**Lotus Technology Reports Unaudited Second Quarter and First Half 2024 Financial Results**

* Robust start in 2024, marking the strongest first half-year performance in the brand’s history.
* Balanced global allocation, with strong US deliveries1 contribution after the brand’s re-entry into the market.
* Launched bespoke services and continued growing technology-related income, which are expected to be potential contributors of profit margin in the future.
* Adjusted the annual delivery target due to near-term disruptions from trade uncertainties and tariff hikes.
* Initiated the“Win26” Plan aiming to achieve positive operating cashflow and EBITDA in 2026.

**New York – August 28, 2024** – Lotus Technology Inc. (“Lotus Tech” or the “Company”), a leading global intelligent and luxury mobility provider, today announced its unaudited financial results for the second quarter and half year ended June 30, 2024.

**Operating Highlights for the First Half of 2024**

In the first half of 2024, the Company achieved total deliveries1 of 4,873 units, representing a 239% year-on-year (YoY) increase. The Company also achieved a balanced global allocation with each region contributing 20-30% of the total deliveries in the first half of 2024, powered by over 200 stores in prime locations worldwide. The US market recorded exceptional growth and contributed 26% of the total deliveries after Lotus’ re-entry into the market. The achievements reflect the Company’s steady transition from a traditional sportscar maker to an intelligent luxury mobility provider.

*Deliveries1 by Model Type*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **1H 2024** | **1H 2023** | **%Change (YoY)** |
| Lifestyle SUV and Sedan | 2,389 | 871 | 174% |
| Sportscars | 2,484 | 568 | 337% |
| **Total** | **4,873** | **1,439** | **239%** |

*Deliveries1 by Region*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **1H 2024** | **1H 2024%** | **1H 2023** | **1H 2023 %** |
| Europe | 1,459 | 30% | 89 | 6% |
| China | 1,208 | 25% | 965 | 67% |
| North America | 1,278 | 26% | - | - |
| Rest of the World | 928 | 19% | 385 | 27% |
| **Total** | **4,873** | **100%** | **1,439** | **100%** |

In the first half of 2024, technology-related revenue began to scale as the Company started to provide intelligent driving solutions and R&D services to multiple leading automotive brands. As the fleet of models equipped with state-of-the-art hardware continues to expand, paid software subscriptions is a potential growth driver in the future.

The Chapman Bespoke service which provides customer personalization, design customizations, limited collection editions, and one-off models, was also launched to cater to growing demand. Deliveries of bespoke models are expected to further boost the brand’s luxury positioning and contribute to the Company’s long-term premium gross margin.

After assessment of the evolving market conditions, and uncertainties posed by new tariff policies in US and EU, the Company has revised its delivery target for 2024 to 12,000 units. The Company launched the “Win26” plan, aiming to achieve positive EBITDA in 2026 by further optimizing its internal processes and structures, implementing overall cost measures, and recalibrating its product plans to cater to globally diversified markets.

**Financial Highlights for the First Half of 2024**

* **Total revenues** for the first half of 2024 were $398 million, a 206% YoY increase.
* **Sales of goods** were $383 million, a 207% YoY increase.
* **Service revenues** were $15 million, a 194% YoY increase.
* **Gross margin** for the first half was 13%, versus 5% for the first half of 2023, driven by the growth in margin from both sales of goods and service revenues.
* **Gross margin of sales of goods** for the first half of 2024 was 11%, versus 4% for the same period of 2023.
* **Gross margin of service revenues** for the first half of 2024 was 58%, versus 16% for the same period of 2023.
* **Operating loss** was $438 million for the first half of 2024, a 27% YoY increase.
* **Net loss** was $460 million for the first half of 2024. Excluding share-based compensation expenses, adjusted net loss (non-GAAP) was $424 million for the first half of 2024, a 20% YoY increase.
* **Adjusted EBITDA (non-GAAP)** was a loss of $382 million for the first half of 2024, a 15% YoY increase.

*Key Financial Results*

The table below summarizes key preliminary financial results for the half year ended June 30, 2024.

