

Stock code: 200054 Stock Abbreviation: Jianshe Vehicle B Announcement No.: 2023-062

Chongqing Jianshe Vehicle System Co., Ltd.

The Third Quarterly Report 2023

The Company and its directors hereby guarantee that the content of information disclosure is real, accurate, complete and free from any false record, misleading representation or material omissions.

Important notes

1. The Board of Directors and the Supervisory Committee of the Company and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and or joint.
2. Person in charge of the Company, Person in charge of accounting and person in charge of accounting organ (accounting officer) hereby confirm that the financial information of this Quarterly Report is authentic, accurate and complete.
3. The Third quarterly report audited or not
Yes No

I. Main financial data

(I) Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	This period	Increase/decrease in the period compared with the same	Year-begin to period-end	Increase/decrease from year-begin to period-end
Operating income (Yuan)	116,986,662.54	3.15%	333,574,346.30	-5.38%
Net profit attributable to the shareholders of the listed company (Yuan)	-11,394,368.52	44.91%	-54,705,046.67	-651.55%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	-11,894,368.52	44.90%	-56,449,183.34	-13.43%
Cash flow generated by business operation, net (Yuan)	—	—	44,941,581.43	-3.27%
Basic earning per share(Yuan/Share)	-0.0955	44.89%	-0.4583	-651.31%
Diluted gains per share(Yuan/Share)	-0.0955	44.89%	-0.4583	-651.31%
Weighted average return on equity (%)	-18.03%	-3.89%	-64.85%	-59.87%
	End of this period	End of last period	Increase/decrease at the period-end compared with the end of the previous year	
Gross assets (Yuan)	818,547,635.66	896,911,569.17	-8.74%	
Net assets attributable to the shareholders of the listed company (Yuan)	57,624,003.78	111,091,284.68	-48.13%	

(II) Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	This period	Amount from year-begin to period -end	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)		-10,025.19	
Governmental Subsidy accounted as current gain/loss, except for those subsidies at with amount or quantity fixed by the national government and closely related to the Company's business operation.	500,000.00	1,100,000.00	
Reverse of the provision for impairment of accounts receivable undergoing impairment test individually		365,922.51	
Other non-operating income and expenditure except for the aforementioned items		288,239.35	
Total	500,000.00	1,744,136.67	--

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses:

Applicable Not applicable

The Company does not have other gain/loss items that qualified the definition of non-recurring profit (gains)/losses

Explanation on those non-recurring gain/loss listed in the “Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss” defined as recurring gain/loss

Applicable Not applicable

The Company does not have the non-recurring gain/loss listed in the “Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss” defined as recurring gain/loss

(III) Particulars about changes in items of main accounting data and financial index and explanations of reasons

Applicable Not applicable

1. The net profit loss from July to September decreased YOY, which was mainly due to sales volume increased by 5.34% YOY in the quarter and the investment income increased by 109.64% YOY in the quarter from the joint venture Chongqing Jianshe HANON Automobile Termal Management System Co., Ltd.

2. From January to September, the net profit attributable to shareholders of the listed company was -54.71 million yuan, increased by 47.43 million yuan loss over the same period of the previous year, which was mainly due to the Company's 106 plant disposal income of 39.02 million yuan (a non-recurring profit and loss item) in the same period of the previous year and the increase in R&D investment in the first three quarters.

3. The return on Equity decreased YOY from January to September, which was mainly due to the YOY decrease in net profit.

4. The decrease in net assets at the end of the third quarter compared with the end of the previous year was mainly due to the loss of net profit in the first three quarters.

II. Shareholders Information

(I) Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In Shares

Total number of common shareholders at the period-end	6,837	Total preference shareholders with the voting power recovered at the end of the reporting period(if any)	0		
Shares held by the top 10 shareholders					
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares	Pledging or freezing

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				with Conditional held	Status of the shares	Quanti ty
China Military Equipment Group Co., Ltd.	State-owned legal person	71.13%	84,906,250	84,906,250		
Gu Zuocheng	Domestic natural person	1.89%	2,261,000	2,218,750		
Anhui Hengsheng Investment Development Co., Ltd.	Domestic non-state-owned legal	1.47%	1,750,000	1,750,000		
Xu Yuanhui	Domestic natural person	0.84%	999,999	0		
Liu Dan	Domestic natural person	0.74%	879,376	0		
Chen Xinqiang	Domestic natural person	0.51%	612,400	0		
CORE PACIFIC-YAMAICHI INTERNATIONAL (H.K.) LIMITED	Foreign legal person	0.51%	605,650	0		
Zhang Meilan	Domestic natural person	0.43%	513,560	0		
Feng Yonghui	Domestic natural person	0.42%	500,000	500,000		
Li Jianping	Domestic natural person	0.37%	439,050	0		
Shares held by the Top 10 Shareholders of Non-restricted shares						
Shareholders' Names	Number of the non-restricted shares held	Share type				
		Share type	Quantity			
Xu Yuanhui	999,999.00	Foreign shares placed	999,999.00			
Liu Dan	879,376.00	Foreign shares placed	879,376.00			
Chen Xinqiang	612,400.00	Foreign shares placed	612,400.00			
CORE PACIFIC-YAMAICHI INTERNATIONAL (H.K.) LIMITED	605,650.00	Foreign shares placed in domestic exchange	605,650.00			
Zhang Meilan	513,560.00	Foreign shares placed	513,560.00			
Li Jianping	439,050.00	Foreign shares placed	439,050.00			
Chen Houping	424,000.00	Foreign shares placed	424,000.00			
Lv Gang	418,099.00	Foreign shares placed	418,099.00			
Zhang Long	371,577.00	Foreign shares placed	371,577.00			
Liu Guosheng	345,575.00	Foreign shares placed	345,575.00			

