

Stock Code: 000570, 200570 Stock Name: Changchai, Changchai-B Announcement No. 2022-059

CHANGCHAI COMPANY, LIMITED

THIRD QUARTERLY REPORT 2022

Changchai Company, Limited (hereinafter referred to as the “Company”) and all the members of the Company’ s Board of Directors hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions.

Important Notes:

1. The Board of Directors, the Supervisory Committee as well as the directors, supervisors and senior management of the Company hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions, and collectively and individually accept legal responsibility for such contents.
2. The Company’s legal representative, General Manager, and head of the financial department (equivalent to financial manager) hereby guarantee that the financial statements carried in this Report are true, accurate and complete.
3. Indicate whether the financial statements in this Report have been audited by an independent auditor.

Yes No

I Key Financial Information

(I) Key Accounting Data and Financial Indicators

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes No

	Q3 2022	YoY change (%)	Q1-Q3 2022	YoY change (%)
Operating revenue (RMB)	545,599,669.07	12.68%	1,723,822,161.11	-13.00%
Net profit attributable to the listed company’s shareholders (RMB)	150,405,621.57	—	135,810,351.96	28.47%
Net profit attributable to the listed company’s shareholders before exceptional items (RMB)	-5,566,500.16	—	-11,375,860.23	—
Net cash generated from/used in operating activities (RMB)	—	—	-82,550,839.42	—
Basic earnings per share (RMB/share)	0.2131	—	0.1924	10.96%
Diluted earnings per share (RMB/share)	0.2131	—	0.1924	10.96%
Weighted average return	4.75%	5.50%	4.21%	-0.33%

on equity (%)			
	30 September 2022	31 December 2021	Change (%)
Total assets (RMB)	5,399,636,868.12	4,860,382,961.26	11.09%
Equity attributable to the listed company's shareholders (RMB)	3,301,798,721.38	3,077,550,018.33	7.29%

(II) Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	Q3 2022	Q1-Q3 2022	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	0.00	-361,395.36	
Government grants through profit or loss (exclusive of government grants continuously given in the Company's ordinary course of business at fixed quotas or amounts as per the government's policies and standards)	1,443,881.22	3,046,711.99	
Gain or loss on fair-value changes on held-for-trading financial assets and liabilities & income from disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	179,686,038.72	159,941,932.72	Increased fair value of the equity interests held directly by the Company in Jiangsu Horizon New Energy Technology Co., Ltd.
Non-operating income and expense other than the above	702,366.96	2,660,006.90	
Less: Income tax effects	25,851,232.01	18,094,554.73	
Non-controlling interests effects (net of tax)	8,933.16	6,489.33	
Total	155,972,121.73	147,186,212.19	--

Other items that meet the definition of exceptional gain/loss:

Applicable Not applicable

No such cases in the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

No such cases in the Reporting Period.

(III) Changes in Key Financial Statement Line Items and Explanation of why

Applicable Not applicable

1. Consolidated Balance Sheet Items

Item	30 September 2022 (RMB)	1 January 2022 (RMB)	Change (%)	Explanation of why
Held-for-trading financial assets	276,615,340.50	404,053,261.57	-31.54%	Decreased idle funds out of the amount raised in a private placement that were used

				for investment in wealth management instruments
Notes receivable	466,815,202.65	334,311,236.78	39.63%	Increased bank acceptance notes with low credit ratings that were endorsed and transferred or undue but discounted
Accounts receivable	992,868,051.36	375,209,126.48	164.62%	The Company properly allowed customers' buying on credit for more markets and multi-cylinder diesel engine customers are mainly supporting companies of main engine, which are usually given longer payment days.
Receivables financing	140,969,635.00	497,388,826.02	-71.66%	Decreased bank acceptance notes with high credit ratings
Other non-current financial assets	373,500,000.00	112,500,000.00	232.00%	Increased gains on changes in the fair value of the equity interests held directly by the Company in Jiangsu Horizon New Energy Technology Co., Ltd.
Fixed assets	692,380,621.81	402,915,521.65	71.84%	Transfer to fixed assets of wholly-owned subsidiary Jiangsu Changchai Machinery Co., Ltd.'s construction in progress
Construction in progress	78,925,875.74	270,305,690.91	-70.80%	Transfer to fixed assets of wholly-owned subsidiary Jiangsu Changchai Machinery Co., Ltd.'s construction in progress
Other non-current assets	11,611,024.84	4,543,240.88	155.57%	Increased prepayments of wholly-owned subsidiary Jiangsu Changchai Machinery Co., Ltd. for construction and engineering services
Short-term borrowings	244,395,924.99	73,971,466.65	230.39%	Increased bank acceptance notes with low credit ratings that were undue but discounted
Employee benefits payable	14,097,513.02	45,385,667.48	-68.94%	Salaries and bonuses accrued last year were paid in the Reporting Period
Deferred income tax liabilities	154,831,307.46	117,344,161.11	31.95%	Increased fair value of the equity interests held directly by the Company in Jiangsu Horizon New Energy Technology Co., Ltd.
Non-controlling interests	70,839,131.13	19,424,230.98	264.69%	Acquisition of a 41.5% interest in Zhenjiang Siyang Diesel Engine Manufacturing Co., Ltd.