*(in millions of U.S. dollars, unaudited)*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **1H 2024** | **1H 2023** | **% Change (YoY)** |
| Revenues | 398 | 130 | 206% |
| Cost of revenues | 347 | 124 | 180% |
| Gross profit | 51 | 6 | 731% |
| *Gross margin (%)* | 13% | 5% | - |
| Operating loss | (438) | (344) | 27% |
| Net loss | (460) | (353) | 30% |
| Adjusted net loss(A) | (424) | (353) | 20% |
| Adjusted EBITDA(A) | (382) | (333) | 15% |

1. Non-GAAP measure. See “Non-GAAP Financial Measures” and “Appendix D – Unaudited Reconciliation of GAAP and Non-GAAP results (Adjusted net loss/Adjusted EBITDA)” for details and a reconciliation of adjusted metrics to the nearest GAAP measure.

**Recent Developments**

* **Delivery Updates:**
* Following Southeast Asia deliveries, Eletre (SUV) model started deliveries to new markets such as GCC, New Zealand, India, and Egypt.
* Production orders for Eletre (SUV) model began for new markets such as Australia, Japan and Korea.
* Emeya (GT, Sedan) model started deliveries in Europe.
* Reservations of Emeya (GT, Sedan) model began in the GCC, Japan, Korea and Southeast Asia.
* **Lotus Robotics provides solutions to multiple OEMs:** Lotus Robotics, a subsidiary for intelligent automobility technologies development, licenses several leading automakers to provide them with its intelligent driving technology and solutions, including Lynk&Co and Farizon Auto.
* **Strategic capital raised:** As previously announced, in June 2024, the Company entered into a convertible note purchase agreement with an aggregate principal amount of approximately $110 million through a private placement from its existing strategic shareholder.
* **Dual Red Dot Awards:** In June 2024, two Red Dot Awards in Product Design were given to the ground-breaking hyper electric vehicles: the Eletre (SUV), and the Emeya (GT, Sedan).
* **Reuters Sustainability Awards 2024 Nomination:** In July 2024, Lotus Tech was nominated as the finalist in the Reuters Sustainability Awards 2024 in the business transformation and Net Zero: operations transformation. Reuters Sustainability Awards are the world’s leading awards recognizing leadership in sustainable business.

**CEO and CFO comments**

"Through our unwavering pursuit to performance and excellence, we made steady progress with continuing operation growth in the first half of 2024," said Mr. Qingfeng Feng, Chief Executive Officer. "In the first half of 2024, the deliveries soared to nearly 4,900 vehicles, up 239% year-on-year. We achieved even more balanced distribution of deliveries in all key markets globally. The US market recorded extraordinary growth after Lotus’ re-entry into the market, contributing to 26% of total deliveries. We launched “Win26” plan to increase resilience, strengthen our brand, and strive for sustainable growth. Going forward, we will keep executing our plans, boosting our efficiencies and competitiveness, and remain committed to our customers, investors, and stakeholders.”

"We continued delivery of strong topline growth in the first half of 2024, with total revenues and gross profit up by 206% and 731% year-over-year respectively,” said Mr. Alexious Lee, Chief Financial Officer. "Gross margin for the first half of 2024 increased by 8 percentage points year-over-year but shrank 2 percentage points compared to year end of 2023 as a result of increased cost of Emira (sportscar) model due to inflation and seasonal variation in product sales mix. Our average selling price (ASP) remained above $100,000 in the first half of 2024 despite intensified competition. The execution of our “Win26” plan will enable the Company to achieve positive EBITDA and operating cash flow in 2026, to boost our financial performance, strengthen our balance sheet, and deliver our commitments to shareholders.”

**Operating and Financial Results for the Second Quarter of 2024**

* **Total deliveries1** for the second quarter of 2024 were 2,679 units, a 128% YoY increase.
* **Total revenues** for the second quarter of 2024 were $225 million, a 103% YoY increase.
* **Gross margin** for the second quarter of 2024 was 9%, versus 5% for the same period of 2023..
* **Net loss** for the second quarter was $202 million, a 4% YoY increase. Excluding share-based compensation expenses, adjusted net loss (non-GAAP) was $201 million for the second quarter of 2024.
* **Adjusted EBITDA (non-GAAP)** was a loss of $177 million for the second quarter of 2024, a 1% YoY decrease.

