

Jiangling Motors Corporation, Ltd. 2022 Third Quarter Report

Jiangling Motors Co., Ltd. and its Board members undertake that the information disclosed herein is truthful, accurate and complete and does not contain any false statement, misrepresentation or major omission.

Important Note

1. The Board of Directors and its members, the Supervisory Board and its members, and the senior executives are jointly and severally liable for the truthfulness, accuracy and completeness of the information disclosed in the Report, and confirm that the information disclosed herein does not contain any false statement, misrepresentation or major omission.

2 Chairman Qiu Tiangao, CFO Joey Zhu and Chief of Finance Department, Ding Ni, confirm that the financial statements in this Quarter Report are truthful, accurate and complete.

3. Whether the 2022 third report is audited?

Yes No

§1 Brief Introduction

1. Main accounting data and financial indicators

Unit: RMB

	Reporting period (2022 Third quarter)	YoY Change (%)	Beginning of year to end of reporting period	YoY Change (%)
Revenue	7,808,857,974.00	-0.08%	22,031,617,358.00	-13.57%
Profit Attributable to the Equity Holders of the Company	264,803,793.00	266.58%	717,184,815.00	50.21%
Net Profit Attributable to Shareholders of Listed Company After Deducting Non-Recurring Profit or Loss	39,085,652.00	-48.27%	-69,348,924.00	-136.62%
Net Cash Generated From Operating Activities	—	—	-2,222,930,140.00	-389.83%
Basic Earnings Per Share (RMB)	0.31	266.58%	0.83	50.21%
Diluted Earnings Per Share (RMB)	0.31	266.58%	0.83	50.21%
Weighted Average Return on Net	3.02%	1.90%	8.09%	3.57%

Asset Ratio (%)			
	At the end of the reporting period	At the end of the previous year	Change (%)
Total Assets	26,880,819,216.00	26,359,084,120.00	1.98%
Shareholder's equity Attributable to the Equity Holders of the Company	9,043,014,480.00	8,555,444,589.00	5.70%

2. Non-recurring profit and loss items and amounts

Applicable Not Applicable

Unit: RMB

	Reporting period (2022 Third quarter)	Beginning of year to end of reporting period
Profit and loss of non-current assets disposal (including the charge-off part of the asset impairment provision)	-2,096,625.00	393,215,637.00
Government subsidies included in the current profit and loss	263,814,531.00	524,873,765.00
Capital occupation fee charged for non-financial enterprises included in the current profit and loss	3,541,434.00	10,570,506.00
In addition to the effective hedging business related to the normal operating business of the Company, holding the gains and losses of fair value changes arising from trading financial assets and trading financial liabilities, as well as the investment income obtained from the disposal of trading financial assets, trading financial liabilities and available for sale financial assets	1,866,883.00	-2,307,236.00
Return of the impairment provision for receivables with a separate impairment test	-	110,068.00
Other non-operating income and expenses except the above	-833,014.00	929,134.00
Less: Income tax impact amount	40,428,713.00	140,619,972.00
Influence of minority shareholders' equity (after-tax)	146,355.00	238,163.00
Total	225,718,141.00	786,533,739.00

Details of other profit and loss items that meet the definition of non-recurring profit and loss

Applicable Not Applicable

There is no any other profit and loss items that meet the definition of non-recurring profit and loss in the Company.

The description of that the non-recurring profit and loss items listed in Corporate Information Disclosure of Public Issuing Securities No.1 are defined as recurring profit and loss items

Applicable Not Applicable

The Company does not have a situation in which the non-recurring profit and loss items listed in No.1 of Corporate Information Disclosure Announcement No.1 are defined as recurring profit and loss.

3. Causes and explanations on major changes of financial indicators of the reporting period

Applicable Not Applicable

In the first three quarters of 2022, JMC sold 207,671 vehicles in total, down 16.63% compared with the same period last year, including 50,538 trucks, 49,115 pickups, 53,796 SUVs, and 54,222 light buses. Revenue and profit attributable to the equity holders of the Company during the first three quarters of 2022 were RMB 22,032 million and RMB 717 million, decrease 13.57% and increase 50.21% respectively compared with the same period last year.

As of the end of the third quarter of 2022, compared with the end of the previous year, financial assets held for trading decreased by RMB 100 million, down 100%, mainly reflecting the decrease of structured deposit investments.

As of the end of the third quarter of 2022, compared with the end of the previous year, accounts receivable increased by RMB 1,537 million, up 51.33%, mainly reflecting the growth of vehicle export business.

As of the end of the third quarter of 2022, compared with the end of the previous year, other receivables decreased by RMB 164 million, down 41%, mainly due to the receipt of subsidiary equity transfer funds.

As of the end of the third quarter of 2022, compared with the end of the previous year, development expenditures increased by RMB 187 million, up 168.18%, mainly due to the increase in the amount of R&D investment eligible for capitalization in the current period.

