

Jiangling Motors Corporation, Ltd.



2025 Half-year Report

2025-08

Chapter I Important Notes, Contents and Abbreviations

Important Note

The Board of Directors and its members, the Supervisory Board and its members, and the senior executives are jointly and severally liable for the truthfulness, accuracy and completeness of the information disclosed in the Report and confirm that the information disclosed herein does not contain any false statement, misrepresentation or major omission.

Chairman Qiu Tiangao, CFO Joey Zhu and Chief of Finance Department, Hu Hanfeng, confirm that the Financial Statements in this Half-year Report are truthful, accurate and complete.

All the Directors were present at the Board meeting to review this Half-year Report.

Future plans, development strategies and other forward-looking statements in this report do not constitute a substantial commitment of the Company to investors. Investors are advised to pay attention to investment risks.

The Company's possible risks and countermeasures are described in Section 3 of this report, "Management Discussion and Analysis". Please investors pay attention to the relevant content.

Neither cash dividend nor stock dividend was distributed. The Board decided not to convert capital reserve to share capital this time.

The Half-year Report is prepared in Chinese and English. In case of discrepancy, the Chinese version will prevail.

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Catalogue on Documents for Reference

1. Originals of 2025 Half-year financial statements signed by Chairman, Chief Financial Officer and Chief of Finance Department.
2. Originals of all the documents and public announcements disclosed in newspapers designated by CSRC in the first half of 2025.
3. Chinese version of the Half-year Report prepared per the China GAAP.

Abbreviations:

CSRC	China Securities Regulatory Commission
JMCG	Jiangling Motors Group Co., Ltd.
Ford	Ford Motor Company
JIC	Nanchang Jiangling Investment Co., Ltd.
JMC or the Company	Jiangling Motors Corporation, Ltd.
EVP	Executive Vice President
CFO	Chief Financial Officer
VP	Vice President

Chapter II Brief Introduction and Operating Highlights

1. Company's information

Share's name	Jiangling Motors, Jiangling B	Share's Code	000550, 200550
Place of listing	Shenzhen Stock Exchange		
Company's Chinese name	江铃汽车股份有限公司		
English name	Jiangling Motors Corporation, Ltd.		
Abbreviation	JMC		
Company legal representative	Qiu Tiangao		

2. Contact person and method

	Board Secretary	Securities Affairs Representative
Name	Xu Lanfeng	Quan Shi
Address	No. 2111, Yingbin Middle Avenue, Nanchang City, Jiangxi Province, P.R.C	No. 2111, Yingbin Middle Avenue, Nanchang City, Jiangxi Province, P.R.C
Tel	86-791-85266178	86-791-85266178
Fax	86-791-85232839	86-791-85232839
E-mail	relations@jmc.com.cn	relations@jmc.com.cn

3. Other

I. Contact methods

Changes of registered address, headquarter address, postal code, website and e-mail in the reporting period

☐Applicable ☒Not Applicable

The Company's registered address, headquarter address, postal code, website and e-mail remain unchanged during the reporting period.

For details, please refer to the 2024 Annual report.

II. Changes of newspapers and website for information disclosure, and place for accessing half-year report in the reporting period

☐Applicable ☒Not Applicable

There is no change of names of the media and website of Stock Exchange for publication of the Company's Half-year Report and the place for accessing the Company's Half-year Report in the reporting period. Please refer to 2024 Annual Report for details.

III. Other Relevant Information

Whether other relevant information has changed during the reporting period

☐Applicable ☒Not Applicable

4. Main accounting data and financial ratios

Whether the previous accounting data should be retroactively adjusted?

☐Yes ☒No

Unit: RMB

	Reporting period (2025 first half)	Same period last year	Change (%)
Revenue	18,092,386,210	17,920,065,801	0.96%
Profit Attributable to the Equity Holders of the Company	732,728,047	895,480,117	-18.17%
Net Profit Attributable to Shareholders of Listed Company After Deducting Non-Recurring Profit or Loss	539,916,206	811,172,488	-33.44%
Net Cash Generated From Operating Activities	-64,497,784	733,329,677	-108.80%
Basic Earnings Per Share (RMB)	0.85	1.04	-18.27%
Diluted Earnings Per Share (RMB)	0.85	1.04	-18.27%
Weighted Average Return on Equity Ratio	6.30%	8.29%	Down 1.99 percentage points
	At the end of the reporting period	At the end of the previous year	Change (%)
Total Assets	31,031,239,311	30,839,912,640	0.62%
Shareholders' Equity Attributable to the Equity Holders of the Company	11,240,231,455	11,292,579,854	-0.46%

5. Accounting data difference between China GAAP and IFRS

I. Differences in net profit and net assets in financial statements between in accordance with international accounting standards and Chinese accounting standards

☐Applicable ☒Not Applicable

II. Differences in net profit and net assets in financial statements between in accordance with overseas accounting standards and Chinese accounting standards

☐Applicable ☒Not Applicable

6. Non-recurring profit and loss items and amounts

☒Applicable ☐Not Applicable

Unit: RMB

	Reporting period (2025 first half)
Profit and loss of non-current assets disposal (including the charge-off part of the asset impairment provision)	18,414,462
Government subsidies included in the current profit and loss	202,242,182
In addition to the effective hedging business related to the normal operating business of the Company, holding the gains and losses of fair value changes arising from trading financial assets and trading financial liabilities, as well as the investment income obtained from the disposal of trading financial assets, trading financial liabilities and available for sale financial assets	3,713,253
Capital occupation fee charged for non-financial enterprises included in the current profit and loss	1,240,008
Other non-operating income and expenses except the above	1,448,653
Other profit and loss items that meet the definition of non-recurring profit and loss	-86,573
Less: Income tax impact amount	33,644,788
Influence of minority shareholders' equity	515,356
Total	192,811,841

Details of other profit and loss items that meet the definition of non-recurring profit and loss

☐Applicable ☒Not Applicable

There is no other profit and loss items that meet the definition of non-recurring profit and loss in the Company.

The description of the non-recurring profit and loss items listed in Corporate Information Disclosure of Public Issuing Securities No.1 are defined as recurring profit and loss items

☐Applicable ☒Not Applicable

The Company does not have a situation in which the non-recurring profit and loss items listed in No.1 of Corporate Information Disclosure Announcement No.1 are defined as recurring profit and loss.

Chapter III Management Discussion and Analysis

1. Company's Core Business During the Reporting Period

In the first half of 2025, the automotive industry continued its strong growth momentum, driven by a combination of factors including a stable and improving domestic economy, further intensification of the old-for-new car replacement policy, the full implementation of local subsidy details, the launch of a large number of new models, and half-yearly sales targets. In the first half of the year, the total production and sales of automobiles were 15,621 thousand and 15,653 thousand, with YOY growth of 12.5% and 11.4% respectively. Among them, the production and sales of passenger cars were 13,522 thousand and 13,531 thousand, with YOY growth of 13.8% and 13.0% respectively, while those of commercial vehicles were 2,099 thousand and 2,122 thousand, with YOY growth of 4.7% and 2.6% respectively. New energy vehicles continue the momentum of rapid growth, and their production and sales in the first half of the year were 6,988 thousand and 6,937 thousand, with YOY growth of 41.4% and 40.3% respectively, and the market share was 44.3%.

During the reporting period, the Company's main business is the production and sale of commercial vehicles, SUVs and related components. The main products include JMC light truck, Pickup, light bus, Ford-branded light bus, MPV, Pickup and SUV products. JMC also produces engines, frame, and components. The Company takes high quality development as the main line, focuses on value, lean operation, and transforms from scale expansion development to lean value growth.

In the first half of 2025, JMC continued to increase its technological reserves and investment in new products, intelligent connection network, new energy and lightweighting, and strengthened its digital operation capability to realize the transformation of “four online”, including “products online”, “customers online”, “processes online” and “employees online”. Through digital technology, the Company improved operational efficiency, optimized business processes and innovated business models, and focused on customer-centered integration of the whole value chain. Meanwhile, JMC actively expanded its transport capacity operation and used car business, integrated intelligent technology into its service system, and gradually formed a customer-centered commercial vehicle ecosystem to focus on the entire life cycle of automobiles and provided customers with all-around solutions. JMC actively laid out the RV business and off-road pickup and modified car market to create unique products and lead the market trend; at the same time, the Company created industry-leading automatic driving solutions through close cooperation with its partners.

2. Core Competitiveness Analysis

The Company is a modern Sino-foreign joint venture that integrates automobile research and development, manufacturing and sales. It is a pioneer in the Chinese auto industry that provides excellent products and solutions for the intelligent logistics field by relying on the market leadership and advanced technology of light commercial vehicles. It owns the titles of National High-tech Enterprise, National Innovation Pilot Enterprise, National Enterprise Technology Center, National Industrial Design Center, National Intellectual Property Demonstration Enterprise, and National Vehicle Export Base. It has been ranking among the top 100 most valuable automobile brands in the world for many consecutive years. In the first half of 2025, JMC light bus ranked No.1 in the segment, with sales of 47,111 thousand units, a year -on -year increase of 23.09%, Pickup ranked No.2 in the segment, with sales of 33,194 thousand units, and light truck ranked No.7 in the segment, with sales of 35,333 thousand units, a year -on -year increase of 21.91%. JMC export sales have made sustained growth, with sales of 690 thousand units, a year -on -year increase of 24.3%.

The Company is a full scenario solution provider for light commercial vehicles. JMC light bus has an insight into customers' needs and the light bus operation scenarios, and has launched high-quality, excellent and cost-effective light bus product portfolios, achieving the full coverage of scenarios like freight, and passenger transport. At the same time, it also continues to hold the first place in the market in light passenger conversion scenarios such as traveling, camping, services and ambulance. JMC Light Trucks has launched its new E Shunda products based on in-depth customer insights, significantly expanding the Company's new energy truck application scenarios. The Company has released a new generation of Shunda products featuring a new cab and a new Blue Flame engine, further enhancing vehicle comfort and fuel efficiency to better serve urban distribution customers. JMC Pickup launched the new Baodian and the new Yuhu in the first half of this year, enhancing the power system and multi-scenario adaptability, and further enriching the full price range product matrix layout in the pickup market.

The Company adheres to the dual-brand strategy of Self-owned and Ford, giving full play to its own advantages while deeply integrating Ford's global system. In terms of technology research and development, with the help of Ford's global platform, the Company has gradually formed the core competitiveness of independent research and development, established an independent research and development system, built an advanced global digital design platform, and jointly develops, designs and launches specific new products with Ford. The Company has been an industry-leading technology center and industrial design center in terms of brand channels, the Company currently has more than 700 tier 1 dealers, with a total of more than 2,000 dealers, and has established a modern marketing system through the four-in-one franchise model of sales, accessories, service and information. At the same time, with the ultimate powerful off-road product experience, personalized

customized modification and the abundant community activities as the pillars, more than 120 Ford Beyond experience centers have been built across the country. The Ford Bronco holds a cumulative market share of 50% in the mid-size traditional fuel-powered SUV segment priced above RMB 300,000, ranking first in its segment. In terms of product launches, the Ford Bronco Desert Runner was introduced on 16 March to elevate the overall positioning of the model. Subsequently, the Ford Bronco Heritage special model made its debut at the Shanghai International Auto Show in April. Drawing inspiration from the most timeless classic elements of the Bronco's heritage, it combines modern off-road technology to pay homage to the legend through innovation, becoming a spiritual symbol of trend-setting culture. Building on this foundation, the Company has strategically deployed multiple series and categories for Ford Bronco, including the Black Diamond, Outer banks, Badlands, and Everglades models, precisely catering to the diverse needs of off-road enthusiasts. In the future, the Company will further enhance the off-road capabilities and personalized attributes of Ford Bronco's product lineup while advancing the development of new energy variants. Additionally, the Company has established a comprehensive product matrix for Ford Ranger across three series—XLS, XLT, and Wildtrak—along with multiple versions, including special editions like the FX4, to better meet customer demand for premium, passenger-oriented, and intelligent features. Moving forward, the Company will continue to strengthen the powertrain and off-road performance of Ford Ranger's products, introducing high-end plug-in hybrid electric (PHEV) Pickup models to further enrich Ford's off-road vehicle portfolio. In terms of manufacturing management, the Company has vehicle production bases such as Xiaolan Plant and Fushan Plant, covering stamping, welding, painting, diesel engines, gasoline engines and other advanced manufacturing technology, to create a highly intelligent, highly flexible smart manufacturing center. The Company deepening the commercialisation of L4-level autonomous freight vehicles, completing cumulative testing and verification of unmanned mileage, and planning to explore commercial transport cooperation. In terms of new energy, JMC has launched various new energy products such as E-Shunda and E-Fushun, released the new energy transportation brand "JMC Fun-to-Drive" which expanded the transportation and leasing business of the Company, and committed to providing customers with systematic solution of "full-scene product coverage, full-scene customer service, and full-scene ecological construction" from a holistic perspective to create the greatest value for users from a practical point of view. In terms of export business, the all-new second-generation Ford Equator sport model has been launched, featuring both traditional gasoline-powered models and a new hybrid variant. These models are available in the Middle East, Africa, Latin America, the Philippines, and countries in the Indochina Peninsula. The Equator sport is currently popular in 67 countries (regions) worldwide, thanks not only to its diversified market expansion strategy but also to its exceptional product quality. The Equator sport won the 'Ford Global Quality Excellence Award' in 2025 for its outstanding quality performance, one of the highest honours in Ford's global product quality field.

3. Core Business Analysis

Summary

Refer to the relevant content of “1. the Company’s Core Business During the Reporting Period”.

Year-over-Year Changes of Main Financial Data

Unit: RMB

	2025 1H	2024 1H	YOY change (%)	Reason
Revenue	18,092,386,210	17,920,065,801	0.96%	
Cost of sales	15,539,656,822	15,489,880,688	0.32%	
Distribution costs	466,792,493	617,075,751	-24.35%	
Administrative expenses	460,681,221	460,505,827	0.04%	
Finance expense	-55,376,687	-87,655,467	36.82%	Mainly due to a decline in interest income from bank deposits.
Income tax expense	84,084,738	-56,969,254	247.60%	Mainly the effect of changes in profits.
Research and Development Expenditure	785,291,234	802,077,814	-2.09%	
Net cash generated from operating activities	-64,497,784	733,329,677	-108.80%	Mainly due to the decrease of cash received from sales of goods during the same period.
Net cash used in investing activities	-430,065,793	-688,756,260	37.56%	Mainly due to the decrease in cash paid for the purchase and construction of fixed assets during the period.
Net cash used in financing activities	-199,608,603	-823,411,831	75.76%	Mainly due to the increase in borrowings.
Net increase/(decrease) in cash and cash equivalents	-694,172,180	-778,838,414	10.87%	

Significant changes in the composition or source of profits during the reporting period

☐Applicable ☒Not Applicable

There was no significant change in the composition or source of profits in the period.