*Deliveries1 by Model Type*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2Q 2024** | **2Q 2023** | **% Change (YoY)** |
| Lifestyle SUV and Sedan | 1,342 | 637 | 111% |
| Sportscars | 1,337 | 538 | 149% |
| **Total** | **2,679** | **1,175** | **128%** |

*Key Financial Results*

The table below summarizes key preliminary financial results for the second quarter in 2024.

*(in millions of U.S. dollars, unaudited)*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2Q 2024** | **2Q 2023** | **%Change (YoY)** |
| Revenues | 225 | 111 | 103% |
| Cost of Revenues | 204 | 105 | 95% |
| Gross profit | 21 | 6 | 246% |
| *Gross margin (%)* | 9% | 5% | - |
| Operating loss | (204) | (183) | 12% |
| Net loss | (202) | (193) | 4% |
| Adjusted net loss(A) | (201) | (193) | 4% |
| Adjusted EBITDA(A) | (177) | (178) | (1%) |

1. Non-GAAP measure. See “Non-GAAP Financial Measures” and “Appendix D – Unaudited Reconciliation of GAAP and Non-GAAP results (Adjusted net loss/Adjusted EBITDA)” for details and a reconciliation of adjusted metrics to the nearest GAAP measure.

**Conference call**

Lotus Tech management will host an earnings conference call at 8:00 AM U.S. Eastern Time on Wednesday, August 28, 2024 (14:00 Central European Time / 20:00 China Standard Time on the same day).

There will be a live audio webcast and replay available following completion of the call on the Company’s investor relations website at <https://ir.group-lotus.com/>.

For participants who wish to join the call, please complete online registration prior to the scheduled call start time using the link provided below. Upon registration, participants will receive a confirmation email with conference call access information, including dial-in numbers and a unique PIN. Participant online registration link: <https://register.vevent.com/register/BI77b3e952ef684e7bb15b8e522e023f0b>

Note 1: Invoiced deliveries, including commissioned deliveries in US market

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**About Lotus Technology Inc.**

Lotus Technology Inc. has operations across the UK, the EU and China. The Company is dedicated to delivering luxury lifestyle battery electric vehicles, with a focus on world-class R&D in next-generation automobility technologies such as electrification, digitalisation and more. For more information about Lotus Technology Inc., please visit [www.group-lotus.com](http://www.group-lotus.com).

**Non-GAAP Financial Measures**

The Company uses non-GAAP financial measures, including adjusted net loss and adjusted EBITDA in evaluating its operating results and for financial and operational decision-making purposes. Adjusted net loss represents net loss excluding share-based compensation expenses, and such adjustment has no impact on income tax. Lotus Tech defines adjusted EBITDA as net loss excluding interest income, interest expense, income tax expenses, depreciation of property, equipment and software, and share-based compensation expenses. The Company believes that non-GAAP financial measures help identify underlying trends in its business and enhance the overall understanding of the Company’s past performance and future prospects. The Company also believes that non-GAAP financial measures allow for greater visibility with respect to key metrics used by the Company’s management in its financial and operational decision-making.

Non-GAAP financial measures are not presented in accordance with U.S. GAAP and may be different from non-GAAP methods of accounting and reporting used by other companies. Non-GAAP financial measures have limitations as analytical tools and when assessing the Company’s operating performance, investors should not consider them in isolation, or as a substitute for financial information prepared in accordance with U.S. GAAP. The Company encourages investors and others to review its financial information in its entirety and not rely on a single financial measure. The Company mitigates these limitations by reconciling non-GAAP financial measures to the most comparable U.S. GAAP performance measures, all of which should be considered when evaluating the Company’s performance. For more information on non-GAAP financial measures, please see "Appendix C – Unaudited Reconciliation of GAAP and Non-GAAP Results (Adjusted net loss/Adjusted EBITDA)" set forth at the end of this press release.

**Forward-Looking Statements**

This press release contains statements that may constitute “forward-looking” statements pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may”, “should”, “expect”, “intend”, “will”, “estimate”, “anticipate”, “believe”, “predict”, “potential”, “forecast”, “plan”, “seek”, “future”, “propose” or “continue”, or the negatives of these terms or variations of them or similar terminology although not all forward-looking statements contain such terminology. Forward-looking statements involve inherent risks and uncertainties, including those identified under the heading “Risk Factors” in the Company’s filings with the U.S. Securities and Exchange Commission. All information provided in this press release is as of the date of this press release, and Lotus Tech undertakes no obligation to update any forward-looking statement, except as required under applicable law.