As of the end of the third quarter of 2022, compared with the end of the previous year, short-term borrowings increased by RMB 1,500 million, up 500%, mainly reflecting the increase in short-term bank borrowing.

As of the end of the third quarter of 2022, compared with the end of the previous year, contract liabilities decreased by RMB 110 million, down 40.46%, mainly reflecting the Company pre-charges the payment for vehicles, components and service, part of which has been categorized to operating revenue of the period.

As of the end of the third quarter of 2022, compared with the end of the previous year, taxes payable decreased by RMB 135 million, down 46.98%,

mainly reflecting the decrease of the taxes payable at the end of the period.

During the first three quarters of 2022, compared with the same period last year, financial expenses increased by RMB 96 million, up 45.81%, mainly reflecting the decrease of the interest income from bank deposits and the increase of the financial interest expenses.

During the first three quarters of 2022, compared with the same period last year, other income increased by RMB 181 million, up 52.72%, mainly reflecting the increase of the received government incentives.

During the first three quarters of 2022, compared with the same period last year, gains on disposal of assets increased by RMB 370 million, up 1,461.58%, mainly reflecting the disposal of the land and above-ground buildings and construction in the Qingyunpu site of the Company to bring income.

During the first three quarters of 2022, compared with the same period last year, net profit attributable to the equity holders of the Company increased by RMB 240 million, up 50.21%, mainly reflecting the increase of profit driven by the disposal of the land and above-ground buildings and construction in the Qingyunpu site of the Company.

During the first three quarters of 2022, compared with the same period last year, net cash flows from operating activities decreased by RMB 1,769 million, down 389.83%, mainly due to the decrease in cash received from the sale of goods resulting from the decrease in sales revenue.

During the first three quarters of 2022, compared with the same period last year, net cash flows from investing activities increased by RMB 161 million, up 101.71%, mainly reflecting the current received disposal payment of the land and above-ground buildings and construction in the Qingyunpu site of the Company.

During the first three quarters of 2022, compared with the same period last year, net cash flows from financing activities increased by RMB 4,297 million, up 142.04%, mainly due to the increase of short-term bank borrowings and the decrease of dividend paid in the current period.

During the first three quarters of 2022, compared with the same period last year, the net decrease of cash and cash equivalents decreased by RMB 2,689 million, down 80.99%, mainly due to the increase in net cash flow generated from financing activities in the current period.

§2 Shareholder Information

1. Total number of shareholders and top ten shareholders

Total shareholders (as of September 30, 2022)	JMC had 50,379 shareholders, including 44,705 A-shareholders, and 5,674 B-shareholders.				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares at the End of Year	Shares with Trading Restriction	Shares due to Mortgage or Frozen or Mark
Nanchang Jiangling Investment Co., Ltd.	State-owned legal person	41.03%	354,176,000	0	0
Ford Motor Company	Foreign legal person	32.00%	276,228,394	0	0
Shanghai Automotive Co., Ltd.	State-owned Legal person	1.51%	13,019,610	0	0
Jin Xing	Domestic natural person	0.71%	6,095,980	0	0
GAOLING FUND, L.P.	Foreign legal person	0.63%	5,453,086	0	0
Social Security Fund - One One Zero Three Combinations	Domestic non-State-owned legal persons	0.45%	3,844,587	0	0
Hong Kong Securities Clearing Company Ltd. (HKSCC)	Foreign legal person	0.44%	3,822,801	0	0
INVESCO FUNDS SICAV	Foreign legal person	0.44%	3,818,089	0	0
Wells Securities Dividend Index Enhanced Securities Investment Fund	Domestic non-State-owned legal persons	0.41%	3,575,094	0	0
Li Yifeng	Domestic natural person	0.34%	2,942,226	0	0
Top ten shareholders holding unlimited tradable shares					
Shareholder Name	Shares without Trading Restriction		Share Type		
Nanchang Jiangling Investment Co., Ltd.	354,176,000		A share		
Ford Motor Company	276,228,394		B share		
Shanghai Automotive Co., Ltd.	13,019,610		A share		
Jin Xing	6,095,980		B share		
GAOLING FUND, L.P.	5,453,086		B share		
Social Security Fund - One One Zero Three Combinations	3,844,587		A share		
Hong Kong Securities Clearing Company Ltd. (HKSCC)	3,822,801		A share		
INVESCO FUNDS SICAV	3,818,089		B share		
Wells Securities Dividend Index Enhanced Securities Investment Fund	3,575,094		A share		
Li Yifeng	2,942,226		B share		
Notes on association among above-mentioned shareholders	None.				

2.Total number of shareholders holding preferred shares and top ten shareholders holding preferred shares

Applicable Not Applicable

§3. Other Major Events

Applicable Not Applicable

§4 Financial Statements
Jiangling Motors Corporation, Ltd.

