales, selling expenses, administrative expenses and research and development expenses) (Note 5)	28,932	32,085
	106,592	99,083

13 INTANGIBLE ASSETS

	Software RMB'000	Patents RMB'000	Automotive manufacturing license RMB'000	Total RMB'000
As at 31 December 2024 (Audited)				
Cost	164,735	25	398,830	563,590
Accumulated amortization	(113,458)	(25)	–	(113,483)
Net book amount	51,277	–	398,830	450,107
Six months ended 30 June 2025 (Unaudited)				
Opening net book amount	51,277	–	398,830	450,107
Additions	31,869	–	–	31,869
Disposal	(364)	–	–	(364)
Amortization charge (Note 5)	(18,396)	–	–	(18,396)
Closing net book amount	64,386	–	398,830	463,216
As at 30 June 2025 (Unaudited)				
Cost	195,525	25	398,830	594,380
Accumulated amortization	(131,139)	(25)	–	(131,164)
Net book amount	64,386	–	398,830	463,216

Notes to the Interim Condensed Consolidated Financial Information

13 INTANGIBLE ASSETS (CONTINUED)

- (a) Amortization of intangible assets has been charged to the consolidated statement of comprehensive loss as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Administrative expenses	9,533	9,858
Research and development Expenses	7,097	5,261
Selling expenses	1,114	625
Cost of sales	652	431
	18,396	16,175

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

- (a) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition to recognize in this category. These are strategic investments and the group considers this classification to be more relevant.
- Debt securities where the contractual cash flows are sole payments of principal and interest and the objective of the group's business model is achieved both by collecting contractual cash flows and by selling financial assets.

- (b) Equity investments at fair value through other comprehensive income

Equity investments at FVOCI comprise the following individual investments:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current assets		
Equity investments	150,411	143,185

Notes to the Interim Condensed Consolidated Financial Information

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)**(c) Debt instruments at fair value through other comprehensive income**

Debt investments at FVOCI comprise the following notes receivables:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Current assets		
Notes receivables (i)	1,291,641	1,550,289

(i) Notes receivables held both by collecting contractual cash flows and selling of these assets are classified as financial assets at FVOCI.

As at 30 June 2025, notes receivables with amounts of RMB282,754,000 (31 December 2024: RMB1,138,597,000) were restricted for issuance of bank acceptance notes.

(d) Amounts recognized in profit or loss and other comprehensive income

	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Profit/(loss) recognized in other comprehensive income Related to equity investments	7,226	(35,685)

Notes to the Interim Condensed Consolidated Financial Information

15 OTHER NON-CURRENT ASSETS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Long-term receivables		
– Refundable deposits	11,342	9,869
Provision for impairment	(187)	(71)
	11,155	9,798
Prepayment for property, plant and equipment	161,308	120,711
	172,463	130,509

Long-term receivables represented the receivables due for rental of buildings, which are generally between 1 to 10 years. There is no significant financing component.

All of long-term receivables are denominated in RMB. As a result, there is no exposure to foreign currency risk.

Notes to the Interim Condensed Consolidated Financial Information

16 INVENTORIES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Raw materials and spare parts	2,038,778	1,063,847
Finished goods	587,738	1,000,485
	2,626,516	2,064,332
Less: provisions for impairment of raw materials	(30,230)	(30,402)
Less: provisions for impairment of finished goods	(6,222)	(11,314)
	(36,452)	(41,716)
	2,590,064	2,022,616

Raw materials primarily consist of materials for volume production which will be transferred into production cost when incurred as well as spare parts used for after sales services.

Finished goods include vehicles ready for transit at production plants, vehicles in transit to fulfil customers' orders, new vehicles available for immediate sales at the Group's sales and servicing center locations.

During the six months ended 30 June 2025, inventories recognized as cost of sales amounted to approximately RMB18,655,236,000 (during the six months ended 30 June 2024: RMB7,924,953,000) and the provision for impairment of inventories as recognized amounted to approximately RMB33,206,000 (during the six months ended 30 June 2024: RMB119,430,000). All these expenses and impairment charge have been included in "cost of sales" in the consolidated statement of comprehensive income/(loss).

During the six months ended 30 June 2025, the provision for impairment of inventories as utilized upon the Group's ultimate sales of the related vehicles/parts amounted to approximately RMB38,470,000 (during the six months ended 30 June 2024: RMB154,867,000) and there was not any reversal of over-provision recognized in profit or loss.

Notes to the Interim Condensed Consolidated Financial Information

17 TRADE AND NOTES RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Notes receivables (b)	21,518	348,857
Trade receivables (a)		
Due from related parties (Note 35(c))	2,298,112	1,050,057
Government subsidies receivables for promotion of new energy vehicles	888	72,762
Due from customers	571,083	515,604
Gross trade receivables	2,870,083	1,638,423
Provisions for impairment	(8,429)	(6,008)
	2,861,654	1,632,415
Total	2,883,172	1,981,272

(a) As at 31 December 2024 and 30 June 2025, the aging analysis of the trade receivables based on date of recognition is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Up to 6 months	2,734,947	1,536,446
6 months to 1 year	131,996	22,985
1 to 2 years	2,240	6,230
Over 2 years	900	72,762
	2,870,083	1,638,423

(b) The notes receivables have maturity terms ranging from 3 to 6 months.