**Contact Information**

**For PR inquiries**

Rana Khatun

[Rana.Khatun@eu.lotuscars.com](mailto:Rana.Khatun@eu.lotuscars.com)

**For investor inquiries**

Demi Zhang

[ir@group-lotus.com](mailto:ir@group-lotus.com)

**Appendix A**

**Lotus Technology Inc.**

**Unaudited Condensed Consolidated Balance Sheets**

(All amounts in thousands)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **As of** | | |
|  | **June 30, 2024** |  | **December 31, 2023** |
|  |  | ***US$*** |  | ***US$*** |
| **ASSETS** |  |  |  |  |
| **Current assets** |  |  |  |  |
| Cash |  | 268,781 |  | 418,941 |
| Restricted cash |  | 373,887 |  | 7,873 |
| Accounts receivable – third parties, net |  | 72,798 |  | 76,664 |
| Accounts receivable – related parties, net |  | 19,674 |  | 22,430 |
| Inventories |  | 385,200 |  | 265,190 |
| Prepayments and other current assets – third parties, net |  | 118,492 |  | 63,870 |
| Prepayments and other current assets – related parties, net |  | 40,381 |  | 28,744 |
|  |  |  |  |  |
| **Total current assets** |  | **1,279,213** |  | **883,712** |
|  |  |  |  |  |
| **Non-current assets** |  |  |  |  |
| Restricted cash |  | 1,147 |  | 321 |
| Investment securities – related parties |  | 2,168 |  | 3,326 |
| Securities pledged to an investor |  | 310,477 |  | - |
| Loan receivable from a related party |  | 224,042 |  | - |
| Property, equipment and software, net |  | 345,336 |  | 354,617 |
| Intangible assets |  | 116,526 |  | 116,360 |
| Operating lease right-of-use assets |  | 158,864 |  | 173,103 |
| Other non-current assets – third parties |  | 65,792 |  | 50,533 |
| Other non-current assets – related parties |  | 2,689 |  | 2,706 |
|  |  |  |  |  |
| **Total non-current assets** |  | **1,227,041** |  | **700,966** |
|  |  |  |  |  |
| **Total assets** |  | **2,506,254** |  | **1,584,678** |

**Lotus Technology Inc.**

**Unaudited Condensed Consolidated Balance Sheets (Con’d)**

(All amounts in thousands)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **As of** | | |
|  | **June 30, 2024** |  | **December 31, 2023** |
|  |  | ***US$*** |  | ***US$*** |
| **LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT** |  |  |  |  |
| **Current liabilities** |  |  |  |  |
| Short‑term borrowings – third parties |  | 518,479 |  | 226,772 |
| Accounts payable – third parties |  | 58,271 |  | 20,123 |
| Accounts payable – related parties |  | 413,779 |  | 340,419 |
| Contract liabilities – third parties |  | 50,054 |  | 44,184 |
| Operating lease liabilities – third parties |  | 14,526 |  | 16,760 |
| Accrued expenses and other current liabilities – third parties |  | 431,223 |  | 419,422 |
| Accrued expenses and other current liabilities – related parties |  | 243,024 |  | 290,686 |
| Exchangeable notes |  | - |  | 378,638 |
| Convertible notes - related parties |  | 110,661 |  | - |
| Convertible notes - third parties |  | - |  | 20,277 |
| Put option liabilities – related parties |  | 437 |  | - |
|  |  |  |  |  |
| **Total current liabilities** |  | **1,840,454** |  | **1,757,281** |
|  |  |  |  |  |
| **Non‑current liabilities** |  |  |  |  |
| Contract liabilities – third parties |  | 7,024 |  | 6,245 |
| Operating lease liabilities – third parties |  | 81,393 |  | 91,929 |
| Operating lease liabilities – related parties |  | 11,314 |  | 12,064 |
| Put option liabilities – third parties |  | 175,214 |  | - |
| Put option liabilities – related parties |  | - |  | 11,884 |
| Warrant Liabilities |  | 5,549 |  | - |
| Exchangeable notes |  | 77,087 |  | 75,678 |
| Convertible notes - third parties |  | 75,970 |  | 81,635 |
| Deferred income |  | 296,489 |  | 270,097 |
| Other non-current liabilities – third parties |  | 108,293 |  | 103,403 |
| Other non-current liabilities – related parties |  | 1,548 |  | 1,634 |
|  |  |  |  |  |
| **Total non‑current liabilities** |  | **839,881** |  | **654,569** |
|  |  |  |  |  |
| **Total liabilities** |  | **2,680,335** |  | **2,411,850** |