Composition of Core Business

Unit: RMB

	2025 First Half		2024 First Half		YOY change (%)
	Amount	Proportion (%)	Amount	Proportion (%)	
Revenue	18,092,386,210	100%	17,920,065,801	100%	0.96%
By Industry					
Automobile Industry	18,092,386,210	100%	17,920,065,801	100%	0.96%
By Products					
Vehicle	16,473,174,098	91.05%	16,234,132,009	90.59%	1.47%
Components	879,700,380	4.86%	858,699,049	4.80%	2.45%
Automobile Maintenance services, etc.	294,749,827	1.63%	343,013,155	1.91%	-14.07%
Material & Others	444,761,905	2.46%	484,221,588	2.70%	-8.15%
By region					
China	18,092,386,210	100%	17,920,065,801	100%	0.96%

Reach 10% of Revenue or Profit by Industry, Product or Region

☒Applicable ☐Not Applicable

Unit: RMB

	Turnover	Cost	Gross Margin	Y-O-Y turnover change (%)	Y-O-Y Cost Change (%)	Y-O-Y gross margin change (points)
By Industry						
Automobile Industry	18,092,386,210	15,539,656,822	14.11%	0.96%	0.32%	0.55%
By Products						
Vehicle	16,473,174,098	14,334,899,112	12.98%	1.47%	1.49%	-0.01%
By Region						
China	18,092,386,210	15,539,656,822	14.11%	0.96%	0.32%	0.55%

If the Company's core business scope is adjusted during the reporting period, the Company's core business data of last year need to be adjusted per the scope in this year

☐Applicable ☒Not Applicable

4. Non-core business analysis

☐Applicable ☒Not Applicable

5. Analysis of Assets and Liabilities

I. Major changes

Unit: RMB

Asset item	June 30, 2025		December 31, 2024		YOY
					Proportion change
	Amount	Proportion	Amount	Proportion	(Points)
Cash and cash equivalents	11,840,450,248	38.16%	12,546,295,890	40.68%	-2.52%
Accounts receivable	5,685,857,715	18.32%	4,181,008,234	13.56%	4.76%
Inventories	1,590,186,600	5.12%	2,054,517,242	6.66%	-1.54%

Long-term equity investments	209,494,706	0.68%	219,298,031	0.71%	-0.03%
Fixed assets	5,972,145,854	19.25%	5,749,474,005	18.64%	0.61%
Construction in progress	501,719,953	1.62%	661,911,780	2.15%	-0.53%
Right-of-use asset	118,011,325	0.38%	158,485,688	0.51%	-0.13%
Short-term borrowings	1,400,000,000	4.51%	1,500,000,000	4.86%	-0.35%
Contract liabilities	635,547,682	2.05%	467,704,291	1.52%	0.53%
Long-term borrowings	703,163	0.00%	941,453	0.00%	0.00%
Lease liabilities	19,244,305	0.06%	93,752,634	0.30%	-0.24%

II. Main Overseas Assets

☐Applicable ☒Not Applicable

III. The fair value of the assets and liabilities.

☒Applicable ☐Not Applicable

Unit: RMB

Item	financial assets	1.Trading financial assets (excluding derivative financial assets)	2. Derivative financial assets	financial assets Subtotal	Financing receivables	Subtotal	Financial liabilities
Beginning of the period			12,612,380	12,612,380	302,065,502	314,677,882	0
Loss/profit in fair value in the period			-8,044,297	-8,044,297		-8,044,297	
Cumulative changes in fair value recorded into equity							
Impairment in the period							
Purchase in the period		55,000,000		55,000,000	4,011,029,791	4,066,029,791	
Sell in the period		55,000,000		55,000,000	4,002,793,082	4,057,793,082	
Other changes							
End of the period			4,568,083	4,568,083	310,302,211	314,870,294	0

Other change
None.

Whether there is a significant change in the measurement attributes of the Company's main assets during the reporting period

☐Applicable ☒Not Applicable

IV. Restriction on Assets Rights as of the End of the Reporting Period

Unit: RMB

Items	Book value at the end of the period	Cause for restriction
Cash and cash equivalents	8,856,058	Frozen funds for litigation.

6. Investment Analysis

I. Summary

☐Applicable ☒Not Applicable

II. Obtained Major Equity Investment during the Reporting Period

☐Applicable ☒Not Applicable

III. Ongoing Major Non-Equity Investment during the Reporting Period

☐Applicable ☒Not Applicable

IV. Financial Assets Investment

(a) Stock Investment

☐Applicable ☒Not Applicable

There was no stock investment during the reporting period.

(b) Derivative Investment

(b) Derivative Investment

☒Applicable ☐Not Applicable

(1) Derivative investments for hedging purposes during the reporting period

☒Applicable ☐Not Applicable

Units: RMB'000

Types of Derivatives Investments	Foreign Exchange - Forward Purchase	Total
Initial investment amount	231,890	231,890
Amount at the beginning of the year	470,390	470,390
Gains and losses on fair value changes during the period	-7,180	-7,180
Cumulative fair value changes recognized in equity	3,450	3,450
Amount acquired during the reporting period	64,000	64,000
Amount sold during the reporting period	393,110	393,110
Amount at the end of the year	141,280	141,280
Proportion of the investment amount at the end of the period to the Company's net assets at the end of the reporting period	1.26%	1.26%

Statement on whether there were significant changes of the accounting policies and specific principles of accounting applied to hedging activities during the reporting period as well as compared with the previous reporting period	No.
Explanation of actual gains and losses during the reporting period	Amount sold during the reporting period was RMB 393.11 million. The actual trading profit during the reporting period was RMB 10.63million.
Description of hedging effects	JMC forward business adheres to the principle of risk neutrality and is based on normal production and operation, with the main purpose of maintaining financial stability and avoiding the risk of exchange rate fluctuations.
Sources of funds for derivatives investments	Self-owned funds.
Risk analysis and description of control measures for derivative positions during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>Risk analysis:</p> <ol style="list-style-type: none"> 1. Market risk: In the case of large exchange rate fluctuations, losses may arise from the deviation of the exchange rate of the forward contract from the market spot rate on the maturity date of the contract; 2. Liquidity risk: it may be due to inaccurate forecasts that the delivery date signed by the forward is inconsistent with the actual delivery date, resulting in insufficient funds available for use at the time of delivery, which triggers the risk of fund liquidity and leads to failure to deliver as scheduled; 3. Credit risk: It may be due to inaccurate forecast, the delivery date signed by the forward is not consistent with the actual delivery period, resulting in the risk of delayed delivery caused by the forward foreign exchange transactions cannot be delivered according to the agreed time; 4. Operational risk: the risk may be caused by imperfect internal control mechanism and improper operation mode of operators; 5. Legal risk: may face legal risks due to insufficient completeness of contract terms or disputes over jurisdictional terms. <p>Risk control measures:</p> <ol style="list-style-type: none"> 1. The Company conducts forward foreign exchange transactions based on scientific forecasts of forward foreign exchange demand in accordance with its business plan to meet operational needs, to avoid and prevent the impact of exchange rate fluctuations on the Company, and does not engage in speculative transactions; 2. With regard to the possible performance guarantee issues arising from foreign exchange

	<p>derivative transactions, the business execution department of the Company will establish a tracking mechanism to implement tracking management of the progress of business receipts and payments to effectively prevent the risk of default on delivery and ensure that potential losses are controlled within the minimum scope;</p> <p>3. Through strengthening the training of business knowledge, the Company will enhance the comprehensive business quality of relevant personnel and improve the ability to identify and prevent risks;</p> <p>4. The Company has formulated the Foreign Exchange Risk Control Process, and the operators strictly follow the requirements of the system;</p> <p>5. The Company chooses financial institutions with legitimate qualifications, good credit and long-term business relations with the Company as counterparties for forward foreign exchange transactions, with low risk of default.</p>
Disclosure of changes in the market prices or fair value of derivative instruments held during the reporting period. The analysis of the fair value of derivatives shall disclose the specific valuation methods applied, as well as the underlying assumptions and parameters used.	The Company recognizes and measures the fair value in accordance with Chapter 7 "Measurement of Financial Instruments" of "Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments", and the fair value is basically determined by reference to the bank's pricing for the purpose of fair value measurement and recognition. During the reporting period, the gain or loss on fair value changes of foreign exchange forward contracts amounted to RMB - 7.18 million.
Litigation status	No.
Derivatives Investment Approval Board Announcement Disclosure Date	2025.03.29

(2) Derivative investments for speculative purposes during the reporting period

☐Applicable ☒Not Applicable

During the reporting period, the Company did not engage in any derivative investments for speculative purposes.

V. Usage of Raised Fund

☐Applicable ☒Not Applicable

There was no usage of raised fund on the reporting period.

7. Sales of Major Assets and Equity

I. Sales of Major Assets

☐Applicable ☒Not Applicable

No Major Assets were sold during the reporting period.

II. Sales of Major Equity

☐Applicable ☒Not Applicable

8. Analysis of major shareholding companies

☒Applicable ☐Not Applicable

Operating Results of Main Subsidiaries and Joint-Stock Companies whose impact on JMC's net profit more than 10%

Unit: RMB'000

Name of companies	Jiangling Motors Sales Corporation, Ltd	JMC Heavy Duty Vehicle Co., Ltd.	Jiangling Ford Motor Technology (Shanghai) Co., Ltd.
Type of companies	Subsidiary	Subsidiary	Holding subsidiary
Main business	Sales of vehicles and service parts.	Production and sales of automobiles, engines and other automotive parts.	Engineering and technology research and experimental development, sales of vehicles, new energy vehicles, auto parts, etc.
Registered capital	50,000.00	1,323,793.20	200,000.00
Total assets	5,554,314.30	360,146.40	875,345.40
Net assets	132,263.80	327,635.10	-1,421,149.70
Turnover	9,645,758.20	931.00	1,667,276.80
Operating profit	-27,614.20	-8,412.20	2,622.40
Net profit	-20,479.90	-8,126.60	1,779.60

Acquisition and disposal of the subsidiaries

☐Applicable ☒Not Applicable

Description of the main holding and participating companies

None.

9. Structured Entities Controlled by JMC

☐Applicable ☒Not Applicable

10. Potential Challenges and Solutions

Since the beginning of 2025, against the backdrop of sluggish global economic recovery, frequent geopolitical conflicts, and rising trade protectionism, China's national economy has persevered under pressure, achieving stable growth with

key indicators exceeding expectations. In the second half of the year, despite uncertainties in the external environment and significant pressures from internal structural adjustments, the foundation for China's stable economic growth remains solid, and the economy is expected to maintain a steady, progressive, and positive development trend. However, with the continuous rise in the penetration of new energy, the accelerated adoption of intelligent technologies, persistent price wars, and intensified market concentration, competition has become increasingly fierce, posing significant challenges to the Company's operations. To sustain steady growth, the Company will focus on the following key areas:

(1) Always adhere to a customer-centric approach, closely monitor customer needs in an ever-evolving market environment, actively explore and develop new business opportunities, continuously seek growth drivers, and gain a competitive edge in the industry.

(2) Advance the production and market launch of new energy product projects with high quality, enrich the product portfolio, build differentiated services for the new energy platform, and further boost sales and market penetration of new energy products.

(3) Continue to explore overseas market opportunities, accelerate the R&D and project initiation of export-oriented products, diversify the product portfolio, strengthen brand building, and enhance product competitiveness as well as customer service capabilities.

(4) Focus on the development and innovation of new energy, intelligent connectivity, and software capabilities, rapidly build core technologies and competencies, and enhance new competitive advantages in the industrial landscape.

(5) Accelerate digital transformation, expand the application of AI models in product development, intelligent manufacturing, and marketing services, and continuously improve customer experience and business operational efficiency.

(6) Continue to strengthen the awareness of cost reduction and efficiency improvement among all employees, carry out comprehensive cost reduction and efficiency improvement initiatives, strengthen the management of operating cash flow, and consolidate and improve operational quality.

(7) Strengthen corporate governance, strictly comply with national laws and regulations, and improve risk assessment and control mechanisms.

The Company consistently adheres to a customer-centric philosophy, advancing the launch of strategic new product projects, actively exploring new marketing models, driving brand upgrades and channel renewal, accelerating the implementation of key measures in its new energy strategy, increasing sales and penetration rates of new energy products, and continuing to solidify its leadership position in the light commercial vehicle sector. Accelerate the new energy transformation of passenger vehicles and continue to build an off-road ecosystem; continuously enhance overseas market service capabilities, expand the overseas product portfolio, and drive significant improvements in export business; explore new business areas and profit models; steadfastly advance the development of the 'New Four Modernisations' and accelerate digital transformation. At the same time, the Company will continue to strengthen and improve quality standards, promote comprehensive cost reduction and efficiency improvements, optimise cost structures, enhance profitability, and generate sufficient cash flow to support the Company's high-quality development.

11. Development and implementation of the market value management system and valuation enhancement plan

Whether the Company has a market value management system in place.

☐Yes ☒No

Whether the Company has disclosed plans for valuation enhancement.

☐Yes ☒No

12. Implementation of the action plan of "Double Enhancement of Quality and Return"

Whether the Company has disclosed the action plan of "Double Enhancement of Quality and Return".

☐Yes ☒No

Chapter IV Corporate Governance Structure, Environment and Social

1. Changes of Directors, Supervisors and senior management

☒Applicable ☐Not Applicable

Name	Position	Status	Date	Reason
Chen Lei	VP	Employment	2025.01.01	Appointment due to work need.

2. Proposal on profit distribution and converting capital reserve to share capital for the reporting period

☐Applicable ☒Not Applicable

The Company planned that neither cash dividend nor stock dividend was distributed, and not to convert capital reserve to share capital for the first half of 2024.

3. Implementation of Equity Incentive Plan, Employee Stock Ownership Plan and Other Employee Incentive Method

☐Applicable ☒Not Applicable

There was neither equity incentive plan or ESOP, nor other employee incentive method during the reporting period.

4. Environmental Information Disclosure Status

Whether the listed company and its major subsidiaries are included in the list of enterprises required to disclose environmental information in accordance with the law.

☒Applicable ☐Not Applicable

Number of enterprises included in the accordance with the law environmental information disclosure list (units)			1
Serial Number	Company name	Environmental Information Disclosure Report Index	
1	Jiangling Motors Corporation, Ltd.	1. National Pollutant Discharge Permit Management Information Platform https://permit.mee.gov.cn/permitExt/defaults/default-index!getInformation.action 2. Nanchang Industrial Solid Waste Regulatory Platform http://117.40.240.237:10086/index.jsp 3. Credit China https://www.creditchina.gov.cn/	

5. Social responsibility

The Company has thoroughly implemented the decisions and plans of the Party Central Committee regarding consolidating poverty alleviation achievements and comprehensively advancing rural revitalisation. In accordance with the work requirements of the Jiangxi Provincial Party Committee and Provincial Government, under the leadership of JMCG, the Company has implemented targeted poverty alleviation efforts in Hongxing Village, Liuhu Town, Honggutan New District, Nanchang City. At the same time, the Company actively fulfils its corporate social responsibility by continuously deepening its public welfare brand project, "JMC Xiqiao Project." This project closely aligns with the national rural revitalisation strategy, with the brand slogan 'Building Bridges in Rural Areas, Connecting the Path to Revitalisation', further expanding the scope of its public welfare initiatives.

Chapter V Major Events

1. Commitments of actual controlling parties, shareholders, related parties, acquirers and the Company finished in the reporting period or overdue unfinished by the end of the reporting period

☐Applicable ☒Not Applicable

There is no commitment of actual controlling parties, shareholders, related parties, acquirers and the Company finished in the reporting period or overdue unfinished by the end of the reporting period.

2. Non-operating funding in the Company occupied by controlling shareholder and its affiliates

☐Applicable ☒Not Applicable

There was no non-operating funding in the Company occupied by controlling shareholder and its affiliates.

3. Illegal outside guarantee

☐Applicable ☒Not Applicable

The Company had no illegal outside guarantee during the reporting period.

4. Appointment or Dismissal of Accounting Firm

Whether the 2025 half-year report is audited?

☐Yes ☒No

JMC 2025 half-year report is not audited.

5. Explanation of the Board of Directors, the Supervisory Board to abnormal opinions from accounting firm for the reporting period

☐Applicable ☒Not Applicable

6. Explanation of the Board of Directors to abnormal opinions from accounting firm in 2024 report

☐Applicable ☒Not Applicable

7. Related Matters regarding Bankruptcy

☐Applicable ☒Not Applicable

There was no matter involving bankruptcy during the reporting period.

8. Litigation or arbitration

Major Litigation or Arbitration

☐Applicable ☒Not Applicable

There was no major litigation or arbitration during the reporting period.

