China Motor Corporation 2024/Q2 Investor Conference

(Ticker Symbol ：2204)

Presenter: Ching-Wu Chien Vice President

Aug. 26, 2024

Safe Harbor Notice

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of China Motor Corporation (“CMC”). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements.

Forward-looking statements are subject to significant risks and uncertainties which may vary from time to time and actual results may differ materially from those contained in the forward-looking statements, whether as result of new information, future events, or otherwise. CMC, its subsidiaries and representatives do not undertake any obligation to the damages resulted from the use, with or without negligence, of this presentation or other information related with it, except as required by law.

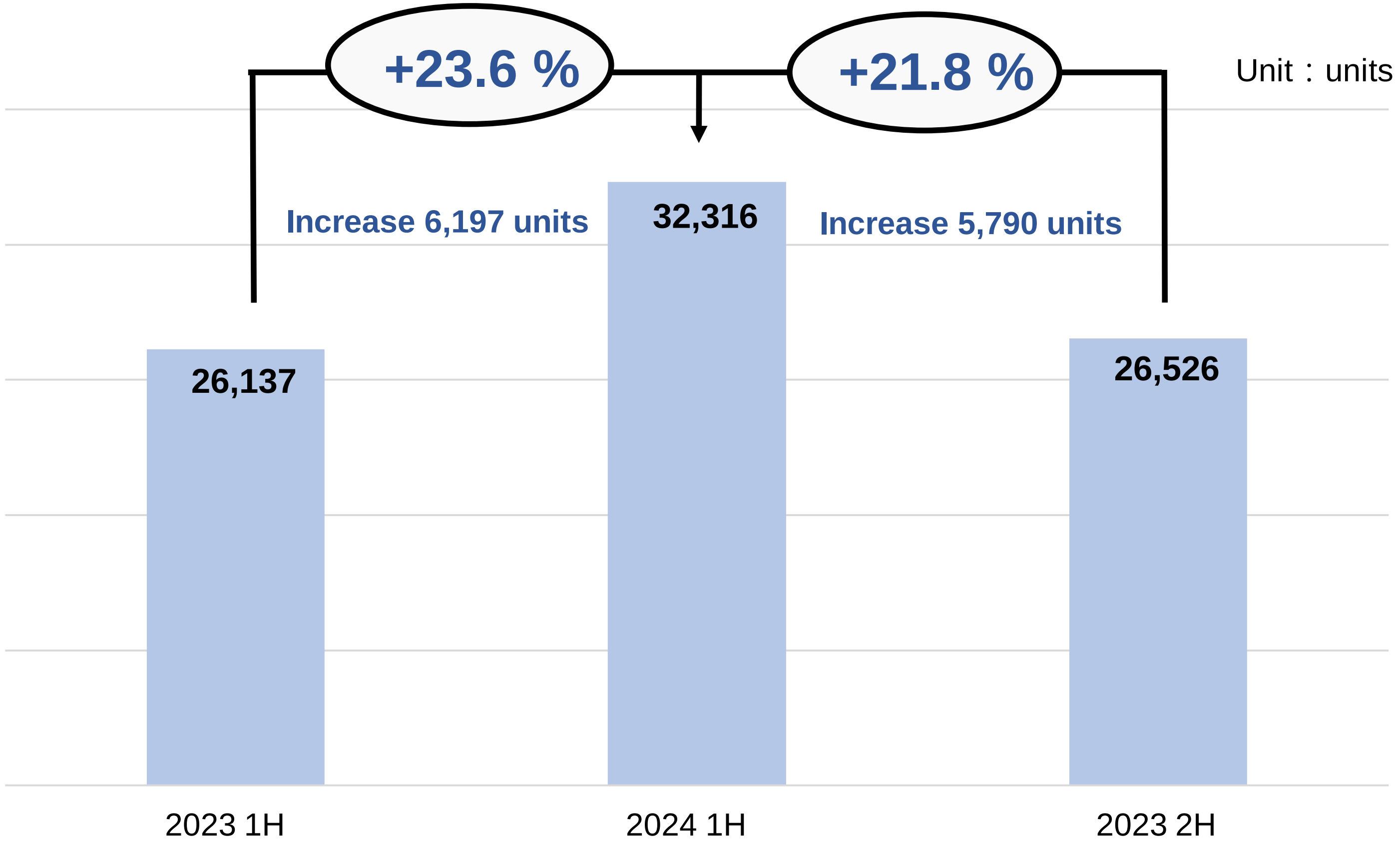
Any part of this presentation can not be, on any purpose, directly or indirectly replicated, spread, transmitted or published.