Notes to the Interim Condensed Consolidated Financial Information

18 OTHER CURRENT ASSETS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Other receivables		
– Refundable deposits	36,230	38,488
– Due from related parties (Note 35(c))	320	300
– Others	19,727	9,842
	56,277	48,630
Provisions for impairment	(928)	(1,023)
	55,349	47,607
Prepayments for		
– advertising expenses	131,367	43,119
– raw materials to third parties	62,786	37,167
– raw materials to related parties (Note 35(c))	199	6,039
– research and development expenses	4,514	12,874
– short-term lease rental expenses	2,788	2,699
– other operating expenses	75,986	50,177
	277,640	152,075
Input VAT to be deducted	646,807	276,159
Total other current assets	979,796	475,841

As at 31 December 2024 and 30 June 2025, the fair values of other current assets of the Group, except for the prepayments and input VAT to be deducted which are not financial assets, approximated their carrying amounts.

Notes to the Interim Condensed Consolidated Financial Information

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Classification of financial assets at fair value through profit or loss (“FVPL”)

The Group classifies the followings as financial assets at FVPL:

- debt investments that do not qualify for measurement at either amortized cost or fair value through other comprehensive income (FVOCI),
- equity investments that are held for trading, and
- equity investments for which the Group has not elected to recognize fair value gains and losses through other comprehensive income.

The Group’s financial assets measured at FVPL include the following:

	As at 30 June 2025 RMB’000 (Unaudited)	As at 31 December 2024 RMB’000 (Audited)
Investments in wealth management products	7,851,294	11,472,948

The principals and returns of the wealth management products are not guaranteed, hence their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, the wealth management products are measured at fair value through profit or loss.

Information about the Group’s exposure to financial risk and information about the methods used in determining fair value of these financial assets at FVPL are set out in Note 36(c).

Notes to the Interim Condensed Consolidated Financial Information

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**(b) Amounts recognized in profit or loss is set out below:**

During the six months ended 30 June 2025 and 2024, the following net fair value gains were recognized in the consolidated statement of comprehensive income/(loss):

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net fair value gains on financial assets at FVPL recognized in other gains/(losses) - net (Note 4)		
– realized	61,188	21,962
– unrealized	26,606	28,996
	87,794	50,958

20 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS**(a) Cash and cash equivalents**

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Cash at banks	21,728,162	12,982,250
Less: restricted cash (b)	(2,540,016)	(1,253,665)
Less: short-term bank time deposits (c)	(2,545,357)	(1,074,187)
Less: long-term bank time deposits (d)	(9,689,074)	(4,032,574)
Less: current portion of long-term bank time deposits (d)	(488,377)	(243,556)
	6,465,338	6,378,268

The maximum exposure to credit risk at the reporting date is the carrying values of the time deposits, cash and cash equivalents and restricted cash as mentioned above.

20 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS (CONTINUED)

(b) Restricted cash

As at 30 June 2025, cash at banks with amounts of RMB2,135,631,000 (31 December 2024: RMB1,193,550,000) and RMB56,080,000 (31 December 2024: nil) were restricted as guarantee deposits for issuance of bank acceptance notes and security deposits for bank borrowings. The remaining amounts of approximately RMB348,305,000 (31 December 2024: RMB60,115,000) was mainly restricted as customs guarantee, guarantee deposits for the contracts with the Group's suppliers and others.

(c) Short-term bank time deposits

As at 30 June 2025, the short-term bank time deposits with amounts of RMB1,914,780,000 (31 December 2024: RMB565,814,000) and RMB26,000,000 (31 December 2024: RMB26,000,000) were pledged to the bank for issuance of bank acceptance notes and for security deposits for a bank borrowing.

(d) Long-term bank time deposits

As at 30 June 2025, long-term bank time deposits were neither past due nor impaired. Management considered that the carrying amounts of the long-term bank time deposits approximated their fair values as at 30 June 2025 and 31 December 2024. As at 30 June 2025, long-term bank time deposits of approximately RMB488,377,000 (31 December 2024: RMB243,556,000) will be due within one year.

As at 30 June 2025, the restricted long-term bank time deposits with an amount of approximately RMB53,400,000 (31 December 2024: RMB123,400,000), RMB400,000,000 (31 December 2024: nil) and RMB10,800,000 (31 December 2024: RMB10,800,000) were pledged to a bank as security deposits under various bank borrowing agreements (Note 25(a)), pledged to banks for issuance of bank acceptance notes and guarantee deposits for the contracts with the Group's suppliers, respectively.

Notes to the Interim Condensed Consolidated Financial Information

21 SHARE CAPITAL

A summary of movements in the Company's authorized, issued and fully paid share capital is as follows:

	Number of shares	Share capital RMB'000
As at 1 January 2025	1,336,966,089	1,336,966
Issuance of ordinary shares (a)	70,213,338	70,213
As at 30 June 2025 (Unaudited)	1,407,179,427	1,407,179

- (a) The Company entered into domestic share subscription agreements with investors, pursuant to which, 70,213,338 domestic shares were issued at the subscription price of RMB37.03 per subscription share, and received the "Approval for the Registration of the Issuance of Shares to Specific Parties by Zhejiang Leapmotor Technology Co., Ltd." (Zheng Jian Xu Ke [2025] No. 614) issued by the China Securities Regulatory Commission on 26 March 2025. The total cash consideration was RMB2,600,000,000, including RMB70,213,338 recorded in share capital and approximately RMB2,529,786,662 recorded in share premium reserve. Incremental costs that are directly attributable to the issue of the new shares, amounting to approximately RMB2,634,000, was treated as a deduction against the share premium arising from the issuance (Note 22). The total cash consideration was received and the subscription was completed in April 2025.