**Lotus Technology Inc.**

**Unaudited Condensed Consolidated Balance Sheets (con’d)**

(All amounts in thousands)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **As of** | | |
|  | **June 30, 2024** |  | **December 31, 2023** |
|  |  | ***US$*** |  | ***US$*** |
| **MEZZANINE EQUITY** |  |  |  |  |
| Series Pre-A Redeemable Convertible Preferred Shares |  | - |  | 184,509 |
| Series A Redeemable Convertible Preferred Shares |  | - |  | 199,021 |
|  |  |  |  |  |
| **Total mezzanine equity** |  | **-** |  | **383,530** |
|  |  |  |  |  |
|  |  |  |  |  |
| **SHAREHOLDERS’ DEFICIT** |  |  |  |  |
| Ordinary shares |  | 7 |  | 21 |
| Additional paid-in capital |  | 1,855,063 |  | 358,187 |
| Accumulated other comprehensive income |  | 25,278 |  | 25,267 |
| Accumulated deficit |  | (2,048,092) |  | (1,588,773) |
|  |  |  |  |  |
| **Total shareholders' deficit attributable to ordinary shareholders** |  | **(167,744)** |  | **(1,205,298)** |
| Noncontrolling interests |  | (6,337) |  | (5,404) |
| **Total shareholders' deficit** |  | **(174,081)** |  | **(1,210,702)** |
|  |  |  |  |  |
| **Total liabilities, mezzanine equity and shareholders' deficit** |  | **2,506,254** |  | **1,584,678** |
|  |  |  |  | |

**Appendix B**

**Lotus Technology Inc.**

**Unaudited Condensed Consolidated Statements of Comprehensive loss**

(All amounts in thousands, except for share and per share/ADS data)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **For the Six Months Ended June 30,** | | |
|  |  | **2024** |  | **2023** |
|  |  | ***US$*** |  | ***US$*** |
| **Revenues:** |  |  |  |  |
| Sales of goods |  | 382,893 |  | 124,854 |
| Service revenues |  | 15,222 |  | 5,181 |
| **Total revenues** |  | **398,115** |  | **130,035** |
| **Cost of revenues:** |  |  |  |  |
| Cost of goods sold |  | (340,882) |  | (119,557) |
| Cost of services |  | (6,321) |  | (4,351) |
| **Total cost of revenues** |  | **(347,203)** |  | **(123,908)** |
| **Gross profit** |  | **50,912** |  | **6,127** |
| **Operating expenses:** |  |  |  |  |
| Research and development expenses |  | (174,854) |  | (152,548) |
| Selling and marketing expenses |  | (204,274) |  | (118,236) |
| General and administrative expenses |  | (111,978) |  | (80,417) |
| Government grants |  | 2,488 |  | 662 |
| **Total operating expenses** |  | **(488,618)** |  | **(350,539)** |
| **Operating loss** |  | **(437,706)** |  | **(344,412)** |
| Interest expenses |  | (11,708) |  | (3,470) |
| Interest income |  | 8,658 |  | 5,848 |
| Investment income, net |  | 3,496 |  | 2,770 |
| Share of results of equity method investments |  | 359 |  | (626) |
| Foreign currency exchange losses, net |  | (4,429) |  | (3,619) |
| Changes in fair values of mandatorily redeemable noncontrolling interest, exchangeable notes and convertible notes, excluding impact of instrument-specific credit risk |  | 8,801 |  | (12,758) |
| Changes in fair values of warrant liabilities |  | 6,317 |  | - |
| Changes in fair values of put option liabilities |  | (33,685) |  | 3,307 |
| **Loss before income taxes** |  | **(459,897)** |  | **(352,960)** |
| Income tax benefit (expense) |  | (355) |  | 18 |
| **Net loss** |  | **(460,252)** |  | **(352,942)** |
| Less: Net loss attributable to noncontrolling interests |  | (933) |  | (5,779) |
| **Net loss attributable to ordinary shareholders** |  | **(459,319)** |  | **(347,163)** |
| Accretion of Redeemable Convertible Preferred Shares |  | (2,979) |  | (258) |
| **Net loss available to ordinary shareholders** |  | **(462,298)** |  | **(347,421)** |
| **Loss per ordinary share1** |  |  |  |  |
| —Basic and diluted |  | (0.75) |  | (0.74) |
| **Weighted average number of ordinary shares outstanding used in computing net loss per ordinary share1** |  |  |  |  |
| —Basic and diluted |  | 616,941,673 |  | 474,621,603 |

