

Share's code: 000550  
200550

Share's Name: Jiangling Motors No.: 2023-041  
Jiangling B

**Jiangling Motors Corporation, Ltd.**  
**Public Announcement on Forecast of**  
**the Routine Related Party Transactions in 2024**

**Jiangling Motors Corporation, 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.**

**I. Brief Introduction**

The Board of Directors of Jiangling Motors Corporation, Ltd. (hereinafter referred to as "JMC" or the "Company") approved the 2024 routine related party transaction forecast proposal on December 8, 2023.

The routine related party transaction forecast proposal covered all the related parties with JMC, where total annual transaction with each of them is projected to be over RMB 46 million. These related parties were clarified as Type A and Type B. Type A means the related parties with JMC, where total annual transactions with each of them is projected to be over RMB 460 million, and Type B means the related parties with JMC, where total annual transactions with each of them is projected to be between RMB 46 million and RMB 460 million.

This proposal relates to related party transactions and has been reviewed at a special meeting of the Company's Independent Directors before being submitted to the Board of Directors for consideration.

The Board of Directors approved the 2024 forecast proposal for type A routine related party transactions and authorized the Execute Committee to finalize detailed contracts with the individual related parties and to submit them to the Shareholders' Meeting for approval. When voting on the proposals at the shareholders' meeting, Ford Motor Company ("Ford") will withdraw from the voting on the related party transactions associated with Ford and its affiliates; Nanchang Jiangling Investment Co., Ltd. ("JIC") will withdraw from the voting on the related party transactions associated with Nanchang Jiangling Investment Co., Ltd. and its affiliates, associated with Jiangling Motors Group Co., Ltd. ("JMCG") and its affiliates, and associated with Changan Automobile Co., Ltd. and its affiliates.

The Board of Directors approved the 2024 forecast proposal for type B routine related party transactions and authorized the Execute Committee to sign detailed contracts with the individual related parties.

Nine directors shall attend this meeting and nine were present.

When voting on the proposal, Director Shengpo Wu, Director Ryan Anderson and Director Xiong Chunying withdrew from the voting on the related party transactions associated with Ford and its affiliates; Director Qiu Tiangao and Director Jin Wenhui withdrew from the voting on the related party transactions associated with JMCG and its affiliates; Director Qiu Tiangao, Director Jin Wenhui and Director Yuan Mingxue withdrew from the voting on the related party transactions associated with Nanchang Jiangling Investment Co., Ltd. and its affiliates; all the other Directors agreed with the proposal.

## II. Types and amounts of routine related party transactions

### 1. Main Content and amounts of routine related party transactions in 2024

- i. Type A, which means the related parties with JMC, where total annual transactions with each of them is projected to be over RMB 460 million, are listed as follows:

|   |   |                               |                                  | RMB million  |
|---|---|-------------------------------|----------------------------------|--|
| Related Party   | Category  | Content                       | 2024 Forecast Transaction Amount | 2023 Actual Transaction Amount from January to October |
| JMCG Finance Company  | Deposit interest and accumulation settlement amount | Deposit interest              | 30                               | 13   |
|   |   | Guarantees                    | 1                                | 2  |
|   |   | Payment settlement Deposits   | 20,769                           | 11,614   |
|   | <b>Subtotal</b>                                     |                               | <b>20,800</b>                    | <b>11,629</b>  |
| Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd. and its subsidiaries | Purchase  | Purchase of goods and service | 48                               | 11   |
|   | Sales   | Sales of goods and service    | 13,752                           | 7,644  |
|   | <b>Subtotal</b>                                     |                               | <b>13,800</b>                    | <b>7,655</b>   |
| JMCG and its subsidiaries   | Purchase  | Purchase of goods and service | 5,800                            | 2,725  |
|   | Sales   | Sales of goods and service    | 1,700                            | 508  |
|   | <b>Subtotal</b>                                     |                               | <b>7,500</b>                     | <b>3,234</b>   |
| Ford and its subsidiaries   | Purchase  | Purchase of goods and service | 3,000                            | 590  |
|   | Sales   | Sales of goods and service    | 900                              | 85   |
|   | <b>Subtotal</b>                                     |                               | <b>3,900</b>                     | <b>675</b>   |
| Magna PT  | Purchase  | Purchase of goods             | 1,499                            | 1,027  |

