

Share's code: 000550 Share's Name: Jiangling Motors No.: 2024-004
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Jiangling Motors Corporation, Ltd.
Public Announcement on Providing
Financial Assistance to a Holding Subsidiary

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.

Important note:

1. Jiangling Motor Corporation, Ltd. (hereinafter referred to as "JMC" or the "Company") intends to provide financial assistance in the form of borrowing to its holding subsidiary Jiangling Ford Motor Technology (Shanghai) Co., Ltd. (hereinafter referred to as "Jiangling Ford (Shanghai)") to meet the capital turnover and daily operation needs of Jiangling Ford (Shanghai), the quota of which should not exceed RMB 178.5 million. The fund usage fee shall be settled according to the actual use of funds and the bank loan interest rate of the same period. The quota of the financial assistance shall be valid from the date of approval at the shareholders' meeting to December 31, 2026.
2. This financial assistance has been reviewed and approved at the paper Board meeting of the Company held from January 10 to January 18, 2024. This financial assistance is subject to approval by the shareholders' meeting of the Company.
3. The object of this financial assistance is a holding subsidiary within the scope of the Company's consolidated statements, over which the Company has substantial control and influence. The Company is able to implement effective risk control on its business and capital management, to ensure the safety of the Company's funds. The overall risk of this financial assistance is controllable, and this financial assistance dose not hurt the interests of the Company and shareholders, especially minority shareholders.

I. Brief Introduction of the Financial Assistance

The Board of Directors of the Company approved the *Proposal on Providing Financial Assistance to A Holding Subsidiary* in form of paper meeting held from January 10 to January 18, 2024, on which the Company agreed to provide financial assistance to Jiangling Ford (Shanghai), a holding subsidiary of the Company, with its own funds in the form of borrowing, to meet the cash-flow and daily operation needs of Jiangling Ford (Shanghai). The quota of the financial assistance shall not exceed RMB 180 million, and the fund usage fee shall be settled according to the actual amount of the used funds and the bank loan interest rate of the same period. The financial assistance

quota shall be valid from the date of approval by the shareholders' meeting to December 31, 2026.

The financial assistance will not affect the Company's normal business development and use of funds, and does not belong to the situations, stipulated in the Rules Governing Listing of Stock on Shenzhen Stock Exchange and the No. 1 of Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies - Standardized Operation of Main Board Listed Companies, under which the financial assistances shall not be provided.

When voting on the financial assistance, Director Shengpo Wu, Director Ryan Anderson and Director Xiong Chunying withdrew from the voting, and all the other Directors agreed with this proposal. Because the debt-to-asset ratio of Jiangling Ford (Shanghai) exceeded 70 percent, according to the relevant regulations in the Rules Governing Listing of Stock on Shenzhen Stock Exchange, the financial assistance is subject to approval by the shareholders' meeting of the Company.

II. Basic information of the funded subject

1. Basic information of Jiangling Ford (Shanghai)

Company Name: Jiangling Ford Motor Technology (Shanghai) Co., Ltd.

Legal representative: Anderson Liu

Registered capital: RMB 200 millions

Unify social credit code: 91310115MA7EX46E6U

Registered address: 33rd Floor, 211 Century Avenue, China (Shanghai) Pilot Free Trade Zone

Established date: December 7, 2021

Enterprise Type: Engineering and technology research and experimental development, sales of vehicles, new energy vehicles, auto parts, etc.

The Company has not provided financial assistance to Jiangling Ford (Shanghai), and there were no cases where financial assistance was not repaid in time after maturity.

Jiangling Ford (Shanghai) has a good credit status and is not a person subject to enforcement for trust-breaking.