22 RESERVES

	Share premium RMB'000	Other comprehensive income RMB'000	Share-based payment reserves RMB'000	Total RMB'000
As at 1 January 2024	23,555,468	(8,637)	1,510,973	25,057,804
Fair value change of financial assets at FVOCI	—	(35,685)	—	(35,685)
Share-based payment (Note 23)	—	—	195,473	195,473
As at 30 June 2024 (Unaudited)	23,555,468	(44,322)	1,706,446	25,217,592
As at 1 January 2025	23,555,468	(82,580)	1,978,182	25,451,070
Fair value change of financial assets at FVOCI	—	7,226	—	7,226
Issuance of ordinary shares	2,527,152	—	—	2,527,152
Share-based payment (Note 23)	—	—	299,786	299,786
As at 30 June 2025 (Unaudited)	26,082,620	(75,354)	2,277,968	28,285,234

Notes to the Interim Condensed Consolidated Financial Information

23 SHARE-BASED PAYMENT**(a) Share award schemes**

On 31 January 2021, the establishment of the Company's Share Incentive Plans was approved by shareholders of the Company. Certain eligible employees of the Group (the **"Incentive targets"**) were granted with the shares of No.1 Guosen Securities Leapmotor Technology Employee Stock Ownership – Asset Management Plan (**"Guosen Securities"**) and Ningbo Jinghang Enterprise Management L.P. (寧波景航企業管理合夥企業(有限合夥)) (**"Ningbo Jinghang"**), as rewards for their services and in exchange for their full-time devotion and professional expertise. The two companies were set up for the purpose of holding shares of the Company on behalf of the Incentive targets.

During the year ended 31 December 2021, 57,723,164 shares with a grant price of RMB1.40 per unit capital and 12,806,500 shares with a grant price of RMB1.27 per unit capital of the Company were granted to the Incentive targets through Guosen Securities and Ningbo Jinghang, respectively. All the shares granted are vested on the third anniversary from the date of fulfilling the service and performance conditions (**"QIPO condition"**) as prescribed in the Share Incentive Plans. If an employee ceased to be employed by the Group within this period, the awarded shares would be forfeited, and forfeited shares would be purchased back by Mr. Zhu Jiangming (朱江明) at the price that the employees initially purchased the shares, and would be reallocated in the subsequent grants, if any, at the discretion of the Group. 2,078,950 shares were forfeited and 302,800 shares were granted and reallocated during the year ended 31 December 2021. The fair value of each awarded restricted shares was calculated based on the most recent transaction price of the Company's shares at the grant date.

On 31 May 2022 and 19 August 2022, 3,415,000 shares and 3,683,200 shares, respectively with a grant price of RMB1.40 per unit capital of the Company were granted to the Incentive targets through Guosen Securities. The discount cash flow method was used to determine the underlying equity fair value of the Company and the fair value of each awarded restricted shares granted. All the shares granted are vested on the third anniversary from the date of fulfilling the service and performance conditions (**"QIPO condition"**) as prescribed in the Share Incentive Plans.

The fair value of each awarded restricted shares after the global offering was calculated based on the closing price of the Company's H share at the grant date. And the aforementioned shares granted are vested when certain service and performance conditions are met.

Notes to the Interim Condensed Consolidated Financial Information

23 SHARE-BASED PAYMENT (CONTINUED)**(a) Share award schemes (Continued)**

The details of each awarded restricted shares during the six months ended 30 June 2025 are set as below:

Grant date	Grant number	Grant price RMB	Fair value of awarded restricted shares RMB
3 January 2025	119,214	2.00	29.41
3 January 2025	300,000	1.40	29.41
13 January 2025	60,786	2.00	28.23
7 April 2025	280,000	2.00	38.71
17 April 2025	145,000	2.00	41.75

Set out below are the movement in the number of awarded restricted shares under the Share Incentive Plans:

As at 1 January 2025	63,361,474
Granted	905,000
Forfeited	(439,214)
As at 30 June 2025 (Unaudited)	63,827,260

(b) Pre-IPO Share Option Scheme

On 22 June 2022, the pre-IPO share option scheme was adopted by the Company. The number of shares options issued under the pre-IPO share option scheme will be no more than 50,594,348 ordinary shares, representing no more than 5.00% of the issued share capital of the Company immediately prior to the completion of the global offering. The shares options of the Company with an exercise price of RMB27.26 per share were granted to the certain eligible employees of the Group subsequently on 5 August 2022, which will be vested in tranches during 4 years from the date of the global offering of the Company upon satisfaction of the vesting conditions.

Notes to the Interim Condensed Consolidated Financial Information

23 SHARE-BASED PAYMENT (CONTINUED)**(b) Pre-IPO Share Option Scheme (Continued)**

The fair value of the share options granted under Pre-IPO Share Option Scheme have been valued by an independent qualified valuer using the Binomial valuation model as at grant date. Key assumptions are set as below:

Key assumptions	
Risk-free interest rate	2.53%
Volatility	51.54%
Time to maturity	6 years

Set out below are the movement in the number of awarded options under the Pre-IPO Share Option Scheme:

As at 1 January 2025	34,700,773
Forfeited	(234,050)
As at 30 June 2025 (Unaudited)	34,466,723
Vested and exercisable as at 30 June 2025	17,412,299

(c) Expenses arising from share-based payment transactions

Expenses for the share-based payments have been charged to the consolidated statement of comprehensive loss as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Share-based payment expenses	299,786	195,473