|  |                 |                               |              |              |
|--|-----------------|-------------------------------|--------------|--------------|
| Powertrain<br>(Jiangxi) Co., Ltd.  |                 | and service                   |              |              |
|  | Sales           | Sales of goods and service    | 1            | 1            |
|  | <b>Subtotal</b> |                               | <b>1,500</b> | <b>1,028</b> |
| Nanchang Jiangling<br>Huaxiang Auto<br>Components Co.,<br>Ltd.           | Purchase        | Purchase of goods and service | 1,390        | 964          |
|  | Sales           | Sales of goods and service    | 10           | 2            |
|  | <b>Subtotal</b> |                               | <b>1,400</b> | <b>966</b>   |
| Nanchang Baojiang<br>Steel Processing<br>Distribution Co.,<br>Ltd.       | Purchase        | Purchase of goods and service | 1,099        | 594          |
|  | Sales           | Sales of goods and service    | 1            | 0            |
|  | <b>Subtotal</b> |                               | <b>1,100</b> | <b>594</b>   |
| China South<br>Industries Group<br>Co., Ltd. and<br>Subsidiaries         | Purchase        | Purchase of goods and service | 30           | 12           |
|  | Sales           | Sales of goods and service    | 920          | 252          |
|  | <b>Subtotal</b> |                               | <b>950</b>   | <b>264</b>   |
| Jiangxi Jiangling<br>Lear Interior<br>System Co., Ltd.                   | Purchase        | Purchase of goods and service | 870          | 605          |
|  | Sales           | Sales of goods and service    | 30           | 17           |
|  | <b>Subtotal</b> |                               | <b>900</b>   | <b>622</b>   |
| Faurecia Emissions<br>Control<br>Technologies<br>(Nanchang) Co.,<br>Ltd. | Purchase        | Purchase of goods and service | 550          | 286          |
|  | <b>Subtotal</b> |                               | <b>550</b>   | <b>286</b>   |

ii. Type B, which means the related parties with JMC, where total annual transactions with each of them is projected to be between RMB 46 million and RMB 460 million, are listed as follows:

| Related Party   | Category        | Content                       | RMB million                      |  |
|---|-----------------|-------------------------------|----------------------------------|--|
|   |                 |                               | 2024 Forecast Transaction Amount | 2023 Actual Transaction Amount from January to October |
| Nanchang Unistar<br>Electric & Electronics<br>Co., Ltd. | Purchase        | Purchase of goods and service | 400                              | 227  |
|   | <b>Subtotal</b> |                               | <b>400</b>                       | <b>227</b>   |

|   |                 |                               |            |            |
|---|-----------------|-------------------------------|------------|------------|
| Changan Ford Automobile Co., Ltd.           | Purchase        | Purchase of goods and service | 330        | 29         |
|   | <b>Subtotal</b> |                               | <b>330</b> | <b>29</b>  |
| Hanon Systems (Nanchang) Co., Ltd.          | Purchase        | Purchase of goods and service | 215        | 127        |
|   | <b>Subtotal</b> |                               | <b>215</b> | <b>127</b> |
| Nanchang JMCG SMR Huaxiang Mirror Co., Ltd. | Purchase        | Purchase of goods and service | 150        | 91         |
|   | Sales           | Sales of goods and service    | 30         | 14         |
|   | <b>Subtotal</b> |                               | <b>180</b> | <b>105</b> |
| Nanchang Yinlun Heat-exchanger Co., Ltd.    | Purchase        | Purchase of goods and service | 180        | 95         |
|   | <b>Subtotal</b> |                               | <b>180</b> | <b>95</b>  |
| Jiangxi ISUZU Engine Co., Ltd.              | Purchase        | Purchase of goods and service | 20         | 6          |
|   | Sales           | Sales of goods and service    | 45         | 26         |
|   | <b>Subtotal</b> |                               | <b>65</b>  | <b>32</b>  |

## 2. Main Content and amounts of routine related party transactions in 2023

RMB million

| Related Party   | Category  | Content                       | 2023 Actual Transaction Amount from January to October | 2023 Forecast Transaction Amount | Actual Transaction Amount from January to October as % of Similar Business | Differences Between Actual Transaction Amount from January to October and Forecast Transaction Amount (%) |
|---|---|-------------------------------|--|----------------------------------|--|---|
| JMCG Finance Company  | Deposit interest and accumulation settlement amount | Deposit interest              | 13   | 36                               | 6.41%  | -63.89%   |
|   |   | Guarantees                    | 2  | 2                                | 100.00%  | 0.00%   |
|   |   | Payment settlement Deposits   | 11,614   | 20,123                           | 29.17%   | -42.28%   |
| Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd. and its subsidiaries | Purchase  | Purchase of goods and service | 11   | 36                               | 0.06%  | -69.44%   |
|   | Sales   | Sales of goods and service    | 7,644  | 8,133                            | 29.14%   | -6.01%  |

