

Share's code: 000550                      Share's Name: Jiangling Motors    No.: 2024-034  
200550    Jiangling B

## **Jiangling Motors Corporation, Ltd.**

### **Public Announcement on the Changes in Accounting Policies**

**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.**

**Special note:** Jiangling Motors Corporation, Ltd. (hereinafter referred to as the 'Company') has changed its accounting policies in accordance with the requirements of "Compilation of Application Guidelines for Enterprise Accounting Standards 2024" issued by the Ministry of Finance of the People's Republic of China. These changes in accounting policies do not need to be submitted to the Board of Directors and the shareholders' meeting of the Company for consideration, and do not have any material impact on the Company's financial position, results of operations and cash flows.

#### **I. Brief Introduction of the changes in accounting policies**

##### **(i) Reasons for the changes**

The Ministry of Finance of the People's Republic of China (hereinafter referred to as the "MOF") issued the "Compilation of Application Guidelines for Enterprise Accounting Standards 2024" in March 2024, of which the expected liabilities arising from quality assurance should be recorded into cost of sales. Due to the abovementioned revision of accounting standards, the Company is required to make corresponding adjustments to the relevant accounting policies previously adopted.

##### **(ii) Date of the changes**

The Company implemented the aforesaid accounting standards from January 1, 2024 and made changes to the related accounting policies.

##### **(iii) Accounting policies adopted before the changes**

Prior to these changes in accounting policies, the Company implemented the "Accounting Standards for Business Enterprises - Basic Standards", each of the specific accounting standards, the Guidelines for "Application of Accounting Standards for Business Enterprises (ASBEs)", ASBEs Interpretation Bulletins, and other relevant regulations issued by the MOF.

##### **(iv) Accounting policies adopted after the changes**

The Company shall follow the relevant provisions of the "Compilation of Application Guidelines for Enterprise Accounting Standards 2024" issued by the MOF in March 2024. Other unchanged parts are still in accordance with the "Accounting Standards for Business Enterprises - Basic Standards", each of the specific accounting standards, the Guidelines on the Application of Accounting Standards for Business Enterprises

(ASBE), the ASBE Interpretation Bulletins, and other relevant regulations issued by the MOF in the previous period.

## II. Impact of the changes in accounting policies on the Company

The MOF issued the “Compilation of Application Guidelines for Enterprise Accounting Standards 2024” in March 2024, of which the expected liabilities arising from quality assurance should be recorded into cost of sales. In the first half of 2024, the Company has adopted the guidelines to compile and prepare the financial statements of the Company for the first half of 2024, and the main impacts of the Company's implementation of this provision are as follows:

Consolidated financial statements:

Affected report project names	January to June 2023		
	Before adjustment	After adjustment	Impact amount
Selling and distribution expenses	655,850,091	529,719,611	-126,130,480
Cost of sales	13,156,439,449	13,282,569,929	126,130,480

Company financial statements:

Affected report project names	January to June 2023		
	Before adjustment	After adjustment	Impact amount
Selling and distribution expenses	72,461,216	64,683,930	-7,777,286
Cost of sales	12,862,306,219	12,870,083,505	7,777,286

The changes in accounting policies are changes made by the Company in accordance with the provisions and requirements of the relevant accounting standards issued by the MOF. The changed accounting policies are able to reflect the Company's financial position and operating results in a more objective and fair manner. The changes in accounting policies are in compliance with relevant laws and regulations and the actual situation of the Company, and do not materially affect the Company's financial position, operating results and cash flows, as well as do not jeopardize the interests of the Company and its shareholders.

**Board of Directors**

**Jiangling Motors Corporation, Ltd.**

**August 30, 2024**