1. CONSOLIDATED BALANCE SHEET AS AT 30 September 2022

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	30 September 2022 Consolidated*	31 December 2021 Consolidated
Current assets		
Cash and cash equivalents	8,937,933,216.00	9,569,051,314.00
Financial assets held for trading	-	100,242,329.00
Notes receivable	69,801,200.00	119,783,900.00
Accounts receivable	4,532,108,125.00	2,994,798,227.00
Financing receivables	237,155,047.00	201,511,670.00
Advances to suppliers	440,536,396.00	497,302,198.00
Other receivables	236,001,250.00	399,983,736.00
Inventories	1,924,945,481.00	1,974,728,632.00
Current portion of non-current assets	13,695,132.00	13,236,153.00
Other current assets	1,180,594,070.00	984,174,056.00
Total current assets	17,572,769,917.00	16,854,812,215.00
Non-current assets		
Long-term receivables	34,658,436.00	44,952,638.00
Long-term equity investments	249,987,521.00	257,251,255.00
Fixed assets	5,528,410,452.00	6,029,302,031.00
Construction in progress	522,420,930.00	448,338,672.00
Right-of-use assets	249,120,719.00	306,225,810.00
Intangible assets	1,068,467,524.00	1,073,881,961.00
Development expenditures	297,693,532.00	111,004,350.00
Deferred tax assets	1,232,876,984.00	1,233,315,188.00
Other non-current assets	124,413,201.00	-
Total non-current assets	9,308,049,299.00	9,504,271,905.00
TOTAL ASSETS	26,880,819,216.00	26,359,084,120.00
Current liabilities		
Short-term borrowings	1,800,000,000.00	300,000,000.00
Derivative financial liabilities	223,750.00	10,704,619.00
Accounts payable	8,283,731,852.00	9,702,584,830.00
Contract liabilities	162,116,609.00	272,274,177.00
Employee benefits payable	782,627,863.00	766,986,525.00
Taxes payable	152,269,683.00	287,171,720.00
Other payables	5,480,903,131.00	5,253,800,805.00
Current portion of non-current liabilities	72,326,611.00	78,039,188.00
Other current liabilities	423,670,076.00	420,456,813.00
Total current liabilities	17,157,869,575.00	17,092,018,677.00
Non-current liabilities		

Long-term borrowings	2,092,160.00	2,087,537.00
Lease liabilities	193,273,730.00	263,409,414.00
Long-term employee benefits payable	52,919,778.00	55,684,000.00
Provisions	216,310,512.00	197,587,164.00
Deferred income	61,819,437.00	49,074,545.00
Deferred tax liabilities	23,479,174.00	24,000,545.00
Other non-current liabilities	119,081,623.00	119,777,649.00
Total non-current liabilities	668,976,414.00	711,620,854.00
Total liabilities	17,826,845,989.00	17,803,639,531.00
Equity		
Share capital	863,214,000.00	863,214,000.00
Capital surplus	839,442,490.00	839,442,490.00
Other comprehensive income	-16,422,750.00	-16,422,750.00
Surplus reserve	431,607,000.00	431,607,000.00
Retained earnings	6,925,173,740.00	6,437,603,849.00
Total equity attributable to shareholders of the Company	9,043,014,480.00	8,555,444,589.00
Minority interests	10,958,747.00	-
Total equity	9,053,973,227.00	8,555,444,589.00
TOTAL LIABILITIES AND EQUITY	26,880,819,216.00	26,359,084,120.00

* Unaudited financial indexes

2. CONSOLIDATED INCOME STATEMENTS FROM 1ST JANUARY 2022 TO 30TH SEPTEMBER 2022

(All amounts in RMB Yuan unless otherwise stated)