2. Consolidated Income Statement Items for Q1~Q3

Item	Q1~Q3 2022 (RMB)	Q1~Q3 2021 (RMB)	Change (%)	Explanation of why
Finance costs	-19,745,726.63	823,688.31	—	Increased exchange income and interest income.
Other income	3,046,711.99	766,454.70	297.51%	Increased government grants.
Return on investment	13,836,894.98	8,663,940.64	59.71%	Increased gains on cash management with idle raised funds and own funds, and the Company received dividends from Bank of Jiangsu Co., Ltd.
Gain on changes in fair value	147,105,037.74	101,609,123.57	44.78%	Increased fair value of the equity interests held directly by the Company in Jiangsu Horizon New Energy Technology Co., Ltd.
Asset impairment loss	4,947,828.84	-7,356,415.78	—	During the reporting period, the Company withdrew the corresponding provision for clearing obsolete materials.
Non-operating	3,745,972.29	1,268,521.68	195.30%	Goodwill in relation to the 41.5% interest in

income				Zhenjiang Siyang Diesel Engine Manufacturing Co., Ltd. acquired by the Company.
Net profit attributable to non-controlling interests	1,084,518.63	73,487.10	1375.79%	Acquisition of a 41.5% interest in Zhenjiang Siyang Diesel Engine Manufacturing Co., Ltd.

3. Consolidated Cash Flow Statement Items for Q1-Q3

Item	Q1~Q3 2022 (RMB)	Q1~Q3 2021 (RMB)	Change (%)	Explanation of why
Net cash generated from/used in operating activities	-82,550,839.42	-316,185,740.11	—	Due to the impact of production and sales during the reporting period, the cash expenditure for production, operation and procurement decreased, and the fund collection was intensified.
Net cash generated from/used in investing activities	-50,712,854.83	-427,869,678.24	—	This is mainly because Jiangsu Changchai Machinery Co., Ltd. invested more in the construction in the previous period, but less in this period.
Net cash generated from/used in financing activities	52,000,140.67	612,388,654.75	-91.51%	Arrival of funds raised in a private placement in the same period of last year, and there is no such event in the current period.

II Shareholder Information

(I) Numbers of Ordinary Shareholders and Preference Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders		53,393	Number of preference shareholders with resumed voting rights (if any)		0	
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Shares in pledge, marked or frozen	
					Status	Shares
Changzhou Investment Group Co., Ltd.	State-owned corporation	32.26%	227,663,417	56,818,181		
Chen Jian	Domestic individual	0.70%	4,905,900	0		
KGI ASIA LIMITED	Foreign corporation	0.44%	3,101,695	0		
Dai Wenping	Domestic individual	0.38%	2,705,200	0		
Yang Xue'e	Domestic individual	0.30%	2,111,900	0		
Su Zhenxing	Domestic individual	0.23%	1,592,093	0		
Li Suinan	Domestic individual	0.22%	1,569,100	0		