Notes to the Interim Condensed Consolidated Financial Information

24 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Financial assets at amortized cost:		
– Trade and notes receivables (Note 17)	2,883,172	1,981,272
– Other receivables (Note 18)	55,349	47,607
– Long-term receivables (Note 15)	11,155	9,798
– Cash and cash equivalents (Note 20)	6,465,338	6,378,268
– Restricted cash (Note 20)	2,540,016	1,253,665
– Time deposits (Note 20)	12,722,808	5,350,317
Financial assets at FVPL (Note 19)	7,851,294	11,472,948
Financial assets at FVOCI (Note 14)	1,442,052	1,693,474
	33,971,184	28,187,349
	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Financial liabilities at amortized cost:		
– Borrowings (Note 25)	2,667,584	2,374,152
– Trade and notes payables (Note 28)	23,327,766	18,903,412
– Other payables and accruals (excluding payroll and welfare payables and other tax payables) (Note 29)	3,339,443	2,839,037
– Lease liabilities (Note 12)	367,453	332,428
	29,702,246	24,449,029

Notes to the Interim Condensed Consolidated Financial Information

25 BORROWINGS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Borrowings included in non-current liabilities:		
Long-term bank borrowings, secured (a)	1,532,307	1,261,340
Long-term other borrowings, secured (b)	7,780	27,870
Long-term other borrowings, unsecured and unguaranteed (c)	110,714	80,597
Less: current portion included in current liabilities	(438,376)	(261,370)
	1,212,425	1,108,437
Borrowings included in current liabilities:		
Other borrowings, unsecured and unguaranteed (d)	1,000,000	1,000,000
Current portion of long-term borrowings (a)(b)(c)	438,376	261,370
Interest payables	16,783	4,345
	1,455,159	1,265,715
Total borrowings	2,667,584	2,374,152

- (a) As at 30 June 2025, the Group had the long-term bank borrowings with the total amount of approximately RMB1,532,307,000 (31 December 2024: RMB1,261,340,000), of which approximately RMB417,586,000 (31 December 2024: RMB233,500,000) will be due within one year from the balance sheet date.

As at 30 June 2025, the Group's long-term bank borrowings bear interests at floating interest rates ranging from 2.65% to 2.95% per annum, and were secured by the pledge of the Group's buildings with an amount of approximately RMB399,237,000 (31 December 2024: RMB408,937,000) (Note 11(a)), construction in progress with an amount of approximately RMB788,246,000 (31 December 2024: RMB546,785,000) (Note 11(a)), land use rights with an amount of approximately RMB449,014,000 (31 December 2024: RMB452,876,000) (Note 12(a)(iii)), bank time deposits with an amount of RMB79,400,000 (31 December 2024: RMB149,400,000) (Note 20(c)(d)) and restricted cash with an amount of RMB56,080,000 (31 December 2024: nil) (Note 20(b)).

Notes to the Interim Condensed Consolidated Financial Information

25 BORROWINGS (CONTINUED)

- (b) As at 30 June 2025, the Group's long term other borrowings comprised 24-months borrowings from one finance leasing companies with a total amount of RMB7,780,000 (31 December 2024: RMB27,870,000), of which RMB7,780,000 (31 December 2024: RMB27,870,000) will be due within one year. The borrowings were obtained through sales and leaseback arrangements, whereby certain property, plant and equipment of the Group were sold and leased back for a 24-months lease term. The Group has the option to repurchase the property, plant and equipment upon the completion of the leases at an insignificant nominal value. During the lease term and before the exercise of the repurchase options upon completion of the lease term, the property, plant and equipment were effectively pledged as security for the borrowings and were restricted under the agreements where lessors' consent must be obtained for the pledge or disposal of these assets. As at 30 June 2025, the long-term other borrowings had effective interest rates of 4.40% (31 December 2024: from 5% to 5.01%) per annum and the property, plant and equipment pledged had carrying amount of approximately RMB14,520,000 (31 December 2024: RMB117,256,000) (Note 11(b)).
- (c) As at 30 June 2025, the Group had a 10-year borrowing and a 14-month borrowing from a third party with total amounts of approximately RMB97,704,000 and RMB13,010,000, which had effective interest rate of 3.76% and 0.01% per annum, respectively.
- (d) As at 30 June 2025, the Group had a 9-month borrowing from a related party with a total amount of approximately RMB1,000,000,000 which has an effective interest rate of 2.50% per annum (Note 35(c)).

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates or maturity date, whichever is earlier, were as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Less than 1 year	1,438,376	1,261,370
Between 1 and 2 years	335,889	457,043
Between 2 and 5 years	529,385	430,474
Over 5 years	347,151	220,920
	2,650,801	2,369,807

The fair values of current borrowings approximate their carrying amount as the discounting impact is not significant.

Notes to the Interim Condensed Consolidated Financial Information

25 BORROWINGS (CONTINUED)

The fair values of non-current borrowings as at 31 December 2024 and 30 June 2025 were disclosed as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current borrowings	1,214,645	1,101,044

26 PROVISIONS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current Service warranties	916,407	671,881
Current Service warranties	236,610	190,020
	1,153,017	861,901

The Group provides warranties for certain vehicle products sold and undertakes the obligation to repair or replace items that fail to perform satisfactorily within certain years after purchase or mileage utilized ("**warranty periods**"), whichever reached first. Provision for service warranties are made for the estimated warranty claims within the warranty periods that remain effective as at the end of each reporting period. The amount of provisions for warranties is estimated based on the assumptions related to the estimations of expected unit cost for warranty services. The estimation is reviewed on an ongoing basis and is revised when appropriate.

Movements of warrants for the six months ended 30 June 2025 are set out below:

	Service warranties RMB'000
As at 1 January 2025	861,901
Provisions for the period	332,256
Amounts utilized during the period	(41,140)
As at 30 June 2025 (Unaudited)	1,153,017

Notes to the Interim Condensed Consolidated Financial Information

27 DEFERRED INCOME

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Government grants	425,430	348,361

The Grants received were mainly for subsidizing the Group's purchases of property, plant and equipment. These government grants were recorded as deferred income and credited to profit or loss on a straight-line basis over the useful lives of the related property, plant and equipment.