CMC's Operating Results in 2024 1H

CMC's Operating Results in 2024 1H

Cumulative sales growth in 2024 1H

In 2024 **1H**, total sales volume in the Taiwan automotive market (including small and large cars) reached **232,513 units**, **representing a marginal YoY decline 1.0%**. Benefiting from the market's recognition of car models, the YOY of market share **increased 3.2%.**



- **2024 1H vs. 2023 1H & 2023 2H**

The YOY of sales volume **increased 23.6%**, and also **increased by 21.8%** compared with the 2023 2H.

In 2024 2H, CMC will continue to invest resources in launching new car models to ensure CMC long-term growth momentum.

CMC's Operating Results in 2024 1H

2024/1~6 Consolidated Income Statement

Unit：Million NTD

	2024/1~6	2023/1~6	YOY
Revenues	23,886	18,481	29.25%
Gross Profit	3,751	2,971	26.25%
Gross Profit Margin	15.70%	16.08%	-0.38%
Operating Income	1,580	1,274	24.02%
Non-Op. Income and Expenses	1,439	2,139	-32.73%
Income after Tax	2,569	3,193	-19.54%
CNIS	2,457	3,025	-18.78%
EPS (NTD)	4.50	5.55	-18.92%
EPS (NTD) (Income excluding recognized profits from pandemic prevention insurance losses from TMNewa)	4.50	4.63	-2.81%

Operating Income increased compared to 2023 1H, and CMC's business is stable.

Because of performance growth and prudent management, operating income increased by 306 million NTD YoY.

Non-Op is reversing pandemic prevention insurance losses from TMNewa in 2023 1H(Reversing 499 million NTD in 20231H,and 681 million NTD in 2023). This year, there is no such occurrence, resulting in a YoY decrease in EPS. However, excluding this impact, EPS decreased by NT$0.13 per share compared to the same period last year, primarily due to a reduction in the profitability of CMC investment , which was influenced by the Chinese automotive market.

CMC's Brand Operating Results & Operating Overview

CMC's Future Prospect ：Deepen the independent development of key technologies

3.5-ton electric truck to be launched in 2025 and Deepen six independent development abilities

專用一體式電池大樑平台

提高車輛操控、穩定性及車輛安全性

高效節能一體式電驅動系統

節省空間、降低重量、提高安全性

先進駕駛輔助系統

先進駕駛輔助系統 ADAS Level 2 (ACC、FCM、LKA)

國內首創電動貨/商車產線

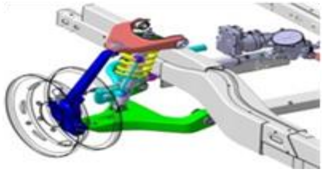
電池、三電系統專用生產線，提高品質信賴度

電動車創新科技配備

電能監控IOT系統整合

多功能性前懸吊與高荷重後懸吊設計

滿足客戶載重需求



CMC's Future Prospect ： Veryca Upgrade in Q4

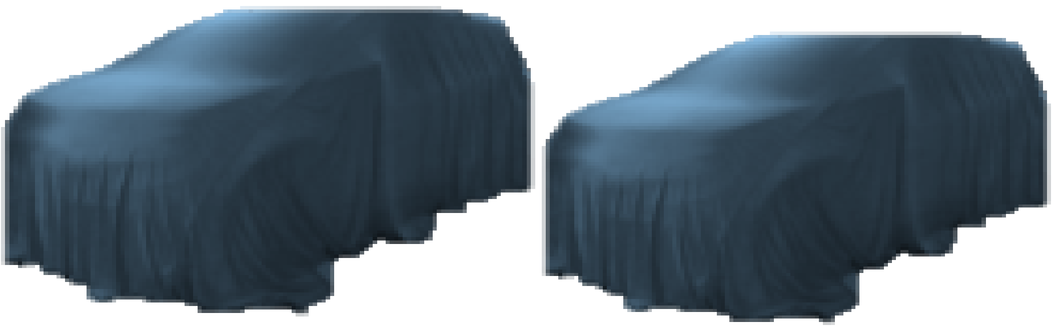
Independent Develop
CMC Veryca

Current Highlights of Veryca

- The maximum load capacity of a wooden lathe of the same class is 950 kg.
- The only 4WD in its class
- Equipped with SCC smart protection system
- Equipped with automatic transmission system, it is easy and labor-saving.