Explanation on associated relationship or concerted action of the above shareholders	There is no affiliated relationship between the top ten non-restricted tradable shareholders and the controlling shareholder China Military Equipment Group Co., Ltd. nor do they belong to the consistent actors stipulated in the Administrative Measures for the Acquisition of Listed Companies; it is unknown to the company whether there is an affiliated relationship between the top ten non-restricted tradable shareholders as well as between the top ten non-restricted tradable shareholders and the other top ten shareholders, or whether they are included in the consistent actors stipulated in the Administrative Measures for the Acquisition of Listed Companies
Note to the top 10 common stockholders involved in margin financing & securities lending (If any)	Not applicable

(II) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

III. Other significant events

Applicable Not applicable

IV. Quarterly financial statements

(i) Financial statement

1. Consolidated balance sheet

Prepared by: Chongqing Jianshe Vehicle System Co., Ltd.

September 30,2023

In RMB

Items	September 30,2023	January 1,2023
Current asset :		
Monetary fund	88,441,416.04	179,954,522.99
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Account receivable	116,177,057.59	113,710,214.72

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Financing receivable	19,237,470.85	17,548,591.75
Prepayments	4,459,215.71	4,024,366.02
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	2,349,255.20	1,720,044.17
Including: Interest receivable		
Dividend receivable		
Repurchasing of financial assets		
Inventories	139,995,506.06	131,860,572.93
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset	2,437,159.28	1,468,399.16
Total of current assets	373,097,080.73	450,286,711.74
Non-current assets:		
Loans and payment on other's behalf disbursed		
Creditor's Investment		
Other Creditor's Investment		
Long-term receivable		
Long term share equity investment	218,452,914.23	210,112,321.04
Other equity instruments investment		
Other non-current financial assets		
Property investment		
Fixed assets	194,214,142.46	202,039,143.80
Construction in progress	937,175.35	989,429.96
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	11,208,658.80	11,801,504.95

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Development expenses		
Goodwill		
Long-term expenses to be amortized	35,257.06	70,280.65
Deferred income tax asset	5,752,057.03	5,752,057.03
Other non-current asset	14,850,350.00	15,860,120.00
Total of non-current assets	445,450,554.93	446,624,857.43
Total of assets	818,547,635.66	896,911,569.17
Current liabilities		
Short-term loans	479,210,000.00	546,603,500.00
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	42,370,000.00	30,379,988.94
Account payable	204,532,308.58	171,190,476.10
Advance receipts		
Contract liabilities	2,346,929.87	3,441,205.38
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees' wage payable	5,813,735.99	8,529,392.78
Tax payable	16,166,605.32	16,649,704.07
Other account payable	9,465,119.31	7,566,872.62
Including: Interest payable		
Dividend payable		
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year		

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Other current liability	269,836.81	447,356.63
Total of current liability	760,174,535.88	784,808,496.52
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income		
Deferred income tax liability	749,096.00	1,011,787.97
Other non-current liabilities		
Total non-current liabilities	749,096.00	1,011,787.97
Total of liability	760,923,631.88	785,820,284.49
Owners' equity		
Share capital	119,375,000.00	119,375,000.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	958,565,294.29	958,565,294.29
Less: Shares in stock		
Other comprehensive income	9,800.00	9,800.00
Special reserve	4,472,434.80	3,234,669.03
Surplus reserves	125,686,000.00	125,686,000.00
Common risk provision		
Retained profit	-1,150,484,525.31	-1,095,779,478.64
Total of owner's equity belong to the parent company	57,624,003.78	111,091,284.68

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Minority shareholders' equity		
Total of owners' equity	57,624,003.78	111,091,284.68
Total of liabilities and owners' equity	818,547,635.66	896,911,569.17