28 TRADE AND NOTES PAYABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables		
– Payables for materials	11,854,381	11,575,839
Notes payables		
– Payables for materials	11,473,385	7,327,573
	23,327,766	18,903,412

As at 30 June 2025 and 31 December 2024, the notes payables had maturity terms ranging from 3 to 6 months and the issuance of these notes payables were guaranteed by certain restricted cash (Note 20(b)), short-term bank time deposits (Note 20(c)) and notes receivables (Note 14).

The carrying amounts of trade payables approximate their fair values due to their short-term maturity in nature.

Notes to the Interim Condensed Consolidated Financial Information

28 TRADE AND NOTES PAYABLES (CONTINUED)

The aging analysis of the trade payables based on purchase date is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Up to 6 months	11,628,151	11,476,516
6 months to 1 year	147,770	3,293
Over 1 year	78,460	96,030
	11,854,381	11,575,839

29 OTHER PAYABLES AND ACCRUALS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Accrued expenses		
– Advertising and publicity expense	979,551	976,158
– Rebate payables	691,461	561,917
– Freight expenses	273,002	23,611
Payroll and welfare payables	709,232	650,991
Payables for purchases of property, plant and equipment	449,691	418,951
Payables for design and development services	374,536	341,620
Deposit from suppliers and distributors	313,420	247,508
Other taxes payables	322,127	235,351
Others	257,782	269,272
	4,370,802	3,725,379

Notes to the Interim Condensed Consolidated Financial Information

30 ADVANCES FROM CUSTOMERS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Advances from customers	504,154	583,492

Advances from customers represent the initial refundable deposits for intention orders received from customers prior to the signing of vehicle purchase agreements.

31 INVESTMENT IN ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD

	Six months ended 30 June 2025 RMB'000 (Unaudited)
Investment in associates	
At beginning of the period	163,576
Share of net profit of associates accounted for using the equity method	11,223
Dividends received from an associate	(4,900)
Others	(25,310)
At end of the period	144,589

Notes to the Interim Condensed Consolidated Financial Information

31 INVESTMENT IN ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Set out below are the details of the associates of the Group as at 31 December 2024 and 30 June 2025. The entity set out below has share capital consisting solely of ordinary shares, which are held directly by the Company. The country of incorporation is also its principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of incorporation and kind of legal entity	% of ownership interest		Principal activities
		As at 30 June 2025	As at 31 December 2024	
Zhejiang Huaruijie Technology Co., Ltd. 浙江華銳捷技術有限公司("Huaruijie")	PRC, limited liability company	20%	20%	Technology development services
Jinhua LEAP Faurecia Automotive Parts Co., Ltd. 金華零跑佛吉亞汽車零部件有限公司("LFAP")	PRC, limited liability company	49%	49%	Vehicles components manufacturing, research and development
Leapmotor International B.V.	Netherlands, limited liability company	49%	49%	Vehicles manufacturing and sales
Jinhua Changchun Automotive Parts Co., Ltd. 金華市常春汽車零部件有限公司("Changchun Automotive")	PRC, limited liability company	49%	49%	Vehicles components manufacturing and sales

- (a) As at 30 June 2025, there are no material associates that required additional disclosure of their financial information.

Notes to the Interim Condensed Consolidated Financial Information

32 CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of the balance sheet date but not recognized as liabilities is as follows:

(i) Contracted but not provided for

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Property, plant and equipment	5,344,331	2,896,000

33 CONTINGENCIES

As at 30 June 2025, there were no significant contingency items for the Group (31 December 2024: nil).

34 EVENTS OCCURRING AFTER THE REPORTING PERIOD

There is no other material subsequent event undertaken by the Group after 30 June 2025.

35 RELATED PARTY TRANSACTIONS

There was no controlling shareholder or ultimate controlling shareholder of the Company. As at the date of this report, Mr. Zhu Jiangming (朱江明), Mr. Fu Liquan (傅利泉), Ms. Liu Yunzhen (劉雲珍) (spouse of Mr. Zhu Jiangming), Ms. Chen Ailing (陳愛玲) (spouse of Mr. Fu Liquan), by virtue of the acting-in-concert arrangement among them, were collectively and ultimately interested in approximately 23.41% of the total share capital of the Company. These four individuals and the companies established or controlled by them, including Hangzhou Xintu Technology Co., Ltd. (杭州芯圖科技有限公司), Ningbo Hualing Venture Capital L.P. (寧波華綾創業投資合夥企業(有限合夥)), Ningbo Huayang Venture Capital L.P. (寧波華陽創業投資合夥企業(有限合夥)), Ningbo Jinghang, Ningbo Gulin Equity Investment L.P. (寧波顧麟股權投資合夥企業(有限合夥)) and Wanzai Mingzhao Consulting Service Center L.P. (萬載明昭諮詢服務中心(有限合夥)) ("Wanzai Mingzhao"), were collectively referred to as the Single Largest Group of Shareholders of the Company.