Other litigation

☐Applicable ☒Not Applicable

9. Punishment

☐Applicable ☒Not Applicable

10. Honesty and credit of JMC and its controlling shareholder or actual controlling party

☐Applicable ☒Not Applicable

11. Major related transactions

I. Routine related party transactions

☒Applicable ☐Not Applicable

Please refer to the note 8 “Related party Transactions” to the financial statements in the Chapter VIII Financial Statements for details.

Index of the announcement on forecast of the routine related party Transactions:

Name	Disclosure Date	Website for Disclosure
Public Announcement on Forecast of the Routine Related Party Transactions in 2025	2024.12.12	www.cninfo.com.cn.

II. Major related party transaction concerning transfer of assets or equity

☐Applicable ☒Not Applicable

There was no major related party transaction concerning transfer of assets or equity in the reporting period.

III. Related party transaction concerning outside co-investment

☐Applicable ☒Not Applicable

There was no outside co-investment during the reporting period.

IV. Related credit and debt

☒Applicable ☐Not Applicable

Is there non-operating related credit and debt?

☐Yes ☒No

The Company had no non-operating related credit and debt in the reporting period.

V. Transaction with related financial companies or financial companies that the company holds

☒Applicable ☐Not Applicable

Deposit business

Related party	The related relationship	Maximum daily deposit limit	Deposit rate	Balance at the beginning of the period(RMB thousands)	Current amount		Balance at the end of the period (RMB thousands)
					Deposit amount (RMB thousands)	Take out the amount (RMB thousands)	
JMCG Finance Company	Wholly-owned Subsidiary of JMCG	*	0.85%-1.55%	1,407,600	6,925,070	6,972,180	1,360,490

* Note: JMC applies the consolidated deposit limit in JMCG Finance Company at the end of each month to the lower of the following: 1) 25% of JMCG Finance Company absorbed deposit in prior year end; or 2) 12% of JMC's consolidated total cash reserve.

Loan business

Related party	The related relationship	loan limit (RMB thousands)	Loan rate range	Balance at the beginning of the period (RMB thousands)	Current amount		Balance at the end of the period (RMB thousands)
					Loan amount (RMB thousands)	Repayment amount (RMB thousands)	
JMCG Finance Company	Wholly-owned Subsidiary of JMCG	1,300,000	0%	0	0	0	0

Granting credit or other financial business

Related party	The related relationship	Type of business	Total (RMB thousands)	Actual amount (RMB thousands)
JMCG Finance Company	Wholly-owned Subsidiary of JMCG	Granting credit	1,300,000	0

VI. The transactions between the financial company controlled by the company and its related parties

☐Applicable ☒Not Applicable

The Company has no controlling financial company.

VII. Other major related party transactions

☐Applicable ☒Not Applicable

The Company has no other major related party transaction in the reporting period.

12. Major Contracts and Execution

(1) Entrustment, contract or lease

a. Entrustment

☐Applicable ☒Not Applicable

There was no entrustment in the reporting period.

b. Contract

☐Applicable ☒Not Applicable

There was no contract in the reporting period.

c. Lease

☒Applicable ☐Not Applicable

Please refer to the Note 5 (13), note 5 (15), note 5 (30), note 5 (60) and note 8 (5) (b) of the financial statements in the Chapter VIII Financial Statements for details.

Project of which the profit and loss brought for the company reaches more than 10% of the total profit of the company during the reporting period

☐Applicable ☒Not Applicable

There was no leasing project of which the profit and loss brought for the Company reached more than 10% of the total profit of the Company during the reporting period.

II. Major guarantee

☐Applicable ☒Not Applicable

The Company had no outside guarantee in the reporting period.

III. Entrusted financial management

☐Applicable ☒Not Applicable

There was no entrusted financial management in the reporting period.

IV. Other Major Contracts

☐Applicable ☒Not Applicable

There was no other major contract in the reporting period.

13. Other major events

☐Applicable ☒Not Applicable

There was no other major event in the reporting period.

14. Major event of JMC subsidiary

☐Applicable ☒Not Applicable

Chapter VI Share Capital Changes & Shareholders

1. Changes of shareholding structure

I. Table of the changes of shareholding structure

	Before the change		Change (+, -)					After the change	
	Shares	Proportion of total shares (%)	New shares	Bonus Shares	Reserve-converted shares	Others	Sub-total	Shares	Proportion of total shares (%)
I. Limited tradable A shares	750,840	0.09%						750,840	0.09%
1. Other domestic shares	750,840	0.09%						750,840	0.09%
Including:									
Domestic legal person shares	745,140	0.09%						745,140	0.09%
Domestic natural person shares	5,700	0.00%						5,700	0.00%
II. Unlimited tradable shares	862,463,160	99.91%						862,463,160	99.91%
1. A shares	518,463,160	60.06%						518,463,160	60.06%
2. B shares	344,000,000	39.85%						344,000,000	39.85%
III. Total	863,214,000	100.00%						863,214,000	100.00%

Causes of shareholding changes

☐Applicable ☒Not Applicable

Approval of changes of shareholding structure

☐Applicable ☒Not Applicable

Shares Transfer

☐Applicable ☒Not Applicable

Progress in the implementation of share repurchase

☒Applicable ☐Not Applicable

As of July 31, 2025, the Company has repurchased 8,570,478 JMC A-shares through its dedicated securities account for share repurchases via centralized bidding, representing 0.9929% of the Company's total outstanding shares. The highest transaction price was RMB 20 per share, and the lowest transaction price was RMB 18.86 per share, with a transaction amount of RMB 168,889,440 (excluding transaction fees). The Company's repurchase progress complies with relevant laws and regulations and complies with the approved share repurchase plan.

The implementation progress of reducing the buyback shares by means of centralized bidding

☐Applicable ☒Not Applicable

Impact on accounting data, such as the latest EPS, diluted EPS, shareholders' equity attributable to the equity holders of the Company, generated from shares transfer

☐Applicable ☒Not Applicable

Others to be disclosed necessarily or per the requirements of securities regulator

☐Applicable ☒Not Applicable

II. Changes of limited A shares

☐Applicable ☒Not Applicable

2. Securities issuance and listing

☐Applicable ☒Not Applicable

3. Shareholders and shareholding status

Total shareholders (as of June 30, 2025)	JMC had 42,757 shareholders, including 36,816 A-shareholders, and 5,941 B-shareholders.					
Shareholding status of shareholders holding more than 5% of shares or the top 10 shareholders (excluding shares lent through securities lending)						
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares at the End of Year	Change (+,-)	Shares with Trading Restriction	Shares due to mortgage or mark or frozen
Nanchang Jiangling Investment Co., Ltd.	State-owned legal person	41.03%	354,176,000	0	0	0
Ford Motor Company	Foreign legal person	32.00%	276,228,394	0	0	0
Hong Kong Securities Clearing Company Ltd. (HKSCC)	Foreign legal person	1.78%	15,323,218	-10,086,791	0	0
Jin Xing	Domestic natural person	0.66%	5,731,700	-105,000	0	0
China Merchants Securities (HK) Co., Ltd.	Foreign legal person	0.56%	4,795,775	-171,800	0	0
Zhou Jianqi	Domestic natural person	0.25%	2,121,300	0	0	0
Industrial and Commercial Bank of China Limited - HTFTZ Intelligent Manufacturing Stock Securities Investment Fund	Domestic non-State-owned legal persons	0.24%	2,070,624	2,070,624	0	0
China Merchants Bank Co., Ltd. - China Southern CSI 1000 Exchange Traded Open-End Index Securities Investment Fund	Domestic non-State-owned legal persons	0.22%	1,902,230	185,700	0	0
National Social Security Fund - One One Seven Combinations	Domestic non-State-owned legal persons	0.18%	1,510,670	1,510,670	0	0
Li Guilin	Domestic natural person	0.17%	1,501,420	1,501,420	0	0
Notes on association among above-mentioned shareholders		None.				
Description of the above shareholders' entrusted / entrusted voting rights and waived voting rights		None.				
A special description of the special repurchase account among the top 10 shareholders		JMC Share Repurchase Special Securities Account holds 8,570,478 A shares of the Company, representing 0.9929% of the total outstanding shares of the Company.				
Top ten shareholders holding unlimited tradable shares						
Shareholder Name			Shares without Trading Restriction		Share Type	
Nanchang Jiangling Investment Co., Ltd.			354,176,000		A share	
Ford Motor Company			276,228,394		B share	
Hong Kong Securities Clearing Company Ltd. (HKSCC)			15,323,218		A share	
Jin Xing			5,731,700		B share	
China Merchants Securities (HK) Co., Ltd.			4,795,775		B share	

Zhou Jianqi	2,121,300	A share
Industrial and Commercial Bank of China Limited - HTFTZ Intelligent Manufacturing Stock Securities Investment Fund	2,070,624	A share
China Merchants Bank Co., Ltd. - China Southern CSI 1000 Exchange Traded Open-End Index Securities Investment Fund	1,902,230	A share
National Social Security Fund - One One Seven Combinations	1,510,670	A share
Li Guilin	2,157,624	A share
Explanation of the association or concerted action between the top 10 unlimited tradable shareholders, and between the top 10 unlimited tradable shareholders and the top 10 shareholders	None.	

Participation of Shareholders holding more than 5% of shares, top 10 shareholders and top 10 shareholders with unlimited shares in the lending of shares in the refinancing business

☐Applicable ☒Not Applicable

Change in the top 10 shareholders of the Company and the top 10 shareholders with unlimited shares from the previous period due to lending/repatriation of refinancing business

☐Applicable ☒Not Applicable

Stock buy-back by top ten shareholders or top ten shareholders holding unlimited tradable shares in the reporting period

☐Applicable ☒Not Applicable

The top 10 common shareholders of the Company and the top 10 common shareholders with unlimited conditions of sale did not conduct agreed repurchase transactions during the reporting period.

4. Changes of shares held by Directors, Supervisors and senior management

☐Applicable ☒Not Applicable

There was no change of shares held by Directors, Supervisors and senior management in the reporting period. Please refer to 2024 annual report for details.

5. Change of controlling shareholders or actual controlling parties

Change of controlling shareholders

☐Applicable ☒Not Applicable

There was no change of controlling shareholders during the reporting period.

Change of actual controlling parties

☐Applicable ☒Not Applicable

There was no change of actual controlling parties during the reporting period.

6. Preferred Shares

☐Applicable ☒Not Applicable

JMC had no preferred shares in the reporting period.

Chapter VII Bond related Information

☐Applicable ☒Not Applicable

Chapter VIII

Financial Statements

JIANGLING MOTORS CORPORATION, LTD.

FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

[English translation for reference only. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.]

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

ASSETS	Notes	30 June 2025 Consolidated*	31 December 2024 Consolidated	30 June 2025 Company*	31 December 2024 Company
Current assets					
Cash and cash equivalents	5(1)	11,840,450,248	12,546,295,890	8,812,639,341	9,269,593,792
Derivative financial assets	5(2)	4,568,083	12,612,380	4,568,083	12,612,380
Notes receivable	5(3)	570,313	226,865	1,000,570,313	1,500,226,865
Accounts receivable	5(4)、14(1)	5,685,857,715	4,181,008,234	6,715,437,913	5,521,047,573
Financing receivables	5(5)	310,302,211	302,065,502	22,005,635	18,070,384
Advances to suppliers	5(6)	45,567,217	94,749,172	45,567,217	94,749,172
Other receivables	5(7)、14(2)	55,829,685	54,013,240	231,205,459	144,617,207
Inventories	5(8)	1,590,186,600	2,054,517,242	1,582,189,364	2,046,549,034
Current portion of non-current assets	5(10)	16,089,107	20,784,738	9,271,197	15,161,497
Other current assets	5(9)	1,214,078,126	1,228,372,977	782,122,256	777,406,955
Total current assets		20,763,499,305	20,494,646,240	19,205,576,778	19,400,034,859
Non-current assets					
Long-term receivables	5(11)	17,387,215	18,533,908	-	1,584,891
Long-term equity investments	5(12)、14(3)	209,494,706	219,298,031	762,148,636	771,951,961
Fixed assets	5(13)	5,972,145,854	5,749,474,005	5,118,985,576	5,111,224,814
Construction in progress	5(14)	501,719,953	661,911,780	434,498,010	582,757,760
Right-of-use assets	5(15)	118,011,325	158,485,688	104,359,703	142,207,976
Intangible assets	5(16)	1,753,990,312	1,811,454,853	1,537,017,915	1,596,623,962
Development expenditures	5(17)	152,800,683	188,103,430	152,800,683	188,103,430
Goodwill	5(20)	-	-	-	-
Deferred tax assets	5(18)	1,535,803,432	1,530,144,365	-	-
Other non-current assets	5(19)	6,386,526	7,860,340	6,386,526	7,860,340
Total non-current assets		10,267,740,006	10,345,266,400	8,116,197,049	8,402,315,134
TOTAL ASSETS		31,031,239,311	30,839,912,640	27,321,773,827	27,802,349,993

* Unaudited financial indexes

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND EQUITY	Notes	30 June 2025 Consolidated*	31 December 2024 Consolidated	30 June 2025 Company*	31 December 2024 Company
Current liabilities					
Short-term borrowings	5(21)	1,400,000,000	1,500,000,000	1,000,000,000	1,500,000,000
Accounts payable	5(22)	10,276,435,013	10,061,223,944	10,271,525,911	10,047,585,502
Contract liabilities	5(23)	635,547,682	467,704,291	272,153,347	536,871,795
Employee benefits payable	5(24)	638,813,703	780,174,574	557,704,024	672,858,988
Taxes payable	5(25)	127,849,617	265,198,389	117,562,476	256,969,632
Other payables	5(26)	5,899,601,355	5,739,064,167	2,507,594,559	2,130,094,497
Current portion of non-current liabilities	5(27)	83,537,908	86,155,114	77,892,029	81,053,594
Other current liabilities	5(28)	346,008,533	341,548,441	45,182,598	98,829,073
Total current liabilities		19,407,793,811	19,241,068,920	14,849,614,944	15,324,263,081
Non-current liabilities					
Long-term borrowings	5(29)	703,163	941,453	703,163	941,453
Lease liabilities	5(30)	19,244,305	93,752,634	10,506,914	82,241,628
Provisions	5(31)	300,621,143	287,165,703	5,487,495	3,553,345
Deferred income	5(32)	65,827,527	61,202,010	65,769,194	61,202,010
Long-term employee benefits payable	5(33)	57,627,748	59,342,000	57,276,748	58,991,000
Deferred tax liabilities	5(18)	220,032,344	130,301,876	201,632,325	111,616,233
Other non-current liabilities	5(34)	415,521,158	370,793,523	-	-
Total non-current liabilities		1,079,577,388	1,003,499,199	341,375,839	318,545,669
Total liabilities		20,487,371,199	20,244,568,119	15,190,990,783	15,642,808,750
Equity					
Share capital	5(35)	863,214,000	863,214,000	863,214,000	863,214,000
Capital surplus	5(36)	839,442,490	839,442,490	839,442,490	839,442,490
Less: treasury shares	5(37)	168,909,971	-	168,909,971	-
Other comprehensive income	5(38)	(26,388,000)	(26,388,000)	(26,738,000)	(26,738,000)
Special reserve		3,812,986	5,371,093	3,589,087	5,147,194
Surplus reserve	5(39)	431,607,000	431,607,000	431,607,000	431,607,000
Retained earnings	5(40)	9,297,452,950	9,179,333,271	10,188,578,438	10,046,868,559
Total equity attributable to shareholders of the Company		11,240,231,455	11,292,579,854	12,130,783,044	12,159,541,243
Minority interests		(696,363,343)	(697,235,333)	-	-
Total equity		10,543,868,112	10,595,344,521	12,130,783,044	12,159,541,243
TOTAL LIABILITIES AND EQUITY		31,031,239,311	30,839,912,640	27,321,773,827	27,802,349,993