1 Shares outstanding for all periods reflect the adjustment for recapitalization upon the consummation of merger transaction in February 2024.

**Lotus Technology Inc.**

**Unaudited Condensed Consolidated Statements of Comprehensive loss (cont’d)**

(All amounts in thousands, except for share and per share/ADS data)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **For the Six Months Ended June 30,** | | |
|  |  | **2024** |  | **2023** |
|  |  | ***US$*** |  | ***US$*** |
| **Net loss** |  | **(460,252)** |  | **(352,942)** |
|  |  |  |  |  |
| **Other comprehensive income:** |  |  |  |  |
| Fair value changes of mandatorily redeemable noncontrolling interest, exchangeable notes and convertible notes due to instrument-specific credit risk, net of nil income taxes |  | (401) |  | (1,559) |
| Foreign currency translation adjustment, net of nil income taxes |  | 412 |  | 34,563 |
|  |  |  |  |  |
| **Total other comprehensive income** |  | **11** |  | **33,004** |
|  |  |  |  |  |
| **Total comprehensive loss** |  | **(460,241)** |  | **(319,938)** |
| Less: Total comprehensive loss attributable to noncontrolling interests |  | (933) |  | (5,589) |
| **Total comprehensive loss attributable to ordinary shareholders** |  | **(459,308)** |  | **(314,349)** |
|  |  |  |  |  |

**Appendix C**

**Lotus Technology Inc.**

**Unaudited Condensed Consolidated Statements of Comprehensive loss**

(All amounts in thousands, except for share and per share/ADS data)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Three Months Ended** | | |
|  |  | **June 30, 2024** |  | **June 30, 2023** |
|  |  | ***US$*** |  | ***US$*** |
| **Revenues:** |  |  |  |  |
| Sales of goods |  | 222,109 |  | 108,371 |
| Service revenues |  | 2,924 |  | 2,543 |
| **Total revenues** |  | **225,033** |  | **110,914** |
| **Cost of revenues:** |  |  |  |  |
| Cost of goods sold |  | (201,609) |  | (103,006) |
| Cost of services |  | (2,826) |  | (1,958) |
| **Total cost of revenues** |  | **(204,435)** |  | **(104,964)** |
| **Gross profit** |  | **20,598** |  | **5,950** |
| **Operating expenses:** |  |  |  |  |
| Research and development expenses |  | (70,162) |  | (87,054) |
| Selling and marketing expenses |  | (100,785) |  | (66,460) |
| General and administrative expenses |  | (55,008) |  | (35,133) |
| Government grants |  | 969 |  | 57 |
| **Total operating expenses** |  | **(224,986)** |  | **(188,590)** |
| **Operating loss** |  | **(204,388)** |  | **(182,640)** |
| Interest expenses |  | (7,761) |  | (3,036) |
| Interest income |  | 6,993 |  | 3,079 |
| Investment income, net |  | 4,890 |  | 4,933 |
| Share of results of equity method investments |  | 158 |  | (161) |
| Foreign currency exchange losses, net |  | 2,238 |  | (6,681) |
| Changes in fair values of mandatorily redeemable noncontrolling interest, exchangeable notes and convertible notes, excluding impact of instrument-specific credit risk |  | 397 |  | (10,223) |
| Changes in fair values of warrant liabilities |  | 1,464 |  | - |
| Changes in fair values of put option liabilities |  | (5,805) |  | 1,433 |
| **Loss before income taxes** |  | **(201,814)** |  | **(193,296)** |
| Income tax expense |  | (213) |  | (71) |
| **Net loss** |  | **(202,027)** |  | **(193,367)** |
| Less: Net loss attributable to noncontrolling interests |  | (577) |  | (3,861) |
| **Net loss attributable to ordinary shareholders** |  | **(201,450)** |  | **(189,506)** |
| Accretion of Redeemable Convertible Preferred Shares |  | - |  | 6,990 |
| **Net loss available to ordinary shareholders** |  | **(201,450)** |  | **(182,516)** |
| **Loss per ordinary share1** |  |  |  |  |
| —Basic and diluted |  | (0.30) |  | (0.38) |
| **Weighted average number of ordinary shares outstanding used in computing net loss per ordinary share1** |  |  |  |  |
| —Basic and diluted |  | 675,454,342 |  | 474,621,603 |