Veryca Upgrade in Q4

- Enlarged car compartment and optimized space.
- Power improvement and optimization
- Used ADAS Level 2 for more complete protection
- Exterior styling changes, interior texture improvement



CMC's Future Prospect ： Partnered with MMC to develop new car models

CMC cooperates with MMC to develop and launch new car models to be produced and sold locally

2025~2026

New Car Models

ESG Achievement

ESG Achievement

Form an Electric Logistics ESG Alliance with Large Providers Supporting Smaller Ones

CMC collaborates with the government, leveraging E300 and 3.5-ton electric truck, **to assist logistics providers in their transformation, creating a low-carbon lifestyle ecosystem and achieving the government's 2050 net-zero carbon emission target.**

國產自主化
電動商用車

3.5噸貨卡　E300

- 建立整車開發技術
- 自主掌握電池國產化關鍵核心技術

智慧充電系統建置
與運營平台整合

組成電動物流ESG聯盟

物流載具電動化
打造低碳生活圈

聯合廠商物流
完善車輛後勤支援

透過運行經驗，優化車輛
開發、設計，滿足需求

ESG Achievement

- **CMC <u>re-included</u> 「FTSE4Good TIP Taiwan ESG Index」 in June 2024**

FTSE4Good TIP Taiwan ESG Index recently announced its updated list, and **<u>CMC has been reselected this year.</u>** CMC believe in not only generating profits but also contributing to society, and continue integrating ESG principles into our operations, focusing on governance, talent development, employee care, rural support, and energy conservation with partners, advancing sustainability together.

FTSE4Good
TIP Taiwan ESG Index

TIP
Taiwan Index Plus

(臺灣永續指數專屬Logo)

- **Ministry of Labor「Sustainable Leading Enterprise in Healthy Workforce」Ranked in the <u>top 10%</u>**

Taiwan OSHA promotes sustainable development of healthy workforce by analyzing annual CSR reports to assess each company's performance on occupational health and safety indicators. **<u>CMC ranked in the top 10% for excellence, highlighting its commitment to a healthy and safe workplace.</u>**

ESG Achievement

20th Anniversary of Hope to Read Project

Encourage indigenous children to read and use knowledge to pursue their dreams

CMC has supported Hope to Read Project since 2004, **now celebrating 20th anniversary**. "Hope to Read Project“ adopts 200 primary and secondary schools in remote areas, encouraging indigenous children to read. **This year, CMC and Common Wealth Magazine Education Foundation will donate two mobile libraries** to accompany children on their literary journeys.

影響 **314** 所+ 學校

書車巡迴 **211** 圈+ 臺灣

捐贈 **41** 萬本+ 好書

CMC supports youth entrepreneurship and development

Entrepreneurship is a top choice for many young people. CMC supports youth employment and encourages youth entrepreneurs.

- In 2021, CMC launched the eMOVING 'Youth Dealer Franchise Program,' supporting youth entrepreneurs. To date, CMC has 9 dealerships and 13 specialty stores.
- Invest in the youth-led 「Oloo an electric scooter sharing platform 」 and serve as a venture capital advisor. Provide business, management, and hardware tech support to accelerate their growth, capture trends in low-carbon short-distance mobility and resource sharing, and contribute to sustainable transportation and environmental efforts.

ESG 推動成果

Enhance electric vehicle sharing services create green & low-carbon benefits

- Oloo has been implemented at five universities.This year, **we plan to add Yuan Ze, National Chung Cheng, National Chengchi, and National Kaohsiung University of Science and Technology**, promoting sharing habits and a greener environment.
- In 2024, Oloo is partnering with the Kaohsiung City Government to **introduce sharing services at the Pier-2 Art Center**, receiving positive feedback from visitors and becoming local travel highlight. We are **evaluating various closed and semi-closed areas across northern, central, and southern regions to quickly replicate our model**. This will prepare us for open-road deployment, serve as a demonstration, and drive future growth.
- Traffic officials from diplomatic relations visited, including a tour of Oloo's operations at National Tsing Hua University, and **praised Oloo for maintaining cleanliness and order even with high turnover rates.**

第一個校外據點-高雄駁二

友邦交通官員至清大Oloo辦公室參訪

改善校園過多閒置腳踏車任意停放的亂象

<u>Local Supply Chain Collaboration Value Ratio</u>

Policy Response

New Policy「New Measures for Introducing Mainland China Automotive Brands」

1. Background：On July 30, the Ministry of Economic Affairs announced that starting August 1, the new policy “Measures for Introducing Mainland China Automotive Brands” will be implemented. This policy requires automakers to provide a commitment to the “local supply chain cooperation value ratio” (referred as” localization ratio”) for vehicles that are already on the market or are about to be released, and this ratio must be increased annually.
2. Applicable Vehicle Types：Passenger cars or small passenger-cargo vehicles (M1 category)
3. Localization Ratio Requirements：