* Unaudited financial indexes

Legal representative: Qiu Tiangao

CFO: Joey Zhu

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY INCOME STATEMENTS
For six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Notes	2025 First Half-year Consolidated*	2024 First Half- year Consolidated*	2025 First Half- year Company*	2024 First Half- year Company*
Revenue	5(41)、14(4)	18,092,386,210	17,920,065,801	17,406,169,505	17,885,950,058
Less: Cost of sales	5(41)、14(4)	(15,539,656,822)	(15,489,880,688)	(15,239,926,676)	(15,176,367,555)
Taxes and surcharges	5(42)	(542,573,504)	(673,383,353)	(532,041,500)	(651,112,639)
Selling and distribution expenses	5(43)	(466,792,493)	(617,075,751)	(79,713,765)	(63,278,732)
General and administrative expenses	5(44)	(460,681,221)	(460,505,827)	(426,432,074)	(420,738,982)
Research and development expenses	5(45)	(652,925,801)	(617,237,727)	(652,925,801)	(617,237,727)
Financial expenses	5(46)	55,376,687	87,655,467	46,578,703	61,810,235
Including: Interest expenses		(8,006,883)	(13,395,131)	(3,904,430)	(13,169,162)
Interest income		74,461,188	116,562,375	61,200,769	90,256,996
Add: Other income	5(49)	321,265,671	379,965,220	316,023,140	379,781,774
Investment income	5(50)、14(5)	679,581	6,108,391	(594,717)	3,455,680
Including: Share of loss of associates and joint ventures		(9,803,325)	(2,527,255)	(9,803,325)	(2,527,255)
Gains on changes in fair value	5(51)	(7,003,758)	4,948,826	(7,182,998)	4,970,251
Credit impairment losses	5(48)	(2,295,627)	2,387,703	(2,973,269)	(184,716)
Asset impairment losses	5(47)	42,736	4,296,473	42,736	4,296,473
Gains on disposal of assets	5(52)	18,372,675	10,657,596	18,587,389	10,372,755
Operating profit		816,194,334	558,002,131	845,610,673	1,421,716,875
Add: Non-operating income	5(53)	1,697,188	1,134,539	926,403	205,746
Less: Non-operating expenses	5(54)	(206,747)	(5,221,095)	(202,738)	(2,565,347)
Total profit		817,684,775	553,915,575	846,334,338	1,419,357,274
Less: Income tax expenses	5(55)	(84,084,738)	56,969,254	(90,016,091)	(155,090,033)
Net profit		733,600,037	610,884,829	756,318,247	1,264,267,241
Classified by continuity of operations					
Net profit from continuing operations		733,600,037	610,884,829	756,318,247	1,264,267,241
Net profit from discontinued operations		-	-	-	-
Classified by ownership of the equity					
Minority interests		871,990	(284,595,288)	-	-
Attributable to shareholders of the Company		732,728,047	895,480,117	756,318,247	1,264,267,241
Other comprehensive income, net of tax		-	-	-	-
Attributable to shareholders of the Company					
Other comprehensive income items which will not be reclassified to profit or loss					
Changes arising from remeasurement of defined benefit plan	5(38)	-	-	-	-
Attributable to minority interests		-	-	-	-
Total comprehensive income		733,600,037	610,884,829	756,318,247	1,264,267,241
Attributable to shareholders of the Company		732,728,047	895,480,117	756,318,247	1,264,267,241
Attributable to minority interests		871,990	(284,595,288)	-	-
Earnings per share					
Basic earnings per share (RMB Yuan)	5(56)	0.85	1.04	—	—
Diluted earnings per share (RMB Yuan)	5(56)	0.85	1.04	—	—

* Unaudited financial indexes

Legal representative: Qiu Tiangao

CFO: Joey Zhu

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS
For six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note	2025 First Half-year Consolidated*	2024 First Half-year Consolidated*	2025 First Half-year Company*	2024 First Half-year Company*
Cash flows (used in)/generated from operating activities					
Cash received from sales of goods or rendering of services		18,065,495,131	18,941,092,268	17,662,368,377	18,741,276,443
Refunds of taxes		-	164,581,363	-	164,581,363
Cash received relating to other operating activities	5(57)	284,304,086	118,884,525	245,989,854	95,504,577
Sub-total of cash inflows		18,349,799,217	19,224,558,156	17,908,358,231	19,001,362,383
Cash paid for goods and services		(14,632,015,284)	(14,491,870,430)	(14,018,348,095)	(13,973,193,906)
Cash paid to and on behalf of employees		(1,489,737,422)	(1,478,169,089)	(1,380,952,099)	(1,350,502,965)
Payments of taxes and surcharges		(1,043,908,883)	(1,462,969,310)	(1,028,058,774)	(1,420,869,779)
Cash paid relating to other operating activities	5(57)	(1,248,635,412)	(1,058,219,650)	(721,703,374)	(642,894,199)
Sub-total of cash outflows		(18,414,297,001)	(18,491,228,479)	(17,149,062,342)	(17,387,460,849)
Net cash flows (used in)/generated from operating activities	5(58)	(64,497,784)	733,329,677	759,295,889	1,613,901,534
Cash flows used in investing activities					
Cash received from disposal of investments		55,000,000	400,000,000	3,400,000	-
Cash received from returns on investments		264,648	6,789,112	-	4,136,400
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		39,374,129	9,005,122	37,584,825	7,544,579
Cash received relating to other investing activities	5(57)	86,306,501	128,144,704	62,942,334	103,696,833
Sub-total of cash inflows		180,945,278	543,938,938	103,927,159	115,377,812
Cash paid to acquire fixed assets intangible assets and other long-term assets		(555,808,114)	(832,578,865)	(548,027,823)	(835,883,605)
Cash paid to acquire investments		(55,000,000)	(400,000,000)	(92,750,000)	-
Cash paid relating to other investing activities		(202,957)	(116,333)	(202,957)	(116,333)
Sub-total of cash outflows		(611,011,071)	(1,232,695,198)	(640,980,780)	(835,999,938)
Net cash flows used in investing activities		(430,065,793)	(688,756,260)	(537,053,621)	(720,622,126)
Cash flows used in financing activities					
Cash received from borrowings		2,933,325,556	995,542,778	2,448,764,444	995,542,778
Cash received relating to other financing activities		-	661,625	-	-
Sub-total of cash inflows		2,933,325,556	996,204,403	2,448,764,444	995,542,778
Cash repayments of borrowings		(2,950,240,906)	(1,802,237,020)	(2,950,240,906)	(1,802,237,020)
Cash payments for distribution of dividends, profits or interest expenses		(315,656)	(4,455,249)	(315,656)	(4,455,249)
Cash paid relating to other financing activities	5(57)	(182,377,597)	(12,923,965)	(179,521,751)	(8,831,429)
Sub-total of cash outflows		(3,132,934,159)	(1,819,616,234)	(3,130,078,313)	(1,815,523,698)
Net cash flows used in financing activities		(199,608,603)	(823,411,831)	(681,313,869)	(819,980,920)
Effect of foreign exchange rate changes on cash and cash equivalents					
		-	-	-	-
Net (decrease)/ increase in cash and cash equivalents	5(58)	(694,172,180)	(778,838,414)	(459,071,601)	73,298,488
Add: Cash and cash equivalents at beginning of year	5(58)	12,475,176,009	11,746,518,615	9,214,091,023	8,648,791,242
Cash and cash equivalents at end of period	5(58)	11,781,003,829	10,967,680,201	8,755,019,422	8,722,089,730

* Unaudited financial indexes

Legal representative: Qiu Tiangao

CFO: Joey Zhu

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For six months ended 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Note	Attributable to shareholders of the parent company							Minority interests	Total equity
		Share capital	Capital surplus	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings		
Balance at 1 January 2024		863,214,000	839,442,490	-	(20,572,000)	3,821,625	431,607,000	8,232,632,623	(365,273,118)	9,984,872,620
Movements for six months ended 30 June 2024*		-	-	-	-	780,355	-	305,041,741	(284,595,288)	21,226,808
Total comprehensive income										
Net profit/(loss)		-	-	-	-	-	-	895,480,117	(284,595,288)	610,884,829
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	895,480,117	(284,595,288)	610,884,829
Capital contributed by owners and capital decreases										
Capital invested by shareholders		-	-	-	-	-	-	-	-	-
Profit distribution										
Distribution to shareholders	5(40)	-	-	-	-	-	-	(590,438,376)	-	(590,438,376)
Special reserves										
Withdrawal this period		-	-	-	-	12,307,442	-	-	-	12,307,442
Used this period		-	-	-	-	(11,527,087)	-	-	-	(11,527,087)
Balance at 30 June 2024*		863,214,000	839,442,490	-	(20,572,000)	4,601,980	431,607,000	8,537,674,364	(649,868,406)	10,006,099,428
Balance at 1 January 2025		863,214,000	839,442,490	-	(26,388,000)	5,371,093	431,607,000	9,179,333,271	(697,235,333)	10,595,344,521
Movements for six months ended 30 June 2025*		-	-	168,909,971	-	(1,558,107)	-	118,119,679	871,990	(51,476,409)
Total comprehensive income										
Net profit		-	-	-	-	-	-	732,728,047	871,990	733,600,037
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	732,728,047	871,990	733,600,037
Capital contributed by owners and capital decreases										
Repurchase of shares	5(37)	-	-	168,909,971	-	-	-	-	-	(168,909,971)
Profit distribution										
Distribution to shareholders	5(40)	-	-	-	-	-	-	(614,608,368)	-	(614,608,368)
Special reserve										
Withdrawal this period		-	-	-	-	10,109,653	-	-	-	10,109,653
Used this period		-	-	-	-	(11,667,760)	-	-	-	(11,667,760)
Balance at 30 June 2025*		863,214,000	839,442,490	168,909,971	(26,388,000)	3,812,986	431,607,000	9,297,452,950	(696,363,343)	10,543,868,112

* Unaudited financial indexes

Legal representative: Qiu Tiangao

CFO: Joey Zhu

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
COMPANY STATEMENT OF CHANGES IN EQUITY
For six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note	Share capital	Capital surplus	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total equity
Balance at 1 January 2024		863,214,000	839,442,490	-	(20,979,000)	3,821,625	431,607,000	8,577,966,162	10,695,072,277
Movements for six months ended 30 June 2024*		-	-	-	-	780,355	-	673,828,865	674,609,220
Total comprehensive income									
Net profit		-	-	-	-	-	-	1,264,267,241	1,264,267,241
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	1,264,267,241	1,264,267,241
Profit distribution									
Distribution to shareholders	5(40)	-	-	-	-	-	-	(590,438,376)	(590,438,376)
Special reserve									
Withdrawal this period		-	-	-	-	12,307,442	-	-	12,307,442
Used this period		-	-	-	-	(11,527,087)	-	-	(11,527,087)
Balance at 30 June 2024*		863,214,000	839,442,490	-	(20,979,000)	4,601,980	431,607,000	9,251,795,027	11,369,681,497
Balance at 1 January 2025		863,214,000	839,442,490	-	(26,738,000)	5,147,194	431,607,000	10,046,868,559	12,159,541,243
Movements for six months ended 30 June 2025*		-	-	168,909,971	-	(1,558,107)	-	141,709,879	(28,758,199)
Total comprehensive income									
Net profit		-	-	-	-	-	-	756,318,247	756,318,247
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	756,318,247	756,318,247
Capital contributed by owners and capital decreases									
Repurchase of shares	5(37)	-	-	168,909,971	-	-	-	-	(168,909,971)
Profit distribution									
Distribution to shareholders	5(40)	-	-	-	-	-	-	(614,608,368)	(614,608,368)
Special reserve									
Withdrawal this period		-	-	-	-	10,109,653	-	-	10,109,653
Used this period		-	-	-	-	(11,667,760)	-	-	(11,667,760)
Balance at 30 June 2025*		863,214,000	839,442,490	168,909,971	(26,738,000)	3,589,087	431,607,000	10,188,578,438	12,130,783,044

* Unaudited financial indexes

Legal representative: Qiu Tiangao

CFO: Joey Zhu

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

1 General information

Jiangling Motors Corporation, Ltd. (hereinafter “the Company”) is a Sino-foreign joint stock enterprise established under the approval of Hong ban (1992) No. 005 of Nanchang Revolution and Authorisation Group of Company’s Joint Stock on the basis of Jiangxi Motors Manufacturing Factory on 16 June 1992. The address of its headquarters is Nanchang City, Jiangxi Province of the People’s Republic of China (“the PRC”).

On 23 July 1993, with the approval of the China Securities Regulatory Commission (hereinafter “CSRC”) (Zheng Jian Fa Shen Zi [1993] No. 22) and (Zheng Jian Han Zi [1993] No. 86), the Company was listed on the Stock Exchange of Shenzhen on 1 December 1993, issuing 494,000,000 shares in total. On 8 April 1994, a total of 25,214,000 shares were distributed for the 1993 dividend distribution programme with the approval of the shareholders’ meeting and Jiangxi Securities Management Leading Group (Gan Securities [1994] No. 02). In 1995, with the approval of CSRC (Zheng Jian Fa Zi [1995] No. 144) and the Shenzhen Securities Management Office (Shen Zheng Ban Fu [1995] No. 92), the Company issued 174,000,000 ordinary shares (“B shares”). In 1998, with the approval of CSRC (Zheng Jian Guo Zi [1998] No. 19), the Company issued additional 170,000,000 B shares.

According to the resolution of the shareholders’ meeting regarding the split share structure reform on 11 January 2006, the Company implemented the *Scheme on Split Share Structure Reform* on 13 February 2006. After the implementation, the Company’s total paid-in capital remains the same. Related details are disclosed in Note 5(35).

As at 30 June 2025, the Company’s paid-in capital totalled RMB863,214,000, with par value of RMB1 per share.

The actual principal business scope of the Company and its subsidiaries (hereinafter “the Group”) includes production and sales of automobile assemblies such as automobiles, special (modified) vehicles, engines and chassis and other automobile parts, and provision of related after-sales services; retail and wholesale of imported FORD E series automobiles of Ford Motor (China) Co., Ltd. as the dealer; import and export of automobiles and parts; dealership of used cars; provision of enterprise management and consulting services related to production and sales of automobiles.

These financial statements were authorised for issue by the Company’s Board of Directors on 25 August 2025.

2 Basis of preparation of the financial statement

(1) Basis of preparation

The financial statements are prepared in accordance with the *Accounting Standard for Business Enterprises - Basic Standard*, specific accounting standards and relevant regulations and in subsequent periods (hereinafter collectively referred to as “the Accounting Standards for Business Enterprises” or “CASs”) and the disclosure requirements in the *Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 - General Rules on Financial Reporting* issued by CSRC.

(2) Going concern

These financial statements have been prepared on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

3 Summary of significant accounting policies and accounting estimates

The Group determines specific accounting policies and estimates based on the features of its production and operation, which mainly comprise the measurement of expected credit losses on receivables, valuation of inventories, Inventory write-down provision, depreciation of fixed assets and amortisation of intangible assets and right-of-use assets, criteria for capitalisation of development expenditures, impairment of long-term assets, recognition and measurement of revenue, and government grants etc.

(1) Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements of the Company for six months ended 30 June 2025 are in compliance with the Accounting Standards for Business Enterprises, and truly and completely present the consolidated and company's financial position of the Company as at 30 June 2025 and their financial performance, cash flows and other information for the period then ended.

(2) Accounting year

The Group's accounting year is a calendar year, i.e. from 1 January to 31 December each year.

(3) Functional currency

The base currency of the Company and its subsidiaries and the currency used in the preparation of these financial statements are RMB. Unless otherwise specified, they are expressed in RMB.

(4) The determination method and selection basis of the material standard followed by financial statement disclosure

Significant recovery or reversal of allowance for doubtful accounts receivable

Significant prepayments with an aging of over 1 year

Significant construction in progress

Significant non-wholly owned subsidiaries

Significant associated companies

The amount of a single recovery or reversal exceeds 1% of the total amount of various receivables and is greater than RMB 15 million.