|  |          |                               |       |       |        |         |
|--|----------|-------------------------------|-------|-------|--------|---------|
| JMCG and its subsidiaries                                    | Purchase | Purchase of goods and service | 2,725 | 4,778 | 13.95% | -42.97% |
|  | Sales    | Sales of goods and service    | 508   | 680   | 1.94%  | -25.29% |
| Ford and its subsidiaries                                    | Purchase | Purchase of goods and service | 590   | 1,432 | 3.02%  | -58.80% |
|  | Sales    | Sales of goods and service    | 85    | 109   | 0.32%  | -22.02% |
| Magna PT Powertrain (Jiangxi) Co., Ltd.                      | Purchase | Purchase of goods and service | 1,027 | 1,153 | 5.26%  | -10.93% |
|  | Sales    | Sales of goods and service    | 1     | 1     | 0.00%  | 0.00%   |
| Nanchang Jiangling Huaxiang Auto Components Co., Ltd.        | Purchase | Purchase of goods and service | 964   | 1,181 | 4.93%  | -18.37% |
|  | Sales    | Sales of goods and service    | 2     | 4     | 0.01%  | -50.00% |
| Nanchang Baojiang Steel Processing Distribution Co., Ltd.    | Purchase | Purchase of goods and service | 594   | 1,156 | 3.04%  | -48.62% |
| China South Industries Group Co., Ltd. and its subsidiaries  | Purchase | Purchase of goods and service | 0     | 0     | 0.00%  | 0.00%   |
|  | Sales    | Sales of goods and service    | 12    | 14    | 0.06%  | -14.29% |
| Jiangxi Jiangling Lear Interior System Co., Ltd.             | Purchase | Purchase of goods and service | 252   | 556   | 0.96%  | -54.68% |
|  | Sales    | Sales of goods and service    | 605   | 803   | 3.10%  | -24.66% |
| Faurecia Emissions Control Technologies (Nanchang) Co., Ltd. | Purchase | Purchase of goods and service | 17    | 15    | 0.06%  | 13.33%  |
| Nanchang Unistar Electric & Electronics Co., Ltd.            | Purchase | Purchase of goods and service | 286   | 618   | 1.46%  | -53.72% |
| Changan Ford Automobile Co., Ltd.                            | Purchase | Purchase of goods and service | 127   | 200   | 0.65%  | -36.50% |
| Hanon Systems (Nanchang) Co., Ltd.                           | Purchase | Purchase of goods and service | 227   | 430   | 1.16%  | -47.21% |
| Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.                  | Purchase | Purchase of goods and service | 29    | 71    | 0.15%  | -59.15% |
|  | Sales    | Sales of goods and service    | 91    | 133   | 0.47%  | -31.58% |
| Nanchang Yinlun Heat-exchanger Co., Ltd.                     | Purchase | Purchase of goods and service | 14    | 14    | 0.05%  | 0.00%   |

|  |          |   |    |     |       |         |
|--|----------|---|----|-----|-------|---------|
| Jiangxi ISUZU Engine Co., Ltd.   | Purchase | Purchase of goods and service   | 95 | 138 | 0.49% | -31.16% |
|  | Sales    | Sales of goods and service  | 6  | 25  | 0.03% | -76.00% |
| Explanation by the Board of Directors of the Company on the difference between the actual amount and the forecast amount of the routine related party transactions |          | The Company carried out the forecast on the upper limit of the transaction limit and submitted it to the shareholders' meeting for review and approval when the amount of the routine related party transactions in 2023 was expected to be. The final actual amount of the part of the related party transactions is 20% less than the projected amount, which is due to the fact that the Company and the related parties do not trigger or reduce the sales commodity and the purchase of the goods according to the actual demand of the Company. It is a normal business behavior. |    |     |       |         |
| Explanation by Independent Directors of the Company on the difference between the actual amount and the forecast amount of the routine related party transactions  |          | In our opinion, where the actual amount of routine related party transactions of the Company occurring in 2023 is more than 20% below the forecast amount, it is due to the fact that the Company and related parties did not trigger or reduce the sales of goods and purchase of goods according to the actual needs of the Company. It is a normal business behavior, in line with the objective situation, and without harming the interests of the Company and minority shareholders.  |    |     |       |         |

Disclosure date and index of the Forecast Proposal of Routine Related Party Transactions In 2023: the No. 2022-044 announcement, published on the website [www.cninfo.com.cn](http://www.cninfo.com.cn) on December 13, 2022.