Huang Guoliang	Domestic individual	0.22%	1,528,891	0		
Xue Hong	Domestic individual	0.20%	1,398,100	0		
Tao Xiaofang	Domestic individual	0.19%	1,310,000	0		
Top 10 unrestricted shareholders						
Name of shareholder	Unrestricted ordinary shares held	Shares by class				
		Class	Shares			
Changzhou Investment Group Co., Ltd.	170,845,236	RMB-denominated ordinary share	170,845,236			
Chen Jian	4,905,900	RMB-denominated ordinary share	4,905,900			
KGI ASIA LIMITED	3,101,695	Domestically listed foreign share	3,101,695			
Dai Wenping	2,705,200	RMB-denominated ordinary share	2,705,200			
Yang Xue'e	2,111,900	RMB-denominated ordinary share	2,111,900			
Su Zhenxing	1,592,093	RMB-denominated ordinary share	1,592,093			
Li Suinan	1,569,100	Domestically listed foreign share	1,569,100			
Huang Guoliang	1,528,891	Domestically listed foreign share	1,528,891			
Xue Hong	1,398,100	Domestically listed foreign share	1,398,100			
Tao Xiaofang	1,310,000	RMB-denominated ordinary share	1,310,000			
Related or acting-in-concert parties among the shareholders above	It is unknown whether there is among the top 10 public shareholders and the top 10 unrestricted public shareholders any related parties or acting-in-concert parties as defined in the Administrative Measures for Information Regarding Shareholding Alteration.					
Top 10 shareholders engaged in securities margin trading	Chen Jian and Dai Wenping respectively held 3,295,000 and 2,539,200 shares in the Company through their credit accounts.					

(II) Number of Preference Shareholders and Shareholdings of Top 10 of Them

Applicable Not applicable

III Other Significant Events

Applicable Not applicable

1. Participation in bidding for 41.5% equity interests in Zhenjiang Siyang Diesel Engine Manufacturing Co., Ltd. that was put out for sale

The Sixth Extraordinary Meeting of the Board of Directors in 2021 held by the Company on 28 October 2021 deliberated on and approved the Proposal on Participation in Bidding for 41.5% Equity Interests in Zhenjiang Siyang Diesel Engine Manufacturing Co., Ltd., authorizing the Management of the Company to participate in bidding for 41.5% equity interest in Zhenjiang Siyang Diesel Engine Manufacturing Co., Ltd. (hereinafter referred to as "Zhenjiang Siyang") that had been put out for sale by Jiangsu Keda Assets Marketing Co., Ltd. (hereinafter, "Keda Assets"). On 12 January 2022, Jiangsu Assets and Equity Exchange Co., Ltd. issued the Confirmation of Transaction on the Transfer of 41.5% Equity Interests (Corresponding to Capital Contribution of RMB830,000) in Zhenjiang Siyang Diesel Engine Manufacturing Co., Ltd. The Company won the bid for the 41.5% equity interests in Zhenjiang Siyang at a price of RMB33,520,800.00. On 23 February 2022, the Company signed the Contract on Transfer of State-owned Property Rights with Keda Assets. On 9 March 2022, Zhenjiang Siyang has completed the relevant registration alteration formalities with the competent industrial and commercial administration. On 16 May 2022, Zhenjiang Siyang held meetings of shareholders, the Board of Directors and the Supervisory Committee to elect and appoint new members for the Board of Directors, the Supervisory Committee and management. Zhenjiang Siyang has been included in the consolidated financial statements of the Company.

2. Capital increase to Jiangsu Horizon New Energy Technology Co., Ltd.

On 25 August 2022, the Proposal on an Intended Capital Increase to Jiangsu Horizon New Energy Technology Co., Ltd. & the Relevant Related-party Transaction was approved at the Fourth Extraordinary Meeting of the Board of Directors in 2022. As such, the Company was agreed to carry out another capital increase of RMB75 million to Jiangsu Horizon New Energy Technology Co., Ltd. by subscribing for RMB18.8442 million of additional registered capital at RMB3.98/share. And Chairman of the Board Mr. Shi Xinkun was authorized to sign the relevant capital increase agreement with the relevant party and handle other matters. Upon this capital increase, the Company holds a total interest of 5.36% in Jiangsu Horizon New Energy Technology Co., Ltd.

IV Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by Changchai Company, Limited