The amount of a single prepayment exceeds 10% of the total amount of various prepayments and is greater than RMB 15 million.

The budget of a single project exceeds RMB 50 million.

The net assets of the subsidiary account for more than 5% of the group's net assets, or its net profit impact reaches 10% or more of the group's consolidated net profit.

The carrying value of long-term equity investment in a single investee exceeds 5% of the group's net assets or is greater than RMB 100 million, or the investment income/loss under the equity method accounts for 10% or more of the group's consolidated net profit.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

3 Summary of significant accounting policies and accounting estimates (Cont'd)

(5) Preparation of consolidated financial statements

The scope of consolidation of the consolidated financial statements is determined on a control basis, including the financial statements of the Company and all of its subsidiaries. "Subsidiary" refers to the entity controlled by the Company (including the divisible part of the enterprise and the investee, as well as the structured entity controlled by the Company, etc.). An investor can control an investee if and only if the investor has the following three elements: the investor has authority over the investee; Variable returns for participation in the investee's related activities; Ability to use power over the investee to influence the amount of its return.

If the accounting policies or accounting periods adopted by the subsidiary are inconsistent with those adopted by the Company, the financial statements of the subsidiary shall be adjusted as necessary in accordance with the accounting policies and accounting periods of the Company when preparing the consolidated financial statements. The assets, liabilities, equity, revenues, expenses and cash flows arising from all transactions between companies within the Group are fully offset at the time of the consolidation.

If the current loss shared by the minority shareholders of the subsidiary exceeds the share of the minority shareholders in the shareholders' equity at the beginning of the period, the balance shall still be offset against the minority shareholders' equity.

For subsidiaries acquired through a business combination not under common control, the operating results and cash flows of the acquiree are included in the consolidated financial statements from the date on which the Group acquires control until the termination of the Group's control over them. In preparing the consolidated financial statements, the financial statements of subsidiaries are adjusted on the basis of the fair value of the identifiable assets, liabilities and contingent liabilities determined at the date of acquisition.

For subsidiaries acquired through a business combination under the same control, the operating results and cash flows of the consolidated party are included in the consolidated financial statements from the beginning of the current period of consolidation. When compiling the comparative consolidated financial statements, the relevant items of the previous financial statements are adjusted to be deemed to have existed since the ultimate controller began to exercise control.

If changes in relevant facts and circumstances result in a change in one or more of the control elements, the Group will reassess whether to control the investee.

Without loss of control, a change in minority shareholders' interests is treated as an equity transaction.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

3 Summary of significant accounting policies and accounting estimates (Cont'd)

(6) Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value.

(7) Foreign currency translation

The Group translates foreign currency transactions into its functional currency.

At the time of initial recognition of a foreign currency transaction, the amount in the foreign currency is converted into the base currency of account using the spot exchange rate on the date of the transaction, but the capital invested by the investor in the foreign currency is converted at the spot exchange rate on the date of the transaction. At the balance sheet date, the spot exchange rate at the balance sheet date is used for foreign currency monetary items. The resulting differences in settlement and translation of monetary items shall be included in profit or loss for the current period, except for the differences arising from special foreign currency borrowings related to the acquisition and construction of assets eligible for capitalization, which shall be treated in accordance with the principle of capitalization of borrowing costs. Foreign currency non-monetary items measured at historical cost are still translated using the exchange rate used at the time of initial recognition, and the amount in the base currency of accounting remains unchanged. Foreign currency non-monetary items measured at fair value are translated at the spot exchange rate on the date of fair value determination, and the resulting difference is recognized in profit or loss or other comprehensive income for the current period according to the nature of the non-monetary items.

Cash flows in foreign currencies are translated using the spot exchange rate on the date of the cash flows. The effect of exchange rate changes on cash is presented separately in the statement of cash flows as a reconciliation item.

(8) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

3 Summary of significant accounting policies and accounting estimates (Cont'd)

(8) Financial instruments (Cont'd)

(a) Recognition and derecognition of financial instruments

The Group recognises a financial asset or financial liability when it becomes a party to a contract for a financial instrument.

If the following conditions are met, the financial assets (or part of the financial assets, or part of a group of similar financial assets) shall be derecognized, that is, the previously recognized financial assets shall be transferred out of the balance sheet:

- (1) Expiration of the right to receive cash flows from financial assets;
- (2) transferred the right to receive cash flows from financial assets or assumed an obligation under a "transfer agreement" to promptly pay the cash flows received in full to a third party; and substantially transfers substantially all of the risks and rewards of ownership of a financial asset, or, while substantially neither transferring nor retaining substantially all of the risks and rewards of ownership of a financial asset, but relinquishes control of that financial asset.

If the obligation for the financial liability has been fulfilled, cancelled or expired, the financial liability is derecognized. If an existing financial liability is replaced by another financial liability by the same creditor with substantially almost entirely different terms, or the terms of the existing liability are substantially all modified, such replacement or modification is treated as a derecognition of the original liability and recognition of a new liability, the difference in profit or loss for the current period.

The purchase and sale of financial assets in the conventional way is recognized and derecognized according to the accounting of the transaction date. The purchase or sale of financial assets in a conventional manner means the purchase or sale of financial assets in accordance with a contract that provides for the delivery of financial assets in accordance with a schedule normally determined by regulations or market practice. A trading day is the date on which the Group commits to buy or sell a financial asset.

(b) Classification and measurement of financial assets

At the time of initial recognition, the Group's financial assets are classified according to the Group's business model of managing financial assets and the contractual cash flow characteristics of financial assets: financial assets measured at amortized cost, investments in debt instruments measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss. All affected underlying financial assets will be reclassified if and only when the Group changes its business model for managing financial assets.

Financial assets are measured at fair value at the time of initial recognition, but if the accounts receivable or notes receivable arising from the sale of goods or the provision of services, etc., do not contain a material financing component or do not consider the financing component of no more than one year, the initial measurement shall be carried out according to the transaction price.

For financial assets measured at fair value through profit or loss, the relevant transaction costs are directly recognized in the current profit or loss, and the transaction costs related to other types of financial assets are included in the initial recognition amount.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

3 Summary of significant accounting policies and accounting estimates (Cont'd)

(8) Financial instruments (Cont'd)

(b) Classification and measurement of financial assets (Cont'd)

The subsequent measurement of a financial asset depends on its classification:

Investments in debt instruments measured at amortized cost

If a financial asset meets the following conditions at the same time, it is classified as a financial asset measured at amortized cost: the business model for managing the financial asset is to collect contractual cash flows as the goal; The contractual terms of the financial asset provide that the cash flows generated on a specific date are only payments of principal and interest based on the amount of principal not paid. Interest income is recognized using the effective interest rate method for such financial assets, and the gains or losses arising from their derecognition, modification or impairment are included in profit or loss for the current period.

Investments in debt instruments at fair value through other comprehensive income

A financial asset is classified as a financial asset measured at fair value through other comprehensive income if it meets the following conditions: the Group's business model for managing the financial asset is to collect both contractual cash flows and sell financial assets; The contractual terms of the financial asset provide that the cash flows generated on a specific date are only payments of principal and interest based on the amount of principal not paid. Interest income is recognized for such financial assets using the effective interest rate method. Except for interest income, impairment losses and foreign exchange differences, which are recognized as gains or losses for the current period, the remaining fair value changes are recognized as other comprehensive income. When a financial asset is derecognized, the accumulated gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in profit or loss for the current period.

Financial assets at fair value through profit or loss

The above-mentioned financial assets measured at amortized cost and financial assets other than those measured at fair value through other comprehensive income are classified as financial assets measured at fair value through profit or loss. For such financial assets, fair value is used for subsequent measurement, and all changes in fair value are recognized in profit or loss for the current period.

(c) Classification and measurement of financial liabilities

At the time of initial recognition, the Group's financial liabilities are classified as follows: financial liabilities at fair value through profit or loss, and financial liabilities at amortized cost. For financial liabilities measured at fair value through profit or loss, the relevant transaction expenses are directly recognized in the current profit or loss, and the relevant transaction costs of the financial liabilities measured at amortized cost are included in their initial recognition amount.

The subsequent measurement of financial liabilities depends on their classification:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

3 Summary of significant accounting policies and accounting estimates (Cont'd)

(8) Financial instruments (Cont'd)

(c) Classification and measurement of financial liabilities (Cont'd)

Financial liabilities at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss, including trading financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated at fair value through profit or loss at the time of initial recognition. Trading financial liabilities (including derivatives that are financial liabilities) are subsequently measured at fair value, and all changes in fair value are recognized in profit or loss for the current period, except in relation to hedge accounting. For financial liabilities designated as measured at fair value through profit or loss, subsequent measurement is carried out at fair value, and other fair value changes are included in profit or loss for the current period, except for the fair value changes caused by changes in the Group's own credit risk, which are included in other comprehensive income. If the inclusion of changes in fair value caused by changes in the Group's own credit risk into other comprehensive income would cause or magnify the accounting mismatch in profit or loss, the Group will include all changes in fair value (including the amount affected by changes in its own credit risk) in profit or loss for the current period.

Financial liabilities measured at amortized cost

For such financial liabilities, the effective interest rate method is used, and the subsequent measurement is carried out according to the amortized cost.

(d) Impairment of financial instruments

Methods for determining expected credit losses and accounting treatment methods

The Group conducts impairment treatment and recognizes loss provisions for financial assets measured at amortized cost, debt instrument investments measured at fair value with changes recognized in other comprehensive income, and lease receivables based on expected credit losses.

For receivables that do not contain significant financing components, the Group applies a simplified measurement method to measure the loss provision based on the expected credit loss amount equivalent to the entire duration of the receivable.

For lease receivables and receivables that contain significant financing components, the Group has chosen to apply a simplified measurement approach, measuring the loss provision based on the expected credit loss amount equivalent to the entire duration of the receivable.

Apart from the aforementioned simplified measurement methods for financial assets, the Group assesses at each reporting date whether the credit risk has significantly increased since initial recognition. If the credit risk has not significantly increased since initial recognition, it is classified as Stage 1, and the Group measures the loss allowance at an amount equal to the expected credit losses over the next 12 months, calculating interest income based on the carrying amount and the effective interest rate. If the credit risk has significantly increased since initial recognition but no credit impairment has occurred, it is classified as Stage 2, and the Group measures the loss allowance at an amount equal to the expected credit losses over the entire lifetime, calculating interest income based on the carrying amount and the effective interest rate. If credit impairment occurs after initial recognition, it is classified as Stage 3, and the Group measures the loss allowance at an amount equal to the expected credit losses over the entire lifetime, calculating interest income based on amortized cost and the effective interest rate. For financial instruments that have only low credit risk at the reporting date, the Group assumes that the credit risk has not significantly increased since initial recognition.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

3 Summary of significant accounting policies and accounting estimates (Cont'd)

(8) Financial instruments (Cont'd)

(d) Impairment of financial instruments (Cont'd)

The Group's methodology for measuring expected credit losses on financial instruments reflects factors such as the weighted average amount of unbiased probabilities determined by evaluating a range of possible outcomes, the time value of money, and reasonable and evidence-based information on past events, current conditions and projections of future economic conditions that are available at the balance sheet date without unnecessary additional cost or effort.

The credit risk characteristics of various types of financial assets for which the expected credit losses are calculated separately are significantly different from those of other financial assets in this category. When the information of expected credit losses cannot be assessed at a reasonable cost for a single financial asset, the Group divides the receivables into several portfolios based on the credit risk characteristics, calculates the expected credit losses on the basis of the portfolio, and determines the basis and accrual method of the portfolio as follows:

Banker's Acceptance Portfolio	State-owned banks and joint-stock banks
Commercial Acceptance Bill Portfolio	Customers who purchase using commercial acceptance bills
The domestic general vehicle sales mix	For domestic general automobile procurement customers, the overdue date is used as the starting point of overdue aging
Export general vehicle sales mix	For export general automobile procurement customers, the overdue date is used as the starting point of overdue aging
New energy vehicle sales mix	For new energy vehicle procurement customers, the overdue date is used as the starting point of overdue aging
Component sales mix	For parts procurement customers, the overdue date is used as the starting point of overdue aging
Other receivables combinations	Other receivables of the same nature

When the Group no longer reasonably expects to be able to recover all or part of the contractual cash flows of financial assets, the Group directly writes down the carrying balance of such financial assets.

(e) Financial Instrument Offset

If the following conditions are met at the same time, the financial assets and financial liabilities are presented in the balance sheet as net amounts after offsetting each other: they have the legal right to offset the recognized amount, and such legal right is currently enforceable; The plan is to settle on a net basis, or at the same time to realise the financial asset and settle the financial liability.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(8) Financial instruments (Cont'd)

(f) Derivative financial instruments

The Group uses derivative financial instruments. Derivative financial instruments are initially measured at the fair value on the date of the signing of the derivative transaction contract, and subsequently measured at their fair value. A derivative financial instrument with a positive fair value is recognized as an asset, and a negative fair value is recognized as a liability.

Except in relation to hedge accounting, gains or losses arising from changes in the fair value of derivatives are directly recognized in profit or loss for the current period.

(g) Transfer of financial assets

If the Group has transferred almost all of the risks and rewards in the ownership of financial assets to the transferee, the recognition of such financial assets shall be terminated; Where almost all of the risks and rewards in the ownership of financial assets are retained, the recognition of the financial assets shall not be terminated.

If the Group neither transfers nor retains almost all of the risks and rewards in the ownership of the financial assets, it shall be dealt with in the following cases: if it has relinquished control of the financial assets, the financial assets shall be terminated and the assets and liabilities arising therefrom shall be recognized; If the financial asset is not relinquished, the relevant financial asset shall be recognized according to the extent to which it continues to be involved in the transferred financial asset, and the relevant liabilities shall be recognized accordingly.

(9) Inventories

Inventory includes raw materials, work-in-progress, finished products, low-value consumables, materials in transit and consignment materials.

Inventory is initially measured at cost. Inventory costs include procurement costs, processing costs, and other costs. Inventories are issued, and their actual cost is determined using the weighted average method. Low-value consumables are amortized using the one-time resale method.

The inventory system adopts a perpetual inventory system.

At the balance sheet date, inventories are measured at the lower of cost and net realizable value, and if the cost is higher than the net realizable value, a provision for inventory decline is made and included in profit or loss for the current period. Net realizable value is the estimated selling price of inventory in the ordinary course of business, less the estimated costs to be incurred at completion, estimated selling expenses, and related taxes. Inventories related to product lines manufactured and sold in the same region, with the same or similar end use or purpose, and difficult to measure separately from other items, are provided for inventory decline on a consolidated basis.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(10) Long-term equity investments

Long-term equity investments comprise the Company's long-term equity investments in its subsidiaries, and the Group's long-term equity investments in its associates.

Long-term equity investments are initially measured at the initial investment cost at the time of acquisition. For a long-term equity investment obtained through a business combination under the same control, the initial investment cost shall be the share of the carrying amount of the owner's equity of the merged party in the consolidated financial statements of the ultimate controlling party on the date of consolidation; The difference between the initial investment cost and the carrying amount of the consolidation consideration shall be adjusted to the capital reserve (if it is insufficient to offset the retained earnings). For long-term equity investments obtained through a business combination not under common control, the initial investment cost shall be the cost of the merger (if the business combination of enterprises not under the same control is realized step by step through multiple transactions, the sum of the carrying amount of the equity investment of the acquiree held before the purchase date and the cost of the new investment on the purchase date shall be the initial investment cost). For long-term equity investments obtained by means other than those formed by business combinations, the initial investment costs shall be determined in accordance with the following methods: if they are obtained by paying cash, the initial investment costs shall be the purchase price actually paid and the expenses, taxes and other necessary expenses directly related to the acquisition of the long-term equity investment; If the issuance of equity securities is obtained, the fair value of the equity securities issued shall be used as the initial investment cost.