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

Notes to the Interim Condensed Consolidated Financial Information

35 RELATED PARTY TRANSACTIONS (CONTINUED)

- (a) Apart from the members of the Single Largest Group of Shareholders as mentioned above, the major related parties that had transactions and balances with the Group were as follows:

Name of related parties	Relationship with the Group
Zhejiang Dahua Technology Co., Ltd. 浙江大華技術股份有限公司 (“ Dahua Technology ”)	Controlled by Mr. Fu Liquan
Zhejiang Huaruijie Technology Co., Ltd.	Associate, Dahua Technology’s subsidiary
Zhejiang Hyxi Technology Co., Ltd. 浙江華昱欣科技有限公司 (“ Hyxi ”)	Controlled by Mr. Fu Liquan
Zhejiang Dahua Vision Technology Co., Ltd. 浙江大華科技有限公司	Dahua Technology’s subsidiary
Zhejiang Dahua Zhilian Co., Ltd. 浙江大華智聯有限公司	Dahua Technology’s subsidiary
Zhejiang Huaray Technology Co., Ltd. 浙江華睿科技股份有限公司	Dahua Technology’s subsidiary
Hangzhou Fuyang Huao Technology Co., Ltd. 杭州富陽華傲科技有限公司	Dahua Technology’s subsidiary
Zhejiang Dahua Iscan Technology Co., Ltd. 浙江華視智檢科技有限公司	Dahua Technology’s subsidiary
Zhejiang Huafei Intelligent Technology Co., Ltd. 浙江華飛智慧科技有限公司	Dahua Technology’s subsidiary
Jinhua Jinxin Technology Co., Ltd. 金華金芯科技有限公司	Controlled by Mr. Zhu jiangming
Stellantis N.V. (“ Stellantis ”)	A substantial shareholders of the Company
Peugeot Citroen (China) Automotive Trade Co., Ltd. 標緻雪鐵龍(中國)汽車貿易有限公司	Controlled by Stellantis
Leapmotor International B.V.	Associate, Controlled by Stellantis
Leapmotor International Business SpA	Controlled by Leapmotor International B.V., Controlled by Stellantis
Stellantis Gurun (Malaysia) Sdn Bhd	Controlled by Stellantis
Stellantis Automoveis Brasil LTDA.	Controlled by Stellantis
Stellantis Chile S.A.	Controlled by Stellantis
Stellantis Australia and New Zealand	Controlled by Stellantis
Stellantis Auto SAS	Controlled by Stellantis
LFAP	Associate
Changchun Automotive	Associate

The following significant transactions were carried out between the Group and its related parties during the Reporting Period. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

Notes to the Interim Condensed Consolidated Financial Information

35 RELATED PARTY TRANSACTIONS (CONTINUED)**(b) Transactions with related parties**

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Sales of vehicles, parts and others		
Stellantis's subsidiaries	2,115,575	–
Hyxi	18,525	4,050
Dahua Technology and its subsidiaries	8,287	2,849
Changchun Automotive	691	–
LFAP	344	872
A member of the Single Largest Group of Shareholders	2	–
	2,143,424	7,771
Sales of property, plant and equipment		
Dahua Technology's subsidiary	124	–
Rendering of services		
Hyxi	1	–
Purchases of raw materials		
LFAP	196,524	128,291
Dahua Technology and its subsidiaries	163,256	77,671
Changchun Automotive.	6,901	–
Hyxi	2,379	2,971
	369,060	208,933
Purchases of the assembly services		
Dahua Technology and its subsidiaries	85,471	42,195

Notes to the Interim Condensed Consolidated Financial Information

35 RELATED PARTY TRANSACTIONS (CONTINUED)**(b) Transactions with related parties (Continued)**

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchases of property, plant and equipment		
Dahua Technology and its subsidiaries	6,414	7,597
Changchun Automotive	3,573	–
	9,987	7,597
Purchases of other services		
Stellantis's subsidiaries	5,473	–
Dahua Technology's subsidiary	1,517	–
LFAP	378	–
	7,368	–
Interest expenses of borrowings		
Jinhua Jinxin Technology Co., Ltd.	12,569	–
Short-term leasing expenses		
A member of the Single Largest Group of Shareholders	14,495	12,098
Dahua Technology and its subsidiaries	135	135
	14,630	12,233
Addition to right-of-use assets resulted from lease of buildings		
A member of the Single Largest Group of Shareholders	50,327	–
Interest expenses of lease liabilities paid to		
A member of the Single Largest Group of Shareholders	763	–

Notes to the Interim Condensed Consolidated Financial Information

35 RELATED PARTY TRANSACTIONS (CONTINUED)**(c) Balances with related parties**

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Other receivables (i)		
Dahua Technology and its subsidiaries	300	300
Stellantis's subsidiaries	20	–
	320	300
Trade receivables		
Stellantis's subsidiaries	2,269,782	1,033,842
Hyxi	23,833	12,517
Dahua Technology and its subsidiaries	4,358	1,846
LFAP	139	1,852
	2,298,112	1,050,057
Prepayments		
Dahua Technology and its subsidiaries	199	–
Hyxi	–	6,039
	199	6,039
Other payables		
Dahua Technology and its subsidiaries	16,565	16,453
Hyxi	499	3,493
LFAP	378	758
Changchun Automotive	53	–
A member of the Single Largest Group of Shareholders	10	3
	17,505	20,707

Notes to the Interim Condensed Consolidated Financial Information

35 RELATED PARTY TRANSACTIONS (CONTINUED)**(c) Balances with related parties (Continued)**

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables		
Dahua Technology and its subsidiaries	227,006	241,379
LFAP	83,960	305,374
Hysi	24,234	30,195
Changchun Automotive	6,840	–
	342,040	576,948
Advances from customers		
Stellantis's subsidiaries	12,840	–
Dahua Technology's subsidiary	138	–
	12,978	–
Other non-current assets		
Dahua Technology's subsidiary	69	–
Borrowings		
Jinhua Jinxin Technology Co., Ltd.	1,015,625	1,003,056
Lease liabilities		
A member of the Single Largest Group of Shareholders	41,998	–

(i) The balances with related parties are unrestricted, interest free and repayable or receivable according to credit terms granted or on demand.

(ii) The carrying value of the above trade balances approximates their fair value as at 30 June 2025.