30 September 2022

Unit: RMB

Item	30 September 2022	1 January 2022
Current assets:		
Monetary assets	645,607,594.39	707,966,678.74
Settlement reserve		
Loans to other banks and financial institutions		
Held-for-trading financial assets	276,615,340.50	404,053,261.57
Derivative financial assets		
Notes receivable	466,815,202.65	334,311,236.78
Accounts receivable	992,868,051.36	375,209,126.48
Receivables financing	140,969,635.00	497,388,826.02
Prepayments	9,880,041.00	8,197,418.39
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	20,427,334.26	19,515,350.52
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	503,234,907.64	651,083,758.18
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	31,720,575.63	44,060,822.57
Total current assets	3,088,138,682.43	3,041,786,479.25
Non-current assets:		
Loans and advances to customers		
Debt investments	37,898,226.39	37,898,226.39
Other debt investments		
Long-term receivables		
Long-term equity investments		
Investments in other equity	906,142,866.29	779,877,646.53

instruments		
Other non-current financial assets	373,500,000.00	112,500,000.00
Investment property	42,769,898.54	44,597,255.21
Fixed assets	692,380,621.81	402,915,521.65
Construction in progress	78,925,875.74	270,305,690.91
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	157,395,904.88	155,154,745.91
Development costs		
Goodwill		
Long-term prepaid expense	168,183.91	110,345.30
Deferred income tax assets	10,705,583.29	10,693,809.23
Other non-current assets	11,611,024.84	4,543,240.88
Total non-current assets	2,311,498,185.69	1,818,596,482.01
Total assets	5,399,636,868.12	4,860,382,961.26
Current liabilities:		
Short-term borrowings	244,395,924.99	73,971,466.65
Borrowings from the central bank		
Loans from other banks and financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	501,477,497.72	550,774,400.00
Accounts payable	775,107,484.19	666,186,668.82
Advances from customers	361,746.26	660,965.62
Contract liabilities	30,463,923.43	26,864,081.97
Financial assets sold under repurchase agreements		
Customer deposits and deposits from other banks and financial institutions		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	14,097,513.02	45,385,667.48
Taxes and levies payable	6,265,011.98	5,306,378.82
Other payables	157,030,507.24	148,361,373.29
Including: Interest payable		
Dividends payable	3,891,433.83	3,891,433.83
Fees and commissions payable		

Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities		
Other current liabilities	103,352,743.92	88,938,192.79
Total current liabilities	1,832,552,352.75	1,606,449,195.44
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings		
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	39,615,355.40	39,615,355.40
Deferred income tax liabilities	154,831,307.46	117,344,161.11
Other non-current liabilities		
Total non-current liabilities	194,446,662.86	156,959,516.51
Total liabilities	2,026,999,015.61	1,763,408,711.95
Owners' equity:		
Share capital	705,692,507.00	705,692,507.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	640,133,963.01	640,676,218.40
Less: Treasury stock		
Other comprehensive income	613,336,936.34	506,011,499.55
Specific reserve	18,812,950.04	18,812,950.04
Surplus reserves	334,144,488.46	334,144,488.46
General reserve		
Retained earnings	989,677,876.53	872,212,354.88
Total equity attributable to owners of the Company as the parent	3,301,798,721.38	3,077,550,018.33
Non-controlling interests	70,839,131.13	19,424,230.98
Total owners' equity	3,372,637,852.51	3,096,974,249.31
Total liabilities and owners' equity	5,399,636,868.12	4,860,382,961.26

Legal representative: Shi Xinkun
Head of the accounting department: Jiang He

General Manager: Zhang Xin

2. Consolidated Income Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2022	Q1~Q3 2021
1. Revenues	1,723,822,161.11	1,981,354,126.38
Including: Operating revenue	1,723,822,161.11	1,981,354,126.38
Interest income		
Insurance premium income		
Fee and commission income		
2. Costs and expenses	1,723,250,063.20	1,942,537,176.98
Including: Cost of sales	1,528,285,603.14	1,709,842,352.28
Interest expense		
Fee and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and levies	10,481,397.49	9,599,626.55
Selling expense	80,388,110.83	97,211,507.42
Administrative expense	63,510,263.02	69,073,749.70
R&D expense	60,330,415.35	55,986,252.72
Finance costs	-19,745,726.63	823,688.31
Including: Interest expense	6,012,305.10	5,806,935.93
Interest income	8,356,889.05	7,246,601.53
Add: Other income	3,046,711.99	766,454.70
Return on investment (“-” for loss)	13,836,894.98	8,663,940.64
Including: Share of profit or loss of joint ventures and associates		
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	147,105,037.74	101,609,123.57
Credit impairment loss (“-” for loss)	-13,768,089.86	-13,804,149.22
Asset impairment loss (“-” for loss)	4,947,828.84	-7,356,415.78
Asset disposal income (“-” for loss)	-361,395.36	6,459.16
3. Operating profit (“-” for loss)	155,379,086.24	128,702,362.47
Add: Non-operating income	3,745,972.29	1,268,521.68
Less: Non-operating expense	1,092,345.39	481,411.09
4. Gross profit (“-” for loss)	158,032,713.14	129,489,473.06
Less: Income tax expense	21,137,842.55	23,705,272.54