The long-term equity investments that the Company is able to control the investee are accounted for using the cost method in the Company's individual financial statements. Control refers to having power over the investee, enjoying variable returns by participating in the relevant activities of the investee, and having the ability to use the power over the investee to influence the amount of returns.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(10) Long-term equity investments (Cont'd)

When the cost method is used, long-term equity investments are valued at the initial investment cost. If the investment is increased or recovered, the cost of long-term equity investment shall be adjusted. The cash dividends or profits declared by the investee are recognized as investment income for the current period.

If the Group has a significant influence on the investee, the long-term equity investment is accounted for by the equity method. Significant influence refers to having the power to participate in decision-making on the financial and operational policies of the investee, but not being able to control or jointly control the formulation of these policies with other parties.

When the equity method is adopted, if the initial investment cost of a long-term equity investment is greater than the fair value share of the investee's identifiable net assets at the time of investment, it shall be included in the initial investment cost of the long-term equity investment; If the initial investment cost of a long-term equity investment is less than the fair value share of the investee's identifiable net assets at the time of investment, the difference shall be included in the profit or loss for the current period, and the cost of the long-term equity investment shall be adjusted at the same time.

When the equity method is adopted, after the long-term equity investment is obtained, the investment profit and loss and other comprehensive income shall be recognized separately and the book value of the long-term equity investment shall be adjusted according to the share of the net profit or loss and other comprehensive income realized by the investee that should be enjoyed or shared. When recognizing the share of the investee's net profit or loss, the investee's net profit shall be recognized after adjustment based on the fair value of the investee's identifiable assets at the time of acquisition of the investment, in accordance with the Group's accounting policies and accounting periods, and offsetting the share attributable to the investor in proportion to the internal transaction gains and losses incurred with associates (except that if the internal transaction loss is an asset impairment loss, it shall be recognized in full), and the net profit of the investee shall be recognized after adjustment, except that the assets invested or sold constitute business. The carrying amount of the long-term equity investment shall be reduced accordingly based on the profits or cash dividends declared by the investee. The Group recognises that the net loss incurred by the investee is limited to the carrying amount of the long-term equity investment and other long-term equity that substantially constitutes a net investment in the investee to be written down to zero, unless the Group has the obligation to bear additional losses. For other changes in shareholders' equity of the investee other than net profit or loss, other comprehensive income and profit distribution, the book value of long-term equity investment shall be adjusted and included in shareholders' equity.

JIANGLING MOTORS CORPORATION, LTD.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(11) Fixed assets

Fixed assets are recognised only when the economic benefits associated with them are likely to flow into the Group and their costs can be reliably measured. Subsequent expenses related to fixed assets that meet the recognition conditions shall be included in the cost of fixed assets, and the book value of the replaced part shall be derecognized; Otherwise, it will be included in the current profit or loss or the cost of related assets according to the beneficiary object when it occurs.

Fixed assets are initially measured at cost. The cost of acquiring a fixed asset includes the purchase price, relevant taxes, and other expenses directly attributable to the asset incurred before the fixed asset reaches its intended useable state.

The depreciation of fixed assets is calculated using the average life method, and the useful life, estimated net residual value rate and annual depreciation rate of various types of fixed assets are as follows:

	Estimated useful lives	Estimated net residual values	Annual depreciation rates
Buildings	35 to 40 years	4%	2.4% to 2.7%
Machinery and equipment	10 to 15 years	4%	6.4% to 9.6%
Vehicles	2 to 10 years	4% to 22.32%	9.6% to 42.2%
Moulds	5 years	-	20%
Electronic and other equipment	5 to 7 years	4%	13.7% to 19.2%

The estimated useful life and the estimated net residual value of a fixed asset and the depreciation method applied to the asset are reviewed and adjusted as appropriate at each year-end.

(12) Construction in progress

Construction in progress is measured at actual cost. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalisation and other costs necessary to bring the construction in progress ready for their intended use. Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation is charged starting from the following month. The carrying amount of construction in progress is reduced to the recoverable amount when the recoverable amount is below the carrying amount (Note 3(15)).

The criteria for transferring construction in progress to fixed assets when they reach their intended usable state are as follows:

Buildings	The earlier of completion acceptance or actual commencement of use.
Machinery and equipment	The earlier of completion of installation and acceptance or actual commencement of use.
Vehicles	The earlier of completion of installation and acceptance or actual commencement of use.
Moulds	The earlier of completion of installation and acceptance or actual commencement of use.
Electronic and other equipment	The earlier of completion of installation and acceptance or actual commencement of use.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(13) Borrowing costs

The borrowing costs that can be directly attributable to the acquisition, construction or production of assets that meet the conditions for capitalization shall be capitalized, and other borrowing costs shall be included in the profit or loss for the current period.

Borrowing costs are capitalized when capital expenditures and borrowing costs have been incurred and the acquisition, construction or production activities necessary to bring the asset to its intended usable or marketable condition have commenced.

When the acquisition, construction or production of assets eligible for capitalization reaches the intended usable or saleable state, the borrowing costs shall cease to be capitalized. Borrowing costs incurred thereafter are included in profit or loss for the current period.

During the capitalization period, the amount of interest capitalization in each accounting period shall be determined according to the following method: the amount of special borrowings shall be determined by deducting the interest income or investment income of temporary deposits actually incurred in the current period; The general borrowings occupied shall be calculated and determined on the basis of the weighted average of the accumulated asset expenditures exceeding the portion of special borrowings multiplied by the weighted average real interest rate of the general borrowings occupied.

In the process of acquisition, construction or production of assets eligible for capitalization, if there is an abnormal interruption other than the procedures necessary to reach the intended usable or saleable state, and the interruption period exceeds 3 consecutive months, the capitalization of borrowing costs shall be suspended. Borrowing costs incurred during the interruption period are recognized as expenses and are included in profit or loss for the current period until the acquisition or construction of assets or production activities resume.

(14) Intangible assets

(a) Useful life of intangible assets

Intangible assets are amortized using the straight-line method over their useful lives, and their useful lives are as follows:

	Estimated useful lives	Basis for determination
Land use rights	50 years	The term of the land use right
Software Usage Fees	5 years	Estimated period of use
Non-patented technology	5-7 years	Estimated period of use combined with the product life span

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(14) Intangible assets (Cont'd)

(b) Research and development

The Group's R&D expenditure mainly includes the materials used by the Group in carrying out R&D activities, the remuneration of employees in the R&D department, the depreciation and amortization of assets such as equipment and software used in R&D, R&D design expenses and R&D testing.

The expenses in the planned investigation, evaluation and selection stages for the study of the production process of automobile-related products are the expenses in the research stage and are included in the profit or loss for the current period when incurred; Before large-scale production, the expenditure in the design and testing stages related to the final application of the production process of automobile-related products is the expenditure in the development stage, and if the following conditions are met, it shall be capitalized:

- The development of the production process of automobile-related products has been fully demonstrated by the technical team;
- The management has the intention to complete the development, use or sale of the production process of automotive-related products;
- The research and analysis of the preliminary market research shows that the products produced by the production process of automobile-related products have the ability to be marketed;
- Sufficient technical and financial support for the development of production processes for automotive-related products and subsequent large-scale production; and
- Expenditures on the development of production processes for automotive-related products can be reliably aggregated.

Expenses in the development stage that do not meet the above conditions shall be included in the profit or loss for the current period when incurred. Development expenditures that have been recognized in profit or loss in prior periods are not rerecognized as assets in subsequent periods. Expenditures incurred in the development phase that have been capitalized are shown on the balance sheet as development expenditures and are converted into intangible assets from the date on which the project reaches its intended use.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(15) Impairment of assets

The impairment of assets other than inventories, deferred income tax and financial assets shall be determined according to the following methods: whether there are signs of possible impairment of assets at the balance sheet date, and if there are signs of impairment, the Group will estimate the recoverable amount and conduct impairment tests; Impairment tests shall be carried out at least at the end of each period for goodwill formed as a result of business combinations, intangible assets with indefinite useful lives and intangible assets that have not yet reached a usable state, regardless of whether there is any indication of impairment.

The recoverable amount is determined based on the higher of the fair value of the asset less disposal costs and the present value of the asset's projected future cash flows. The Group estimates its recoverable amount on a single asset basis; Where it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group shall be determined on the basis of the asset group to which the asset belongs. The determination of the asset group is based on whether the main cash inflow generated by the asset group is independent of other assets or the cash inflow of the asset group.

When the recoverable amount of an asset or asset group is lower than its carrying amount, the Group writes down its carrying amount to the recoverable amount, and the written down amount is included in the profit or loss for the current period, and the corresponding asset impairment provision is made.

For the impairment test of goodwill, the carrying amount of goodwill is allocated to the relevant asset group or combination of asset groups in a reasonable manner from the date of purchase. The relevant asset group or combination of asset groups is the asset group or combination of asset groups that can benefit from the synergies of the business combination, and is not larger than the operating segment determined by the Group.

Compare the carrying amount and recoverable amount of the asset group or asset group combination containing goodwill, if the recoverable amount is lower than the book value, the impairment loss amount shall first be offset against the carrying amount of the goodwill allocated to the asset group or asset group combination, and then the carrying amount of other assets shall be offset proportionally according to the proportion of the carrying amount of other assets in the asset group or asset group portfolio except goodwill.

Once the above-mentioned asset impairment loss is recognized, it will not be reversed in subsequent accounting periods.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(16) Employee compensation

Employee remuneration refers to various forms of remuneration or compensation given by the Group for the services provided by employees or for the termination of employment relations, including short-term remuneration, post-employment benefits and severance benefits.

(a) Short-term compensation

Short-term remuneration includes wages, bonuses, allowances and subsidies, employee welfare expenses, medical insurance premiums, work-related injury insurance premiums, housing provident fund, trade union and education funds, short-term paid absences, etc. During the accounting period in which employees provide services, the Group recognises the actual short-term remuneration as a liability and includes it in the profit or loss for the current period or the cost of related assets. Among them, non-monetary benefits are measured at fair value.

(b) Post-employment benefits

The Group classifies post-employment benefit plans into defined contribution plans and defined benefit plans. A defined deposit and withdrawal plan is a post-employment benefit plan in which the Group is no longer obligated to make further payments after depositing a fixed fee into an independent fund; A defined benefit plan is a post-employment benefit plan in addition to a defined contribution plan. During the reporting period, the basic endowment insurance and unemployment insurance paid for employees were all part of the set deposit plan. Supplemental retirement benefits for employees are defined benefit plans.

(i) Defined contribution plans

Basic pensions

The Group's employees participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resources and Social Security. Monthly payments of premiums on the basic pensions are calculated according to the bases and percentage prescribed by the relevant local authorities. When employees retire, the relevant local authorities are obliged to pay the basic pensions to them. The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(16) Employee compensation (Cont'd)

(ii) Defined benefit plans

The Group also provides employees with supplementary retirement benefits in addition to the insurance system prescribed by the State. Such supplementary retirement benefits belong to defined benefit plans. The defined benefit liabilities recognised on the balance sheet represent the present value of defined benefit obligations less the fair value of the plan assets. The defined benefit obligations are calculated annually by an independent actuary using projected unit credit method at the interest rate of treasury bonds with similar obligation term and currency. Service costs related to supplementary retirement benefits (including current service costs, historical service costs and settled gains or losses) and net interest are recognised in profit or loss for the current period or the cost of related assets, and changes arising from rereasurement of net liabilities or net assets of defined benefit plans are recognised in other comprehensive income.

(c) Termination benefits

The Group provides compensation for terminating the employment relationship with employees before the end of the employment contracts or as an offer to encourage employees to accept voluntary redundancy before the end of the employment contracts. The Group recognises a liability arising from compensation for termination of the employment relationship with employees, with a corresponding charge to profit or loss for the current period at the earlier of the following dates: 1) when the Group cannot unilaterally withdraw an employment termination plan or a curtailment proposal; 2) when the Group recognises costs or expenses for a restructuring that involves the payment of termination benefits.

Internal retirement benefits

The Group provides internal retirement benefits to employees who have received internal retirement arrangements. Internal retirement benefits refer to the wages paid and social insurance premiums paid to employees who have not reached the retirement age prescribed by the state and who have voluntarily quit their jobs with the approval of the Group's management. The Group pays internal retirement benefits to employees from the date of commencement of the internal retirement arrangement until the employees reach the normal retirement age. For the internal retirement benefits, the Group will account for the retirement benefits by comparison, and when the conditions for the recognition of the retirement benefits are met, the wages and social insurance premiums to be paid by the employees during the period from the date of cessation of the employee's services to the normal retirement date will be recognized as liabilities and included in the profit or loss for the current period in a lump sum. Changes in actuarial assumptions for retirement benefits and differences caused by adjustments to benefit standards are recognized in profit or loss for the current period when they occur.

Severance benefits expected to be paid within one year from the balance sheet date are shown as remuneration payable to employees.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(17) Provisions

Provisions for product warranties, compensation to suppliers, etc. are recognised when the Group has a present obligation, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors on a contingency, such as the risks, uncertainties and the time value of money, are taken into account as a whole in reaching the best estimate of a provision. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The increase in the discounted amount of the provision arising from passage of time is recognised as interest expense.

The carrying amount of provisions is reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The provisions expected to be settled within one year since the balance sheet date are classified as other current liabilities.

(18) Revenue

The Group sells automobiles and automobile parts to distributors or end customers. In addition, the Group also provides customers with auto maintenance and additional quality warranty services. The Group recognises revenue at the amount of the consideration that is entitled to be charged by the Group as expected when the customer obtains control over relevant goods or services.

Where two or more obligations are included in a contract between the Group and the customers, at the beginning date of the contract, the Group allocates the transaction price to individual obligation in the relative proportion to the individual selling prices of products or services committed in each individual obligation. When the individual selling price is unobservable, the Group makes reasonable estimates on the individual selling price with comprehensive consideration to all available information, and by using market adjustment method, cost plus method, etc.

(a) Sale of automobiles and automobile parts to distributors and end customers

The Group sells automobiles and automobile parts to distributors and end customers. According to the contract, the delivery is completed after the products are delivered at the contracted delivery location and acceptance by both parties. The Group recognises the revenue at the timing of delivery completion.

The credit periods granted by the Group to distributors and end customers are generally within one year, which is consistent with the industry practice, and there is no significant financing component. The Group provides product warranties for automobiles and automobile parts as required by laws and regulations and recognises the corresponding provisions (Note 3(17)).

The Group provides distributors and end customers with sales discounts based on sales volume, and related revenue is recognised at contract consideration net of the discount amount estimated based on historical experience and using the expected value method.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(18) Revenue (Cont'd)

(b) Rendering of services

The Group provides customers with automobile transportation, automobile maintenance and additional quality warranty services, and the revenue is recognised based on the progress of service provision within a certain period. According to the nature of the service provided, the performance progress is determined in accordance with the value of the labour provided to the customer.

When the Group recognises revenue based on the stage of completion, the amount with unconditional collection right obtained by the Group is recognised as accounts receivable, and the rest is recognised as contract assets. Meanwhile, loss provision for accounts receivable is recognised on the basis of ECL (Note 3(8)). If the contract price received or receivable exceeds the amount for the completed service, the excess portion will be recognised as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

(19) Government grants

Government subsidies are recognized when the conditions attached to them can be met and can be received. If the government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If the government subsidy is a non-monetary asset, it shall be measured at fair value; If the fair value cannot be reliably obtained, it shall be measured according to the nominal amount.

If the government documents stipulate that it is used for the acquisition, construction or other formation of long-term assets, it shall be regarded as a government subsidy related to the assets; If the government documents are not clear, the judgment shall be made on the basis of the basic conditions that must be met to obtain the subsidy, and the basic condition of the formation of long-term assets through acquisition, construction or other means shall be regarded as the government subsidy related to the assets, and the other shall be regarded as the government subsidy related to the income.