Notes to the Interim Condensed Consolidated Financial Information

36 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS**(a) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the Reporting Period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The following table presents the Group's assets that are measured at fair value as at 31 December 2024 and 30 June 2025.

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 30 June 2025 (Unaudited)				
Assets				
Financial assets at FVOCI (Note 14)				
– Notes receivables	–	–	1,291,641	1,291,641
– Equity investments	150,411	–	–	150,411
Financial assets at FVPL (Note 19)	–	–	7,851,294	7,851,294
	150,411	–	9,142,935	9,293,346

Notes to the Interim Condensed Consolidated Financial Information

36 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**(a) Fair value hierarchy (Continued)**

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 31 December 2024 (Audited)				
Assets				
Financial assets at FVOCI (Note 14)				
– Notes receivables	–	–	1,550,289	1,550,289
– Equity investments	143,185	–	–	143,185
Financial assets at FVPL (Note 19)	–	–	11,472,948	11,472,948
	143,185	–	13,023,237	13,166,422

(b) Valuation techniques used to determine level 2 and level 3 fair values

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no changes in valuation techniques during the six months ended 30 June 2025.

The fair value of trade and notes receivables, other receivables, contract assets, long-term receivables, time deposits, restricted cash, and cash and cash equivalents approximated their carrying amounts.

The fair value of trade and notes payables, other payables and accruals (excluding payroll and welfare payables and other tax payables) and current borrowings approximated their carrying amounts. The fair value of non-current borrowings was disclosed in Note 25.

Notes to the Interim Condensed Consolidated Financial Information

36 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**(c) Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the six months ended 30 June 2025:

	Financial assets at FVPL RMB'000	Financial assets at FVOCI RMB'000
As at 1 January 2025	11,472,948	1,550,289
Acquisitions	14,911,642	1,291,641
Disposals	(18,621,090)	(1,550,289)
Fair value changes	87,794	–
As at 30 June 2025 (Unaudited)	7,851,294	1,291,641

More details about the financial assets at FVPL and financial assets at FVOCI as at 31 December 2024 have been presented in Note 14 and Note 22.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the six months ended 30 June 2025.

(d) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

As at 30 June 2025

Description	Fair value RMB'000	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Wealth management products	7,851,294	Expected rate of return	1.35%-2.60%	The higher the expected rate of return, the higher the fair value
Notes receivables	1,291,641	Discount rate	1.47%-1.71%	The higher the discount rate, the lower the fair value

Notes to the Interim Condensed Consolidated Financial Information

37 BASIS OF PREPARATION

This interim condensed consolidated financial report for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcements made by the Group during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

37.1 New standards and interpretations

(a) New or amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group assessed the adoption of these new and amended standards and concluded that they did not have a significant impact on the Group’s interim results and financial position.

Standards and amendments	Effective for annual periods beginning on or after
IAS 21 (Amendment) “Lack of exchangeability”	1 January 2025

Notes to the Interim Condensed Consolidated Financial Information

37 BASIS OF PREPARATION (CONTINUED)**37.1 New standards and interpretations (Continued)****(b) Impact of standards issued but not yet applied by the entity**

The followings are new or amended standards that have been issued but are not effective for the financial year beginning on 1 January 2025 and have not been early adopted by the Group. The Group plans to adopt these new or amended standards when they become effective:

Standards and amendments	Effective for annual periods beginning on or after
IFRS 9 (Amendment) and IFRS 7 (Amendment) "Contracts referencing nature-dependent electricity"	1 January 2026
IFRS 9 (Amendment) and IFRS 7 (Amendment) "Amendments to the classification and measurement of financial instruments"	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18 "Presentation and disclosure in financial statements"	1 January 2027
IFRS 19 "Subsidiaries without public accountability: disclosures"	1 January 2027
IFRS 10 (Amendment) and IAS 28 (Amendment) "Sale or contribution of assets between an investor and its associate or joint venture"	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards. According to the preliminary assessment made by the Group, no significant impact on the financial performance and positions of the Group is expected when they become effective.

Definitions

In this interim report, the following expressions have the meanings set out below unless the context requires otherwise.

“Board”	the board of Directors of our Company
“cell-to-chassis” or “CTC”	our proprietary technology to integrate battery module with the battery tray and vehicle body
“Company” or “our Company”	Zhejiang Leapmotor Technology Co., Ltd. (浙江零跑科技股份有限公司), a limited liability company established under the laws of the PRC on 24 December 2015 and converted into a joint stock limited liability company in the PRC on 30 April 2021
“Dahua Technology”	Zhejiang Dahua Technology Co., Ltd. (浙江大華技術股份有限公司), a joint stock company established under the laws of the PRC, whose shares are listed on the Shenzhen Stock Exchange (stock code: 002236), and a substantial shareholder of our Company
“Director(s)”	director(s) of our Company
“Domestic Share(s)”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are subscribed for or credited as paid in Renminbi
“Employee Incentive Schemes”	collectively, Share Award Scheme I, Share Award Scheme II and Pre-IPO Share Option Scheme
“EREVs”	extended-range electric vehicles
“EV”	the battery electric vehicles used for the carriage of passengers
“Global Offering”	the Hong Kong public offering and the international offering as described in the Prospectus
“Group” or “our Group” or “we” or “us”	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
“H Share(s)”	overseas listed foreign Share(s) issued or to be issued by the Company with a nominal value of RMB1.00 each, which is/are to be subscribed for and traded in HK dollars and is/are to be listed on the Hong Kong Stock Exchange
“Hangzhou Xintu”	Hangzhou Xintu Technology Co., Ltd. (杭州芯圖科技有限公司), a limited liability company established under the laws of the PRC and a member of the Single Largest Group of Shareholders