Shareholding structure:

Shareholder Name	Shareholding Percentage
Jiangling Motor Corporation, Ltd.	51%
Ford Motor Company	49%

Main financial data of Jiangling Ford (Shanghai)

Unit: RMB thousand

Item	December 31, 2023	December 31, 2022
Assets	948,410.4	443,233.9
Liabilities	1,693,865.7	449,704.4

Equity	-745,455.3	-6,470.5
Total amount of contingencies involved	-	-
Item	Year 2023	Year 2022
Revenue	643,047.9	124,029.6
Net profit	-838,984.8	-106,470.5

Note: the financial data for 2022 is audited, and the financial data for 2023 is unaudited.

III. Basic information and obligations of other shareholders of the funded subject

1. Basic information

Company Name: Ford Motor (China) Ltd.

Headquarter Location: Detroit, USA

Chairman: Bill Ford

Enterprise Type: a USA-based listed company

Business Scope: to design, manufacture, market, and service a full line of Ford cars, trucks, sport utility vehicles (“SUVs”), electrified vehicles, and Lincoln luxury vehicles, provide financial services through Ford Motor Credit Company LLC.

The latest audited financial indexes of Ford Motor Company are as follows:

Unit: US\$ million

	Year 2022
Revenue	158,057
Net profit	-1,981
	December 31, 2022
Total assets	255,884
Total equity	43,167

After inquiry, Ford Motor Company is not a person subject to enforcement for trust-breaking.

2. Obligations of other shareholders of the funded subject

Ford Motor Company, the minority shareholder of Jiangling Ford (Shanghai) and the controlling shareholder of the Company, intends to provide financial assistance on the same terms per the shareholding proportion.

IV. The main contents of the financial assistance agreement

The Company intends to sign a borrowing agreement with Jiangling Ford (Shanghai), the main terms of which are as follows:

1. Sponsor: Jiangling Motor Corporation, Ltd.
2. Funded subject: Jiangling Ford Motor Technology (Shanghai) Co., Ltd.
3. Borrowing amount: not exceed RMB 178.5 million
4. Borrowing term: the Date of approval by the shareholders’ meeting to December 31, 2026
5. Purpose of funds: to meet the cash-flow and daily operation needs of Jiangling Ford

(Shanghai)

6. Borrowing rate: bank loan interest rate of the same period
7. Repayment method: repay the principal and interests at one time
8. Mortgage or guarantee: no mortgage or guarantee

The specific content is subject to the actual borrowing agreement.

V. Risk analysis and risk control measures of financial assistance

The object of this financial assistance is a holding subsidiary within the scope of the Company's consolidated statements, and the Company is able to implement effective risk control over its business and cash management. After the approval of the shareholders' meeting, the Company will sign a financial assistance agreement with Jiangling Ford (Shanghai) and arrange the financial assistance according to the cash needs of Jiangling Ford (Shanghai). In addition to providing financial assistance, the Company will strengthen the daily operation management on the holding subsidiary, pay close attention to its cash receipts and payments, assets and liabilities, and strengthen the risk control of its finance and cash management to ensure the safety of the Company's funds.

The above financial assistance amount accounts for a low proportion of the total assets of the Company, and the overall risk is controllable, therefore, the financial assistance will not damage the interests of the Company and all the shareholders, especially the minority and medium shareholders, and will not have a significant impact on the daily operation of the Company.

VI. Opinions from the Board of Directors

The Board of Directors of the Company agreed to provide the above-mentioned financial assistance in order to further support the daily operation and business development of the holding subsidiary and improve the profitability of the Company. The object of this financial assistance is a holding subsidiary within the scope of the Company's consolidated statements, and the financial risk is within the scope of the Company's effective control, therefore, the Company providing financial assistance to the subsidiary within the aforesaid quota and term will not damage the interests of the Company and the shareholders.

VII. Cumulative amount of financial assistance provided and overdue amount

As of the disclosure date of the announcement, the Company has not provided external financial assistance.

VIII. Documents for Reference

1. Resolutions of the Board of Directors of Jiangling Motors Corporation, Ltd.;

Board of Directors

Jiangling Motors Corporation, Ltd.

January 20, 2024