1 Shares outstanding for all periods reflect the adjustment for recapitalization upon the consummation of merger transaction in February 2024.

**Lotus Technology Inc.**

**Unaudited Condensed Consolidated Statements of Comprehensive loss (con’d)**

(All amounts in thousands, except for share and per share/ADS data)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Three Months Ended** | | |
|  |  | **June 30, 2024** |  | **June 30, 2023** |
|  |  | ***US$*** |  | ***US$*** |
| **Net loss** |  | **(202,027)** |  | **(193,367)** |
|  |  |  |  |  |
| **Other comprehensive income:** |  |  |  |  |
| Fair value changes of mandatorily redeemable noncontrolling interest, exchangeable notes and convertible notes due to instrument-specific credit risk, net of nil income taxes |  | (226) |  | (517) |
| Foreign currency translation adjustment, net of nil income taxes |  | 1,827 |  | 41,600 |
|  |  |  |  |  |
| **Total other comprehensive income** |  | **1,601** |  | **41,083** |
|  |  |  |  |  |
| **Total comprehensive loss** |  | **(200,426)** |  | **(152,284)** |
| Less: Total comprehensive loss attributable to noncontrolling interests |  | (577) |  | (3,671) |
| **Total comprehensive loss attributable to ordinary shareholders** |  | **(199,849)** |  | **(148,613)** |

**Appendix D**

**Lotus Technology Inc.**

**Unaudited Reconciliation of GAAP and Non-GAAP results (Adjusted net loss/Adjusted EBITDA)**

(All amounts in thousands)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **For Six Months Ended** | | |
|  |  | **June 30, 2024** |  | **June 30, 2023** |
|  |  | ***US$*** |  | ***US$*** |
| **Net loss** |  | **(460,252)** |  | **(352,942)** |
| Share-based compensation expenses |  | 35,894 |  | - |
| **Adjusted net loss** |  | **(424,358)** |  | **(352,942)** |
| **Net loss** |  | **(460,252)** |  | **(352,942)** |
| Interest expenses |  | 11,708 |  | 3,470 |
| Interest income |  | (8,658) |  | (5,848) |
| Income tax expense (benefit) |  | 355 |  | (18) |
| Share-based compensation expenses |  | 35,894 |  | - |
| Depreciation |  | 39,286 |  | 22,641 |
| **Adjusted EBITDA** |  | **(381,667)** |  | **(332,697)** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Three Months Ended** | | |
|  | **June 30, 2024** |  | **June 30, 2023** |
|  | ***US$*** |  | ***US$*** |
| **Net loss** | **(202,027)** |  | **(193,367)** |
| Share-based compensation expenses | 571 |  | **-** |
| **Adjusted net loss** | **(201,456)** |  | **(193,367)** |
| **Net loss** | **(202,027)** |  | **(193,367)** |
| Interest expenses | 7,761 |  | 3,036 |
| Interest income | (6,993) |  | (3,079) |
| Income tax expense | 213 |  | 71 |
| Share-based compensation expenses | 571 |  | **-** |
| Depreciation | 23,112 |  | 15,037 |
| **Adjusted EBITDA** | **(177,363)** |  | **(178,302)** |