5. Net profit (“-” for net loss)	136,894,870.59	105,784,200.52
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	136,894,870.59	105,784,200.52
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to shareholders of the Company as the parent (“-” for net loss)	135,810,351.96	105,710,713.42
5.2.1 Net profit attributable to non-controlling interests (“-” for net loss)	1,084,518.63	73,487.10
6. Other comprehensive income, net of tax	107,325,436.79	122,935,279.81
Attributable to owners of the Company as the parent	107,325,436.79	122,935,279.81
6.1 Items that will not be reclassified to profit or loss	107,325,436.79	122,935,279.81
6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments	107,325,436.79	122,935,279.81
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss		
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Changes in the fair value of other debt investments		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for other debt investments		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
6.2.7 Other		
Attributable to non-controlling interests		
7. Total comprehensive income	244,220,307.38	228,719,480.33
7.1 Attributable to owners of the Company as the parent	243,135,788.75	228,645,993.23
7.2 Attributable to non-controlling interests	1,084,518.63	73,487.10
8. Earnings per share		
8.1 Basic earnings per share	0.1924	0.1734
8.2 Diluted earnings per share	0.1924	0.1734

Legal representative: Shi Xinkun
Head of the accounting department: Jiang He

General Manager: Zhang Xin

3. Consolidated Cash Flow Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2022	Q1~Q3 2021
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	1,470,088,784.47	1,631,589,730.09
Net increase in customer deposits and deposits from other banks and financial institutions		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, fees and commissions received		
Net increase in loans from other banks and financial institutions		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax and levy rebates	23,550,037.23	33,014,359.71
Cash generated from other operating activities	17,394,468.43	10,218,300.82
Subtotal of cash generated from operating activities	1,511,033,290.13	1,674,822,390.62
Payments for commodities and services	1,204,438,609.81	1,610,525,132.37
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and other banks and financial institutions		
Payments for claims on original insurance contracts		
Net increase in loans to other banks and financial institutions		
Interest, fees and commissions paid		
Policy dividends paid		
Cash paid to and for employees	241,596,494.16	253,758,615.93
Taxes and levies paid	47,369,925.46	31,954,409.88
Cash used in other operating activities	100,179,100.12	94,769,972.55
Subtotal of cash used in operating activities	1,593,584,129.55	1,991,008,130.73
Net cash generated from/used in operating activities	-82,550,839.42	-316,185,740.11
2. Cash flows from investing activities:		
Proceeds from disinvestment	89,591,553.34	28,222,100.00
Return on investment	13,945,782.65	8,762,954.14
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	4,424.78	815,419.17
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	208,889.64	

Subtotal of cash generated from investing activities	103,750,650.41	37,800,473.31
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	42,948,956.55	120,898,051.55
Payments for investments	111,514,548.69	344,772,100.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	154,463,505.24	465,670,151.55
Net cash generated from/used in investing activities	-50,712,854.83	-427,869,678.24
3. Cash flows from financing activities:		
Capital contributions received		634,999,996.40
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings received		7,000,000.00
Cash generated from other financing activities	83,546,936.65	1,391,000.00
Subtotal of cash generated from financing activities	83,546,936.65	643,390,996.40
Repayment of borrowings	9,000,000.00	17,000,000.00
Interest and dividends paid	19,444,136.67	1,307,343.28
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities	3,102,659.31	12,694,998.37
Subtotal of cash used in financing activities	31,546,795.98	31,002,341.65
Net cash generated from/used in financing activities	52,000,140.67	612,388,654.75
4. Effect of foreign exchange rates changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-81,263,553.58	-131,666,763.60
Add: Cash and cash equivalents, beginning of the period	573,623,529.10	629,939,540.50
6. Cash and cash equivalents, end of the period	492,359,975.52	498,272,776.90

Legal representative: Shi Xinkun
Head of the accounting department: Jiang He

General Manager: Zhang Xin

(II) Independent Auditor's Report

Indicate by tick mark whether the financial statements above have been audited by an independent auditor.

Yes No

These financial statements have not been audited by such an auditor.

The Board of Directors
Changchai Company, Limited
29 October 2022