Item	2022.1.1-2022.9.30 Consolidated*	2021.1.1-2021.9.30 Consolidated*
Total Revenue	22,031,617,358.00	25,491,054,253.00
Including: Revenue	22,031,617,358.00	25,491,054,253.00
Total Cost of sales	22,210,150,244.00	25,332,786,549.00
Including: Cost of sales	18,870,567,493.00	21,552,830,774.00
Taxes and surcharges	649,198,393.00	699,123,834.00
Selling and distribution expenses	1,084,934,871.00	1,357,136,025.00
General and administrative expenses	684,921,452.00	805,117,434.00
Research and development expenses	1,033,734,057.00	1,127,465,570.00
Financial expenses	-113,206,022.00	-208,887,088.00
Including: Interest expenses	41,152,045.00	12,735,235.00
Interest income	-175,474,827.00	-211,784,418.00
Add: Other income	524,873,765.00	343,680,301.00
Investment income	-32,212,952.00	-20,043,348.00
Including: Share of profit of associates and joint ventures	-7,263,734.00	-1,496,509.00
Gains on changes in fair value	10,238,540.00	-7,577,109.00
Credit impairment losses	12,474,916.00	18,196,099.00
Gains on disposal of assets	395,120,147.00	25,302,606.00
Operating profit	731,961,530.00	517,826,253.00
Add: Non-operating income	3,293,204.00	2,988,740.00
Less: Non-operating expenses	4,268,579.00	30,031,709.00
Total profit	730,986,155.00	490,783,284.00
Less: Income tax expenses	51,842,593.00	13,333,376.00
Net profit	679,143,562.00	477,449,908.00
Classified by continuity of operations		
Net profit from continuing operations	679,143,562.00	477,449,908.00
Net profit from discontinued operations	-	-
Classified by ownership of the equity		
Attributable to shareholders of the Company	717,184,815.00	477,449,908.00
Minority interests	-38,041,253.00	-
Other comprehensive income, net of tax		
Attributable to shareholders of the Company		
Other comprehensive income items which will not be reclassified to profit or loss		
Changes arising from remeasurement of defined benefit plan	-	-
Attributable to minority interests		
Total comprehensive income	679,143,562.00	477,449,908.00
Attributable to shareholders of the Company	717,184,815.00	477,449,908.00

Attributable to minority interests	-38,041,253.00	-
Earnings per share		
Basic earnings per share(RMB Yuan)	0.83	0.55
Diluted earnings per share(RMB Yuan)	0.83	0.55

*: Unaudited financial indexes

3. CONSOLIDATED CASH FLOW STATEMENTS FROM 1ST JANUARY 2022 TO 30TH SEPTEMBER 2022

(All amounts in RMB Yuan unless otherwise stated)

Item	2022.1.1-2022.9.30 Consolidated*	2021.1.1-2021.9.30 Consolidated*
Cash flows (used in)/generated from operating activities		
Cash received from sales of goods or rendering of services	22,536,336,405.00	28,328,168,356.00
Refunds of taxes	186,207,463.00	-
Cash received relating to other operating activities	629,736,941.00	489,683,564.00
Sub-total of cash inflows	23,352,280,809.00	28,817,851,920.00
Cash paid for goods and services	19,978,330,477.00	23,278,603,650.00
Cash paid to and on behalf of employees	1,780,938,148.00	2,110,011,010.00
Payments of taxes and surcharges	1,746,532,718.00	1,794,875,837.00
Cash paid relating to other operating activities	2,069,409,606.00	2,088,182,545.00
Sub-total of cash outflows	25,575,210,949.00	29,271,673,042.00
Net cash flows (used in)/generated from operating activities	-2,222,930,140.00	-453,821,122.00
Cash flows generated from/(used in) investing activities		
Cash received from disposal of investments	200,000,000.00	2,400,000,000.00
Cash received from returns on investments	1,523,836.00	14,414,182.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	782,848,039.00	48,169,713.00
Net cash received from disposal of subsidiaries and other business units	139,040,000.00	108,000,000.00
Cash received relating to other investing activities	163,104,941.00	216,774,537.00
Sub-total of cash inflows	1,286,516,816.00	2,787,358,432.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	851,368,308.00	915,027,787.00
Cash paid to acquire investments	100,000,000.00	1,700,000,000.00
Cash paid relating to other investing activities	15,148,588.00	13,687,496.00
Sub-total of cash outflows	966,516,896.00	2,628,715,283.00
Net cash flows generated from/(used in) investing activities	319,999,920.00	158,643,149.00
Cash flows generated from/(used in) financing activities		
Cash received from absorbing investments	49,000,000.00	-
Including: cash received by the subsidiary from absorbing minority shareholders' investment	49,000,000.00	-
Cash received from borrowings	3,868,751,389.00	989,255,556.00
Sub-total of cash inflows	3,917,751,389.00	989,255,556.00
Cash repayments of borrowings	2,400,208,436.00	1,000,214,487.00
Cash payments for distribution of dividends, profits or interest expenses	230,353,307.00	3,002,446,863.00
Cash paid relating to other financing activities	15,377,524.00	11,879,993.00

Sub-total of cash outflows	2,645,939,267.00	4,014,541,343.00
Net cash flows generated from/(used in) financing activities	1,271,812,122.00	-3,025,285,787.00
Effect of foreign exchange rate changes on cash and cash equivalents	-	-
Net decrease in cash and cash equivalents	-631,118,098.00	-3,320,463,760.00
Add: Cash and cash equivalents at beginning of year	9,569,051,314.00	11,121,955,129.00
Cash and cash equivalents at end of period	8,937,933,216.00	7,801,491,369.00

* Unaudited financial indexes

2. Whether the 2022 third quarter report is audited?

Yes No

JMC 2022 Third Quarter Report is not audited.

Board of Directors
Jiangling Motors Corporation, Ltd.
October 26, 2022