Definitions

“HK\$” or “HK dollars”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Independent Third Party(ies)”	any entity or person who is not a connected person of our Company within the meaning ascribed thereto under the Listing Rules
“Jinhua Industrial Fund”	Jinhua Industrial Fund Co., Ltd. (金華市產業基金有限公司), a limited liability company established under the laws of the PRC and an existing Shareholder of the Company
“Leapmotor International”	Leapmotor International B.V., a joint venture company jointly established by the Company and Stellantis
“Listing”	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
“Listing Date”	29 September 2022, on which our H Shares are listed and on which dealings of our H Shares first commences dealings therein are permitted to take place on the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
“Mr. Fu”	Mr. Fu Liquan (傅利泉), a member of the Single Largest Group of Shareholders and the spouse of Ms. Chen
“Mr. Zhu”	Mr. Zhu Jiangming (朱江明), the chairperson of the Board, an executive Director and chief executive officer of our Company, a member of the Single Largest Group of Shareholders and the spouse of Ms. Liu
“Ms. Chen”	Ms. Chen Ailing (陳愛玲), the spouse of Mr. Fu and a member of the Single Largest Group of Shareholders
“Ms. Liu”	Ms. Liu Yunzhen (劉雲珍), the spouse of Mr. Zhu and a member of the Single Largest Group of Shareholders

Definitions

“NEVs”	new energy passenger vehicles, comprising of battery electrics vehicles and plug-in hybrid electric vehicles (including EREVs)
“Ningbo Gulin”	Ningbo Gulin Equity Investment L.P. (寧波顧麟股權投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 29 December 2017 and a member of the Single Largest Group of Shareholders
“Ningbo Hualing”	Ningbo Hualing Venture Capital L.P. (寧波華綾創業投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 22 January 2018 and a member of the Single Largest Group of Shareholders
“Ningbo Huayang”	Ningbo Huayang Venture Capital L.P. (寧波華陽創業投資合夥企業(有限合夥)), formerly known as Ningbo Huayang Investment Management L.P. (寧波華陽投資管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 7 November 2017 and a member of the Single Largest Group of Shareholders
“Ningbo Jinghang”	Ningbo Jinghang Enterprise Management L.P. (寧波景航企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 11 September 2017 and a member of the Single Largest Group of Shareholders
“PRC” or “China”	the People’s Republic of China. For the purposes of this document only and except where the context requires otherwise, excludes Hong Kong, Macau and Taiwan
“Pre-IPO Investment(s)”	the Pre-IPO investments in our Company undertaken by the Pre-IPO Investors, details of which are set out in the section headed “History, Development and Corporate Structure” in the Prospectus
“Pre-IPO Investor(s)”	the investor(s) who participated in our Pre-IPO Investments, details of which are set out in the section headed “History, Development and Corporate Structure” in the Prospectus
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme as adopted by the Company on 22 June 2022, the principal terms of which are summarized in “Appendix VI – Statutory and General Information – Further Information about Our Directors, Supervisors, Management and Substantial Shareholders – 5. Employee Incentive Schemes” in the Prospectus and the paragraph headed “Employee Incentive Schemes” in this interim report
“Prospectus”	the prospectus of the Company dated 20 September 2022

Definitions

“Province”	a province or, where the context requires, a provincial level autonomous region or municipality, under the direct supervision of the central government of the PRC
“Reporting Period”	the six months ended 30 June 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares in the share capital of our Company with a nominal value of RMB1.00 each, comprising Domestic Share(s) and H Share(s)
“Share Award Scheme I”	the share award scheme as adopted by the Company in January 2021, the principal terms of which are summarized in “Appendix VI – Statutory and General Information – Further Information about Our Directors, Supervisors, Management and Substantial Shareholders – 5. Employee Incentive Schemes” in the Prospectus and the paragraph headed “Employee Incentive Schemes” in this interim report
“Share Award Scheme II”	the share award scheme as adopted by the Company in January 2021, the principal terms of which are summarized in “Appendix VI – Statutory and General Information – Further Information about Our Directors, Supervisors, Management and Substantial Shareholders – 5. Employee Incentive Schemes” in the Prospectus and the paragraph headed “Employee Incentive Schemes” in this interim report
“Share Award Schemes”	collectively, Share Award Scheme I and Share Award Scheme II
“Shareholder(s)”	holder(s) of our Shares
“Single Largest Group of Shareholders”	refers to collectively Mr. Zhu, Mr. Fu, Ms. Liu, Ms. Chen, Hangzhou Xintu, Ningbo Hualing, Ningbo Huayang, Ningbo Jinghang, Ningbo Gulin and Hangzhou Mingzhao
“Stellantis”	Stellantis N.V., a public limited company incorporated and organised under the laws of the Netherlands and listed on the NYSE, the regulated market of Euronext in Paris and the regulated market of Euronext in Milan
“subsidiary(ies)”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“Supervisor(s)”	member(s) of Supervisory Committee

Definitions

“Supervisory Committee”	supervisory committee of the Company
“United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“Hangzhou Mingzhao”	Hangzhou Mingzhao Shengye Enterprise Management Partnership L.P. (杭州明昭晟業企業管理合夥企業(有限合夥)) (formerly known as Wanzai Mingzhao Consulting Service Center L.P. (萬載明昭諮詢服務中心(有限合夥))), a limited partnership established under the laws of the PRC on 28 November 2017 and a member of the Single Largest Group of Shareholders
“Wuyi County Financial Investment”	Wuyi County Financial Investment and Production Development Holdings Company Limited (武義縣金投產發控股集團有限公司), a limited liability company established under the laws of the PRC