### III. Brief Summary of Related Parties

| Name   | Legal Representative  | Registered Capital | Main Business Scope  | Registered Address | Relationship   |
|--|-----------------------|--------------------|--|--------------------|--|
| JMCG Finance Company                           | Ling Xingguo          | RMB 800 million    | Primarily providing financial services to JMCG and its affiliates, including credit, account clearing and deposit, etc.  | Nanchang City      | Subsidiary of JMCG                                       |
| Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd. | Sun Xiaoquan          | RMB 33.61 million  | Import and export business of all kinds of goods and technology; logistics and packing, etc.   | Nanchang City      | Subsidiary of JMCG                                       |
| JMCG   | Qiu Tiangao           | RMB 1,500 million  | Manufacturing of vehicle, engine, chassis, modified vehicle, automotive components, vehicle quality test, sales of in-house produced commodity and providing relevant after sale services. | Nanchang City      | Actual Controller of JIC                                 |
| Ford Motor Company                             | William Clay Ford Jr. | USD \$420 million  | Vehicle manufacturing and sales and other business   | Detroit, U.S.A     | Controlling shareholder of the Company (hold 32% equity) |

|  |                |                       |   |                |  |
|--|----------------|-----------------------|---|----------------|--|
| Magna PT Powertrain (Jiangxi) Co., Ltd.                    | Yi Wang        | Euro € 131.27 million | Manufacture and sell transmissions and related components   | Nanchang City  | Associate of JMCG  |
| Nanchang Jiangling Huaxiang Auto Components Co., Ltd.      | Du Yongchun    | RMB 40 million        | Manufacturing and sales of automotive components.   | Nanchang City  | Subsidiary of JMCG   |
| Nanchang Baojiang Steel Processing Distribution Co., Ltd   | Zhou Zhongxi   | RMB 147.40 million    | Processing, selling, distribution and storage of steel.   | Nanchang City  | Associate of JMCG  |
| China South Industries Group Co., Ltd.                     | Xu Xianping    | RMB 35,300 million    | Investment, operation and management of state-owned assets  | Beijing City   | Actual controller of JIC   |
| Jiangxi Jiangling Lear Interior System Co., Ltd.           | Chang Hongshun | USD \$10.215 million  | Design, production, sales for all kinds of cars, modified cars, transformer car full sets of seats, sponge business                                   | Nanchang City  | Subsidiary of JMCG   |
| Nanchang Faurecia Emissions Control Technologies Co., Ltd. | Huang Pinhui   | USD \$8 million       | Development, production and sales of automobile exhausting system.  | Nanchang City  | Associate of JMCG  |
| Nanchang Unistar Electric & Electronics Co., Ltd.          | Pan Xiaolin    | RMB 50 million        | Auto wiring, development, manufacturing, sales and after-sales service of electronic parts.   | Nanchang City  | Subsidiary of JMCG   |
| Changan Ford Automobile Co., Ltd.                          | Zhu Huarong    | USD \$241 million     | Development, production and sales of automobiles and parts; provide after-sales services, training services, warehousing services and other services. | Chongqing City | Joint venture of Changan Automobile Co., Ltd. and Ford Motor Company |
| Hanon Systems (Nanchang) Co., Ltd.                         | Xiao Changchun | USD \$5.6 million     | Manufacturing of climate control systems (excluding compressors), refrigerant lines, brake lines and fuel tubes used for automobile.                  | Nanchang City  | Associate of JMC   |
| Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.                | He Jiukun      | RMB 50 million        | Automotive mirrors and other automotive parts products (except engines) development, manufacturing, wholesale, retail and service.                    | Nanchang City  | Associate of JMCG  |
| Nanchang Yinlun Heat-exchanger Co., Ltd.                   | Xu Xiaomin     | RMB 40 million        | Development, production and sales of automobile heat exchange system.   | Nanchang City  | Joint venture of JMCG  |
| Jiangxi ISUZU Engine Co., Ltd.                             | Haru Nakamura  | RMB 950 million       | Design, assemble and sell engines, gearboxes and their spare parts; Selling lubricating oil; Import related technology, equipment and spare parts     | Nanchang City  | Subsidiary of JMCG   |

Financial information of the related parties in 2022 was shown as follows:

RMB million

| No. | Name   | Total Assets                | Net Assets                 | Revenue                     | Profit after tax        |
|-----|--|-----------------------------|----------------------------|-----------------------------|-------------------------|
| 1   | JMCG Finance Company                                       | 10,837                      | 1,462                      | 253                         | 67                      |
| 2   | Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.             | 1,939                       | 282                        | 7,225                       | 48                      |
| 3   | JMCG   | 17,877                      | 6,236                      | 1,447                       | -225                    |
| 4   | Ford   | USD<br>\$255,900<br>million | USD<br>\$43,200<br>million | USD<br>\$158,100<br>million | -USD \$2,200<br>million |
| 5   | Magna PT Powertrain (Jiangxi) Co., Ltd.                    | 5,275                       | 2,977                      | 5,057                       | 593                     |
| 6   | Jiangxi Huaxiang Auto Components Co., Ltd.                 | 719                         | 312                        | 1,070                       | 29                      |
| 7   | Nanchang Baojiang Steel Processing Distribution Co., Ltd.  | 588                         | 216                        | 2,291                       | 32                      |
| 8   | China South Industries Group Co., Ltd.                     | 411,298                     | 152,306                    | 292,136                     | 11,679                  |
| 9   | Jiangxi Jiangling Lear Interior System Co., Ltd.           | 446                         | 156                        | 634                         | 26                      |
| 10  | Nanchang Faurecia Emissions Control Technologies Co., Ltd. | 442                         | 97                         | 229                         | 20                      |
| 11  | Nanchang Unistar Electric & Electronics Co., Ltd.          | 363                         | 71                         | 551                         | 1                       |
| 12  | Changan Ford Automobile Co., Ltd.                          | 36,018                      | 1,530                      | 51,067                      | -2,449                  |
| 13  | Hanon Systems (Nanchang) Co., Ltd.                         | 340                         | 198                        | 310                         | 4                       |
| 14  | Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.                | 153                         | 88                         | 129                         | 14                      |
| 15  | Nanchang Yinlun Heat-exchanger Co., Ltd.                   | 140                         | 54                         | 164                         | 3                       |
| 16  | Jiangxi ISUZU Engine Co., Ltd.                             | 2,875                       | 1,037                      | 4,081                       | -45                     |

After inquiry, all the above mentioned related legal persons are not the persons to be executed for dishonesty.

Performance capability analysis: the above-mentioned related parties can strictly abide by the contract agreements in their business dealings with the Company. Combined with the main financial indicators and business conditions of the related parties, the related parties are fully capable of performing their transactions with the Company.

#### **IV. Main Content of the Routine Related Party Transaction**

##### **1. Transaction Pricing Mechanism**

When the Company sells goods to or purchases goods from related parties, if the price of the same products is offered in the market, the Company will use the market price. If unable or difficult to obtain comparable market data for prices of unique products or services, prices are determined through the process of supplier quotes, costing assessment and negotiation.

##### **2. Signing of Related Party Transaction Contracts**

According to the actual progress of production and operation, the Company will sign specific contracts in time on an equal basis with the related parties.

#### **V. Purpose of Related Party Transactions and Impact on JMC**

All the above-mentioned related party transactions are regular and recurring transactions between JMC and the related parties, and they are necessary for JMC to maintain its daily operation. The goods purchased from the related parties are mainly unique parts for JMC products.

The transactions between JMC and the related parties follow the principles of fairness, openness and justice, the transaction price is fair. All the transactions comply with the requirements of relevant laws and regulations, which do not damage the interests of the Company and minority shareholders.

#### **VI. Opinions at the Special Meeting of Independent Directors**

Before the Company's 2024 routine related party transaction forecast proposal is submitted to the Board of Directors for consideration, it has been reviewed at the 2023 first special meeting of Independent Directors of the Eleventh Board of Directors of the Company and approved by all the Independent Directors. The Independent Directors of the Company issued the following review opinions on the Company's 2024 routine related party transaction forecast proposal:

1. The amount of the Company's 2024 routine related party transactions is forecasted to be based on the normal business needs, conform to the Company's actual management needs, and the related party transactions follow the principle of objective, just and fair trading, without damaging the legitimate interests of the Company and shareholders, especially the legitimate interests of minority shareholders, in line with the relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange.

2. Where the actual amount of routine related party transactions of the Company occurring in 2023 is more than 20% below the forecast amount, it is due to the fact that the Company and related parties did not trigger or reduce the sales of goods and purchase of goods according to the actual needs of the Company. It is a normal business behavior, in line with the objective situation, and without harming the interests of the Company and minority shareholders.

Therefore, all the Independent Directors agree to the proposal, and agree to submit

this proposal to the Board of Directors of the Company for consideration, and the related Directors should withdraw from voting in accordance with the regulations.

**VII. Documents for Reference**

1. Resolutions of the Third Session of the Eleventh Board of Directors of JMC;
2. Opinions of the Independent Directors at the special meeting on the Company's 2024 routine related party transaction forecast proposal

**Board of Directors**  
**Jiangling Motors Corporation, Ltd.**  
**December 12, 2023**