Legal Representative: Yan Xuechuan

Person-in-charge of the accounting work: Tan Mingxian

Person-in -charge of the accounting organ: Niu Yanli

2. Consolidated Income statement between the beginning of the year and end of the report period

In RMB

Items	Amount in this period	Amount in last period
I. Turnover	333,574,346.30	352,545,234.24
Including: Operating income	333,574,346.30	352,545,234.24
Interest income		
Insurance fee earned		
Commission charge and commission income		
II. Total operating costs	398,611,849.97	409,580,025.91
Including : Operating costs	313,015,355.97	334,055,825.02
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Appropriation of deposit for duty, net		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	3,680,292.33	3,315,083.54
Sales expense	8,678,472.80	10,537,470.73
Administrative expense	32,699,265.17	27,127,408.25
R & D expense	25,800,123.69	22,204,867.13
Financial expenses	14,738,340.01	12,339,371.24
Including: Interest expense		

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Interest income		
Add: Other income	1,310,385.63	1,531,676.22
Investment gain (“-”for loss)	8,340,593.19	6,458,214.09
Including: investment gains from affiliates	8,340,593.19	6,458,214.09
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss	350,176.04	715,809.13
Impairment loss of assets		
Assets disposal income	-10,025.19	40,420,431.93
III. Operating profit (“-”for loss)	-55,046,374.00	-7,908,660.30
Add : Non-operating income	79,114.42	149,225.09
Less: Non-operating expense	1,260.70	3,112.43
IV. Total profit (“-”for loss)	-54,968,520.28	-7,762,547.64
Less: Income tax expenses	-263,473.61	-483,574.52
V. Net profit	-54,705,046.67	-7,278,973.12
(I) Classification by business continuity		
1.Net continuing operating profit		
2.Termination of operating net profit		
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	-54,705,046.67	-7,278,973.12
2.Minority shareholders’ equity		
VI. Net after-tax of other comprehensive income		
Net of profit of other comprehensive income attributable to o		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting		
1.Re-measurement of defined benefit plans of changes in net debt		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		

3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company's credit risks		
5. Other		
(II) Other comprehensive income that will be reclassified into		
1. Other comprehensive income under the equity method inve		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6. Translation differences in currency financial statements		
7. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	-54,705,046.67	-7,278,973.12
Total comprehensive income attributable to the owner of the parent company	-54,705,046.67	-7,278,973.12
Total comprehensive income attributable minority shareholders		
VIII. Earnings per share		
(I) Basic earnings per share	-0.4583	-0.0610
(II) Diluted earnings per share	-0.4583	-0.0610

Legal Representative: Yan Xuechuan

Person in charge of accounting: Tan Mingxian

Accounting Dept Leader: Niu Yanli

3. Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	308,312,604.76	354,717,361.36
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		

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Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	16,519,842.10	5,529,302.73
Other cash received from business operation	8,829,897.32	11,489,136.84
Sub-total of cash inflow	333,662,344.18	371,735,800.93
Cash paid for purchasing of merchandise and services	190,792,768.13	217,662,428.24
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	76,802,103.89	77,042,062.53
Taxes paid	6,259,039.42	12,398,158.18
Other cash paid for business activities	14,866,851.31	18,171,545.11
Sub-total of cash outflow from business activities	288,720,762.75	325,274,194.06
Net cash generated from /used in operating activities	44,941,581.43	46,461,606.87
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		153,535,148.36
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		153,535,148.36

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Cash paid for construction of fixed assets, intangible assets and other long-term assets	10,201,275.42	22,695,713.86
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	10,201,275.42	22,695,713.86
Net cash flow generated by investment	-10,201,275.42	130,839,434.50
III.Cash flow generated by financing		
Cash received as investment		
Including: Cash received as investment from minor shareholders		
Cash received as loans	471,813,500.00	384,613,500.00
Other financing –related cash received	192,535.00	17,155,373.08
Sub-total of cash inflow from financing activities	472,006,035.00	401,768,873.08
Cash to repay debts	539,238,994.44	402,933,093.75
Cash paid as dividend, profit, or interests	15,923,564.16	15,160,510.37
Including: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	52,716,914.75	134,153,361.47
Sub-total of cash outflow due to financing activities	607,879,473.35	552,246,965.59
Net cash flow generated by financing	-135,873,438.35	-150,478,092.51
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	-101,133,132.34	26,822,948.86
Add: balance of cash and cash equivalents at the beginning of term	169,994,534.05	23,738,523.19
VI ..Balance of cash and cash equivalents at the end of term	68,861,401.71	50,561,472.05

Legal Representative: Yan Xuechuan

Person-in-charge of the accounting work: Tan Mingxian

Person-in -charge of the accounting organ: Niu Yanli

(ii) The Company started implementing the updated accounting standards commencing from 2023 and adjusted the relevant items in the financial statements at the beginning of the very year involved in the initial implementation of the said standards

Applicable Not applicable

(iii) Auditor' report

Is the Third Quarterly Report be audited?

Yes No

The Third Quarterly report is not audited.

The Board of Directors of Chongqing Jianshe Vehicle System Co., Ltd.

October 31,2023