If the government subsidy related to the income is used to compensate for the relevant costs, expenses or losses in subsequent periods, it shall be recognized as deferred income, and shall be included in the profit or loss for the current period or offset the relevant costs in the period in which the relevant costs, expenses or losses are recognized; If it is used to compensate for the relevant costs, expenses or losses that have been incurred, it shall be directly included in the profit or loss for the current period or offset the relevant costs.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(19) Government grants (Cont'd)

Asset-related government subsidies to offset the carrying amount of the underlying assets; or recognized as deferred income, which shall be included in profit or loss in instalments in a reasonable and systematic manner during the useful life of the relevant asset (except that the government subsidy measured according to the nominal amount shall be directly included in the profit or loss for the current period), and if the relevant asset is sold, transferred, scrapped or damaged before the end of its useful life, the balance of the relevant deferred income that has not yet been distributed shall be transferred to the profit or loss of the current period of asset disposal.

If the finance department allocates the subsidized funds to the lending bank, and the lending bank provides loans to the Group at a preferential policy interest rate, the actual amount of the borrowed money received shall be used as the recorded value of the borrowing, and the relevant borrowing costs shall be calculated according to the principal of the loan and the preferential interest rate of the policy.

(20) Deferred income tax

The Group adopts the balance sheet obligation method to provide deferred income tax based on the temporary differences between the carrying amount of assets and liabilities at the balance sheet date and the tax base, as well as the difference between the carrying amount and the tax basis of items that are not recognized as assets and liabilities but whose tax basis can be determined in accordance with the provisions of the tax law.

Deferred tax liabilities are recognized for all kinds of taxable temporary differences, unless:

- A taxable temporary difference arises in the following transactions: the initial recognition of goodwill, or the initial recognition of assets or liabilities arising in a single transaction that is not a business combination, the transaction occurs that does not affect neither the accounting profit nor the taxable income or deductible loss, and the assets and liabilities initially recognized do not result in the creation of an equal amount of taxable temporary differences and deductible temporary differences;
- For taxable temporary differences related to investments in subsidiaries and associates, the timing of the reversal of the temporary difference is controllable and the temporary difference is likely not to be reversed in the foreseeable future.

For deductible temporary differences, deductible losses and tax credits that can be carried forward to future periods, the Group recognises deferred tax assets to the extent that it is likely to obtain future taxable income to offset the deductible temporary differences, deductible losses and tax credits, unless:

- A deductible temporary difference arises in a single transaction that is not a business combination, the transaction does not affect the accounting profit or taxable income or deductible loss at the time of the transaction, and the assets and liabilities initially recognized do not result in the creation of an equal amount of taxable temporary difference and a deductible temporary difference;
- For deductible temporary differences related to investments in subsidiaries and associates, the temporary differences are likely to be reversed in the foreseeable future and taxable income to be used to offset the temporary differences is likely to be obtained in the future.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(20) Deferred income tax (Cont'd)

The Group's deferred tax assets and deferred tax liabilities are measured at the applicable tax rate during the period in which the assets are expected to be recovered or the liabilities are liquidated in accordance with the provisions of the tax law, and reflect the income tax impact of the expected recovery of assets or the settlement of liabilities at the balance sheet date.

At the balance sheet date, the Group reviews the carrying amount of deferred tax assets and writes down the carrying amount of deferred tax assets if it is likely that sufficient taxable income will not be available in future periods to offset the benefits of deferred tax assets. At the balance sheet date, the Group re-evaluates the unrecognised deferred tax assets to the extent that it is likely to obtain sufficient taxable income to be able to reverse all or part of the deferred tax assets.

Deferred tax assets and deferred tax liabilities are presented on a net basis when the following conditions are met: they have the legal right to settle current income tax assets and current income tax liabilities on a net basis; Deferred tax assets and deferred tax liabilities are related to the income tax levied by the same tax collection and administration department on the same taxable entity.

(21) Leases

At the commencement date of the contract, the Group assesses whether the contract is a lease or an included lease and if a party to the contract relinquishes the right to control the use of one or more identified assets for a certain period of time in exchange for consideration, the contract is a lease or a included lease.

(a) As the lessee

In addition to short-term leases and leases of low-value assets, the Group recognises right-of-use assets and lease liabilities for leases.

If the contract includes both lease and non-lease parts, the Group shall apportion the contract consideration according to the relative proportion of the individual prices of each part.

At the commencement date of the lease term, the Group recognises its right to use the leased asset during the lease term as a right-of-use asset, which is initially measured at cost. The cost of a right-of-use asset includes: the initial measurement amount of the lease liability; the amount of the lease payment paid on or before the start date of the lease term (less the amount in relation to the lease incentive received); Initial direct expenses incurred by the lessee; The costs that the lessee expects to incur in order to dismantle and remove the leased asset, restore the premises on which the leased asset is located, or restore the leased asset to the condition agreed in the terms of the lease. If the Group remeasures lease liabilities due to changes in lease payments, the carrying amount of right-of-use assets will be adjusted accordingly. Subsequently, the Group adopted the average life method to provide depreciation for right-of-use assets. If it can be reasonably determined that the ownership of the leased assets will be acquired at the end of the lease term, the Group shall accrue depreciation during the remaining useful life of the leased assets. If it is not reasonably certain that the ownership of the leased assets can be obtained at the end of the lease term, the Group shall accrue depreciation during the period between the lease term and the remaining useful life of the leased assets.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(21) Leases (Cont'd)

At the commencement date of the lease term, the Group recognises the present value of the outstanding lease payments as lease liabilities, excluding short-term leases and leases of low-value assets. Lease payments include fixed payments and substantial fixed payments net of lease incentives, variable lease payments depending on the index or ratio, expected payments based on the residual value of the guarantee, and the exercise price of the purchase option or the exercise of the termination option, provided that the Group reasonably determines that the option will be exercised or the lease term reflects that the Group will exercise the lease termination option. Variable lease payments that are not included in the measurement of lease liabilities are recognized in profit or loss for the current period when actually incurred, unless otherwise specified in the cost of the relevant assets. The Group remeasures lease liabilities based on the present value of the changed lease payments when there is a change in the amount of the real fixed payment, a change in the estimated amount payable for the residual value of the guarantee, a change in the index or ratio used to determine the amount of the lease payment, and a change in the evaluation result or actual exercise of the option to purchase, renew or terminate the option.

The Group recognises a lease with a lease term of not more than 12 months and without a purchase option as a short-term lease on the commencement date of the lease term; When a single leased asset is a brand new asset, a lease with a lower value is recognized as a lease of a low-value asset. The Group chooses not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The cost of the relevant asset or current profit or loss is recognized on a straight-line basis for each period of the lease term.

(b) As the lessor

Leases that transfer substantially all of the risks and rewards associated with ownership of the leased assets at the lease commencement date are finance leases, and all other leases are operating leases.

The rental income from operating leases is recognized as profit or loss for the current period on a straight-line basis for each period of the lease term, and the variable lease payments that are not included in the lease receipts are recognized in the profit or loss for the current period when actually incurred. Initial direct expenses are capitalised and amortized over the lease term on the same basis as rental income recognition, and are included in profit or loss for the current period.

On the commencement date of the lease term, the Group recognized the financial lease receivables for the financial lease and terminated the recognition of the financial lease assets. When the Group initially measures the financial lease receivables, the net lease investment is used as the recorded value of the financial lease receivables. Net lease investment is the sum of the unsecured residual value and the present value of lease receipts not yet received at the start date of the lease term discounted at the interest rate embedded in the lease, including initial direct costs. The Group calculates and recognises interest income for each period of the lease term at a fixed periodic interest rate. Variable lease payments made by the Group that are not included in the measurement of net lease investments are recognized in profit or loss for the current period when they are actually incurred.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(22) Safety production fee

The safety production fee withdrawn in accordance with the regulations shall be included in the cost of the relevant product or the current profit or loss, and shall be included in the special reserve; When using, distinguish whether fixed assets are formed and deal with them separately: if it is an expense expenditure, it will directly offset the special reserves; If fixed assets are formed, the expenses incurred shall be collected, and the fixed assets shall be recognized when they reach the intended usable state, and the equivalent special reserves shall be written off and the equivalent accumulated depreciation shall be recognized.

(23) Fair value measurement

Assets and liabilities measured or disclosed at fair value in the financial statements are determined based on the lowest level of inputs that are material to the fair value measurement as a whole: Level 1 inputs, which are unadjusted quotes in active markets for the same assets or liabilities that can be obtained at the measurement date; Level 2 inputs, which are directly or indirectly observable inputs for related assets or liabilities other than Level 1 inputs; The third level of input value, the unobservable input value of the relevant asset or liability.

At each balance sheet date, the Group re-evaluates the assets and liabilities recognized in the financial statements at fair value on an ongoing basis to determine whether there is a transition between the levels of fair value measurement.

(24) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the amounts and disclosures of income, expenses, assets and liabilities, as well as the disclosure of contingent liabilities at the balance sheet date. The results of these uncertainties in assumptions and estimates may result in significant adjustments to the carrying amounts of the assets or liabilities affected in the future.

(a) Critical judgements in applying the accounting policies

In applying the Group's accounting policies, management has made the following judgments that have a material impact on the amounts recognized in the financial statements:

Business model

The classification of financial assets at the time of initial recognition depends on the Group's business model for managing financial assets, and in determining the business model, the Group considers the manner in which the performance of financial assets is evaluated and reported to key management personnel, the risks affecting the performance of financial assets and how they are managed, and the manner in which relevant business managers are remunerated. In assessing whether the objective is to collect contractual cash flows, the Group needs to analyze and determine the reason, timing, frequency and value of the sale of financial assets before the maturity date.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(24) Critical accounting estimates and judgements (Cont'd)

Characteristics of contractual cash flows

The classification of financial assets at the time of initial recognition depends on the contractual cash flow characteristics of the financial assets, and it is necessary to determine whether the contractual cash flows are only the payment of principal and interest based on the outstanding principal, whether there is a significant difference compared with the benchmark cash flow when the time value of money is included in the assessment of the time value of money, and whether the fair value of the prepayment feature is very small in the case of financial assets containing prepayment features.

Judgment of a significant increase in credit risk and credit impairment that has occurred

In distinguishing the different stages of financial instruments, the Group's judgment on the significant increase in credit risk and the credit impairment that has occurred is as follows:

The Group's main criteria for judging a significant increase in credit risk are that the number of overdue days exceeds 30 days, or there is a significant change in one or more of the following indicators: the debtor's business environment, internal and external credit ratings, significant changes in actual or expected operating results, and a significant decline in the value of collateral or the credit rating of the guarantor that will affect the probability of default.

The Group's main criteria for judging that credit impairment has occurred are that the number of overdue days exceeds 90 days (i.e., default has occurred), or one or more of the following conditions are met: the debtor has significant financial difficulties, undergoes other debt restructuring or is likely to go bankrupt.

(b) Uncertainty in the estimate

The following are key assumptions about the future at the balance sheet date and other key sources of uncertainty in the estimates that may result in significant adjustments to the carrying amounts of assets and liabilities in future periods.

Impairment of financial instruments

The Group uses an expected credit loss model to assess the impairment of financial instruments, and the application of the expected credit loss model requires significant judgment and estimation, taking into account all reasonable and substantiated information, including forward-looking information. In making these judgments and estimates, the Group inferred the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. Different estimates may affect the provision for impairment, and the provision for impairment may not be equal to the actual amount of impairment losses in the future.

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3 Summary of significant accounting policies and accounting estimates (Cont'd)

(24) Critical accounting estimates and judgements (Cont'd)

Impairment of non-current assets other than financial assets (other than goodwill)

The Group determines whether there is any indication of possible impairment of non-current assets other than financial assets at the balance sheet date. For intangible assets with an indefinite useful life, in addition to the impairment test conducted annually, when there are signs of impairment, the impairment test is also conducted. Other non-current assets, other than financial assets, are tested for impairment when there are indications that their book value is not recoverable. Impairment occurs when the carrying amount of an asset or group of assets is higher than the recoverable amount, i.e., the higher of the fair value less disposal costs and the present value of the projected future cash flows. The fair value, net of disposal costs, is determined by reference to the agreed sale price or observable market price of a similar asset in an arm's length transaction, less incremental costs directly attributable to the disposal of the asset. When estimating the present value of future cash flows, management must estimate the projected future cash flows of the asset or group of assets and select an appropriate discount rate to determine the present value of future cash flows.

Development expenditures

When determining the amount to be capitalized, management must make assumptions regarding the estimated future cash flows of the asset, the applicable discount rate, and the expected benefit period.

Deferred tax assets

To the extent that there is likely to be sufficient taxable income to cover the deductible loss, deferred tax assets should be recognised for all unutilised deductible losses. This requires management to use a great deal of judgment to estimate the timing and amount of taxable income to be obtained in the future, combined with a tax planning strategy, to determine the amount of deferred tax assets to be recognized.

Warranty

For a portfolio of contracts with similar characteristics, the Group makes a reasonable estimate of the warranty rate based on historical warranty data, current warranty situation, and all relevant information such as product improvement and market changes. The estimated warranty rates may not be equal to the actual future warranty rates, and the Group has re-evaluated the warranty rates at least at each balance sheet date and determined the projected liabilities based on the re-assessed warranty rates.

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4 Taxation

- (1) The main categories and rates of taxes applicable to the Group are set out below:

Category	Taxation basis	Tax rate
Value-added tax ("VAT")	The difference between the sales amount and the output tax calculated at the applicable tax rate, after deducting the input tax amount for which the credit is granted	13%, 9% and 6%
Consumption tax	Taxable sales amount	9%, 5% and 3%
City maintenance and construction tax	The payment amount of VAT and consumption tax	7% and 5%
Enterprise income tax	Taxable income	25% and 15%

- (2) Tax preference

According to the relevant regulations of the national high-tech certification and related preferential tax policies, the company has passed the certification of high-tech enterprises in 2024 and is valid for three years. The corporate income tax rate applicable to the Company in the six months ended 30 June 2025 is 15% (the six months ended 30 June 2024: 15%).

As at 30 June 2025, except for the Company, the Company's wholly-owned companies, including JMC Heavy Duty Vehicle Co., Ltd. ("JMCH"), Jiangling Motor Sales Co., Ltd. ("JMCS"), Shenzhen Fujiang New Energy Automobile Sales Co., Ltd. ("SZFJ"), Guangzhou Fujiang New Energy Automobile Sales Co., Ltd. ("GZFJ"), and Jiangling Ford Automobile Technology (Shanghai) Co., Ltd. ("Jiangling Ford (Shanghai)") were subject to the enterprise income tax at the rate of 25% (the six months ended 30 June 2024: 25%).

Pursuant to the *Announcement on Clarifying the Additional Value-added Tax Credit Policy for the Advanced Manufacturing Enterprises* (Cai Shui [2023] No. 43) jointly issued by the Ministry of Finance and the State Taxation Administration, the Company, as an advanced manufacturing enterprise, from January 1, 2023 to December 31, 2027, the Company will add 5% of the deductible input tax for the current period to offset the VAT payable.

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5 Notes to the consolidated financial statements**(1) Cash at bank and on hand**

	30 June 2025	31 December 2024
Cash at bank	10,420,513,196	11,067,571,593
Cash at finance company (a) (Note 8(6))	1,360,490,633	1,407,604,416
Other cash and cash equivalents (b)	8,856,058	18,692,687
Interest receivable	50,590,361	52,427,194
	<u>11,840,450,248</u>	<u>12,546,295,890</u>

- (a) As at 30 June 2025, the group's bank deposit with Jiangling Automobile Group Finance Co, Ltd. was RMB1,360,490,633. The Group's bank deposits placed with Jiangling Motor Group Finance Company Limited("JMCF") bear interest at the bank's annual interest rate of 0.85%-1.55% (31 December 2024: 1.35%-2.25%) on RMB deposits for the same period.