Distinction	Definition	Localization Ratio Requirements		
		First year	Second year	Third year
Models Already on the Market	Vehicles with certification obtained by the end of 2023 (inclusive)	20%	30%	35%
	Vehicles certified and launched in 2024	15%	25%	35%

Distinction	Definition	Localization Ratio Requirements		
		First year	Second year	Third year
Models Not Yet Released	---	15%	25%	35%

4. Localization Ratio Calculation：

$$在地化供應鏈合作價值比率=\frac{\text{BOM表零組件總金額}-\text{進口材料及零件金額}}{\text{BOM表零組件總金額}}\times 100\%$$

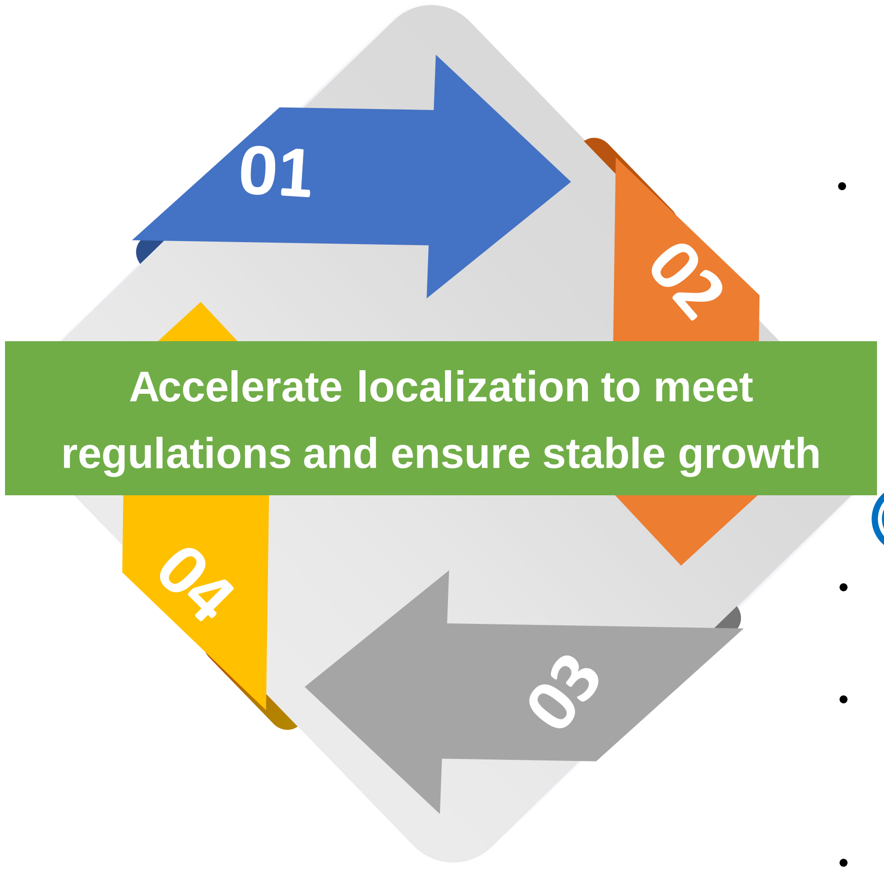
New Policy「New Measures for Introducing Mainland China Automotive Brands」

Business Strategy

- CMC adheres two main development focuses: “independent R&D” and “multiple brands”. Profits from multiple brands support the resources needed for independent R&D, while the technological expertise gained from independent R&D enhances self -making ratio of these multiple brands.
- CMC will continue to support the strengthening of our cooperation system capabilities, striving for the advancement of Taiwan's automotive industry.

Future Development of MG

- The MG brand has earned consumer approval by delivering superior quality and high value for costing.
- CMC will focus on strengthening local supply chain partnerships to stabilize brand development and introduce new models in accordance with new policy regulations.



Support for the New Policy

- CMC has been implementing to increase the localization ratio for MG models and have made gradual progress. Following the new policy announcement, we will expand and accelerate these efforts.
- With the coordination and support from the Industrial Development Administration and cooperation system, working together to advance the development of Taiwan's automotive industry.

Response to the New Policy

- Team with cooperation to expedite compliance with policy requirements.
- Balance CSR and shareholder interests by adjusting production and workforce to minimize short-term impacts.
- Sales and service will remain unaffected, providing uninterrupted support.
- Order terms remain unchanged, and delivery will be expedited.

Q&A

THANK YOU FOR WATCHING

CMC