JMCF, a holding subsidiary of Jiangling Motors Group Co., Ltd ("JMCG"), is a non-banking financial institution. JMCG holds 50% equity capital of Nanchang Jiangling Investment Co., Ltd. ("JIC"), a main shareholder of the Company.

- (b) Other cash and cash equivalents of RMB 8,856,058 (31 December 2024: 18,692,687) were the frozen funds of the Group's litigation.

(2) Derivative financial assets

	30 June 2025	31 December 2024
Derivative financial assets - Forward exchange contracts	<u>4,568,083</u>	<u>12,612,380</u>

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5 Notes to the consolidated financial statements (Cont'd)

(3) Notes receivable

	30 June 2025	31 December 2024
Trade acceptance notes	570,399	226,932
Less: Provision for bad debts	(86)	(67)
	<u>570,313</u>	<u>226,865</u>

(a) As at 30 June 2025, there were no notes receivable pledged.

(b) Provision for bad debts

For notes receivable arising from sales of goods and rendering of services in the ordinary course of operating activities, the Group measures the loss provision based on the lifetime ECL regardless of whether there is a significant financing component.

The provision for bad debts of notes receivable is analysed by category as follows:

	30 June 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the grouping basis (i)	570,399	100%	86	0.02%

	31 December 2024			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the grouping basis (i)	226,932	100%	67	0.03%

(i) Notes receivable for which the provision for bad debts is provided on the grouping basis are analysed as follows:

Grouping - Trade acceptance notes:

As at 30 June 2025, the Group's provision for bad debts for trade acceptance notes of the grouping was measured based on the lifetime ECL, and the related amount was RMB86 (31 December 2024: RMB67), of which RMB19 was accrued As at 30 June 2025 .

(ii) There was no provision for bad debts actually written off during the period.

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5 Notes to the consolidated financial statements (Cont'd)

(4) Accounts receivable

	30 June 2025	31 December 2024
Accounts receivable	5,806,454,271	4,299,293,681
Less: Provision for bad debts	(120,596,556)	(118,285,447)
	<u>5,685,857,715</u>	<u>4,181,008,234</u>

(a) The aging of accounts receivable was analysed as follows:

	30 June 2025	31 December 2024
Within 1 year	5,674,116,013	4,168,893,653
1 to 2 years	5,821,338	1,812,248
Over 2 years	126,516,920	128,587,780
	<u>5,806,454,271</u>	<u>4,299,293,681</u>

As at 30 June 2025, accounts receivable with individually significant amounts and aged over three years were analyzed as follows:

	Balance	Reasons and risk of collection
Company 1	66,796,993	As the debtor had difficulties in operation and was involved in several lawsuits, the Group considered that the receivable was difficult to be recovered and therefore a provision for bad debts had been made in full.
Company 2	37,924,214	The Group considered that the new energy subsidy amount was difficult to be recovered from relevant subsidy distribution departments over a long period of time and therefore a provision for bad debts had been made in full.
Company 3	13,874,400	Due to the cash flow arrangement of the debtor, the accounts receivable had a long aging, but the debtor has a good historical collection situation and still has normal business dealings with the Group, and the Group considered that the receivables were likely to be recovered, so a provision for bad debts was made in the grouping - sales of general automobiles.

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5 Notes to the consolidated financial statements (Cont'd)

(4) Accounts receivable (Cont'd)

- (b) As at 30 June 2025, the top five accounts receivable ranked by the balances of the debtors are analysed as follows:

	Balance	Amount of provision for bad debts	% of total balance
The total accounts receivable of the top five balances	4,398,524,799	75,277,591	75.75%

(c) Provision for bad debts

For accounts receivable, the Group measures the loss provision based on the lifetime ECL regardless of whether there is a significant financing component.

The provision for bad debts of accounts receivable was analysed by category as follows:

30 June 2025				
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	104,721,207	2%	104,721,207	100.00%
Provision for bad debts on the grouping basis (ii)	5,701,733,064	98%	15,875,349	0.28%
	5,806,454,271	100%	120,596,556	2.08%

31 December 2024				
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	104,721,207	2%	104,721,207	100.00%
Provision for bad debts on the grouping basis (ii)	4,194,572,474	98%	13,564,240	0.32%
	4,299,293,681	100%	118,285,447	2.75%

- (i) Accounts receivable for which the provision for bad debts was provided on the individual basis were analysed follows:

30 June 2025			
	Book balance		Provision for bad debts
	Amount	Lifetime ECL (%)	Amount
New energy subsidies receivable	37,924,214	100%	37,924,214
Receivables for automobiles	66,796,993	100%	66,796,993
	104,721,207		104,721,207

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5 Notes to the consolidated financial statements (Cont'd)

(4) Accounts receivable (Cont'd)

(c) Provision for bad debts (Cont'd)

(i) Accounts receivable for which the provision for bad debts is provided on the individual basis are analysed follows (Cont'd):

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
New energy subsidies receivable	37,924,214	100%	37,924,214
Receivables for automobiles	66,796,993	100%	66,796,993
	<u>104,721,207</u>		<u>104,721,207</u>

As at 30 June 2025, The Group assessed the expected credit losses on the related accounts receivable, the Group considered the receivables cannot be collected, therefore, full provision was made for those receivables. The related amount was RMB104,721,207(31 December 2024: RMB104,721,207), no impact on profit or loss for the current period (the six months ended 30 June 2024: no impact on profit or loss for the current period) .

(ii) Accounts receivable for which provision for bad debts is made on the grouping basis are analysed as follows:

Grouping - Domestic sales of general automobiles:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	1,292,095,722	0.02%	194,061
Overdue for 1 to 30 days	23,237,765	0.48%	110,893
Overdue for 31 to 60 days	9,348,928	1.19%	111,090
Overdue for 61 to 90 days	7,439,342	2.52%	187,831
Overdue over 90 days	23,969,449	9.00%	2,157,250
	<u>1,356,091,206</u>		<u>2,761,125</u>

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5 Notes to the consolidated financial statements (Cont'd)

(4) Accounts receivable (Cont'd)

(c) Provision for bad debts (Cont'd)

(ii) Accounts receivable for which provision for bad debts is made on the grouping basis are analysed as follows (Cont'd):

Grouping - Domestic sales of general automobiles:

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	812,797,881	0.03%	241,763
Overdue for 1 to 30 days	109,449,671	0.55%	600,056
Overdue for 31 to 60 days	5,621,317	0.99%	55,441
Overdue for 61 to 90 days	4,434,000	2.50%	110,948
Overdue over 90 days	25,539,010	9.00%	2,298,511
	<u>957,841,879</u>		<u>3,306,719</u>

Grouping - Export sales of general automobiles:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	<u>4,085,275,267</u>	0.20%	<u>8,170,551</u>

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	<u>2,933,133,292</u>	0.20%	<u>5,866,267</u>

Grouping - Sales of new energy automobiles:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Overdue over 90 days	<u>4,122,180</u>	80.00%	<u>3,297,744</u>

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Overdue over 90 days	<u>4,123,260</u>	80.00%	<u>3,298,608</u>

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5 Notes to the consolidated financial statements (Cont'd)

(4) Accounts receivable (Cont'd)

(c) Provision for bad debts (Cont'd)

(ii) Accounts receivable for which provision for bad debts is made on the grouping basis are analysed as follows (Cont'd):

Grouping – Automobile parts:

	30 June 2025		
	Book balance	Provision for bad debts	
		Lifetime ECL	
	Amount	(%)	Amount
Not overdue	210,521,900	0.30%	631,566
Overdue for 1 to 30 days	11,139,819	0.30%	33,419
Overdue for 31 to 60 days	11,101,048	0.50%	55,505
Overdue for 61 to 90 days	5,650,986	0.60%	33,906
Overdue over 90 days	17,830,658	5.00%	891,533
	<u>256,244,411</u>		<u>1,645,929</u>

	31 December 2024		
	Book balance	Provision for bad debts	
		Lifetime ECL	
	Amount	(%)	Amount
Not overdue	270,418,629	0.30%	811,256
Overdue for 1 to 30 days	10,276,006	0.30%	30,828
Overdue for 31 to 60 days	9,423,011	0.50%	47,115
Overdue for 61 to 90 days	6,008,481	0.60%	36,051
Overdue over 90 days	3,347,916	5.00%	167,396
	<u>299,474,043</u>		<u>1,092,646</u>

(iii) The accrued amount of provision for bad debts for the period was RMB 2,311,109.

(d) There was no provision for bad debts actually written off during the period.

(e) As at 30 June 2025 and 31 December 2024, there were no accounts receivable pledged.

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5 Notes to the consolidated financial statements (Cont'd)

(5) Financing receivables

	30 June 2025	31 December 2024
Bank acceptance notes	<u>310,302,211</u>	<u>302,065,502</u>

The Group considers the need for its daily fund management to discount and endorse a portion of bank acceptance bills, and the business model for managing these bills aims both at receiving contractual cash flows and at selling them; therefore, all bank acceptance bills of the Group are classified as financial assets measured at fair value with changes recognized in other comprehensive income. For the six months ended 30 June 2025, the Group endorsed and discounted bank acceptance notes, and almost all risks and rewards of ownership have been transferred to other parties, accordingly, the carrying amounts of bank acceptance notes that were derecognised by the Group were RMB524,875,268 and RMB3,232,573,819 (31 December 2024: RMB1,098,017,761 and RMB2,029,290,040) respectively, and the related losses on discount of RMB234,105 (for the six months ended 30 June 2024: Nil) were included in investment income (Note 5(50)).

As at 30 June 2025 and 31 December 2024, as the credit risk characteristics of these bank acceptance notes were similar, no provision for impairment was made individually. In addition, the Group considered that its bank acceptance notes were not exposed to significant credit risk and the probability of default of these banks was very low.

As at 30 June 2025 and 31 December 2024, the Group had no pledged bank acceptance notes receivable presented in financing receivables.

As at 30 June 2025, the Group's bank acceptance notes had been endorsed or discounted but not yet matured were RMB 3,564,724,876 which had been derecognised.

There was no significant write-offs of financing receivables for the Group As at 30 June 2025 (the six months ended 30 June 2024: Nil).

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5 Notes to the consolidated financial statements (Cont'd)

(6) Advances to suppliers

(a) The aging of advances to suppliers is analysed as follows:

	30 June 2025		31 December 2024	
	Amount	% of total balance	Amount	% of total balance
Within 1 year	42,564,557	93%	90,702,706	96%
Over 1 year	3,002,660	7%	4,046,466	4%
	<u>45,567,217</u>	<u>100%</u>	<u>94,749,172</u>	<u>100%</u>

(b) As at 30 June 2025, the top five advances to suppliers by the balances of the debtors are analysed as follows:

	Amount	% of total balance
Total prepayments of the top five balances	<u>45,556,195</u>	<u>99.98%</u>

(8) Other receivables

	30 June 2025	31 December 2024
Gas and electricity bills	8,799,782	18,531,901
Guarantees	6,426,024	7,604,290
Import working capital	5,000,000	3,900,523
Platform utilization fee	4,788,230	5,525,739
Bills for R&D projects	3,952,445	4,723,933
Sales service fee	3,156,146	-
Stock repurchase securities funds	1,099,623	-
Receivables from refund of social insurance	-	1,297,367
Others	<u>22,896,531</u>	<u>12,690,526</u>
	56,118,781	54,274,279
Less: Provision for bad debts	<u>(289,096)</u>	<u>(261,039)</u>
	<u>55,829,685</u>	<u>54,013,240</u>

The Group did not have any fund deposited at other parties under the centralised fund management and represented in other receivables.

(a) The aging of other receivables is analysed as follows:

	30 June 2025	31 December 2024
Within 1 year	49,911,898	49,055,878
Over 1 year	<u>6,206,883</u>	<u>5,218,401</u>
	<u>56,118,781</u>	<u>54,274,279</u>

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5 Notes to the consolidated financial statements (Cont'd)

(7) Other receivables (Cont'd)

(b) Provision for losses and changes in book balance statements:

The provision for bad debts of other receivables is analysed by category as follows:

30 June 2025				
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis	1,099,623	2%	-	-
Provision for bad debts on the grouping basis	55,019,158	98%	289,096	0.53%
	56,118,781	100%	289,096	0.52%

31 December 2024				
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the Individual basis	1,297,367	2%	-	-
Provision for bad debts on the grouping basis	52,976,912	98%	261,039	0.49%
	54,274,279	100%	261,039	0.48%

	Stage 1				
	12-month ECL (grouping)		12-month ECL (individual)		Total Provision for bad debts
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	
31 December 2024	52,976,912	261,039	1,297,367	-	261,039
Decrease in the current period	-	-	(197,744)	-	-
Increase in the current period	2,042,246	-	-	-	-
Provision for bad debts accrued during the period	-	28,057	-	-	28,057
30 June 2025	55,019,158	289,096	1,099,623	-	289,096

As at 30 June 2025 and 31 December 2024, the Group had no other receivables at Stage 2 and Stage 3. The analysis of other receivables at Stage 1 was stated below:

- (i) As at 30 June 2025, the Group's other receivables with provision for bad debts were analysed below:

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5 Notes to the consolidated financial statements (Cont'd)

(7) Other receivables (Cont'd)

(b) Provision for losses and changes in book balance statements (Cont'd):

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Provision on the individual basis:				
Stock repurchase securities funds i)	1,099,623	-	-	ECL
Provision on the grouping basis:				
Gas and electricity bills	8,799,782	0.53%	46,238	ECL
Guarantees	6,426,024	0.53%	33,765	ECL
Import working capital	5,000,000	0.53%	26,272	ECL
Platform utilization fee	4,788,230	0.53%	25,160	ECL
Bills for R&D projects	3,952,445	0.53%	20,768	ECL
Sales service fee	3,156,146	0.53%	16,584	ECL
Others	22,896,531	0.53%	120,309	ECL
	<u>56,118,781</u>		<u>289,096</u>	

i)The Group assessed the Stock repurchase securities funds individually and based on the judgment of credit risk, the receivables were not subject to significant credit risk and were not overdue and impaired.

(i) As at 31 December 2024, the Group's other receivables with provision for bad debts on the grouping basis are analysed as follows:

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Provision on the individual basis:				
Receivables from refund of social insurance i)	1,297,367	-	-	ECL
Provision on the grouping basis:				
Gas and electricity bills	18,531,901	0.49%	91,314	ECL
Guarantees	7,604,290	0.49%	37,469	ECL
Platform utilization fee	5,525,739	0.49%	27,228	ECL
Bills for R&D projects	4,723,933	0.49%	23,277	ECL
Import working capital	3,900,523	0.49%	19,219	ECL
Others	12,690,526	0.49%	62,532	ECL
	<u>54,274,279</u>		<u>261,039</u>	

(c) As at 30 June 2025, the Group accrued the provision for bad debts amounting to RMB28,057.

(d) There was no provision for bad debts actually written off during the period.

(e) As at 30 June 2025, the top five other receivables by the balances of the debtors are listed as follows:

	Nature	Balance	Aging	% of total balance	Provision for bad debts
Company 1	Gas bills	8,799,782	within 1 year	16%	46,238
Company 2	Import working Capital,etc.	7,754,132	within 1 year	14%	40,744
Company 3	Platform utilization fee	4,788,230	within 1 year	9%	25,160
Company 4	Sales service fee	3,156,146	within 1 year	6%	16,584
Company 5	Claim for compensation	2,166,155	within 1 year	4%	11,382
		<u>26,664,445</u>		<u>49%</u>	<u>140,108</u>

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5 Notes to the consolidated financial statements (Cont'd)

(8) Inventories

(a) Inventories were summarised by category as follows:

	30 June 2025			31 December 2024		
	Book balance	Provision for decline in the value of inventories	Carrying amount	Book balance	Provision for decline in the value of inventories	Carrying amount
Raw materials	1,159,931,052	87,208,653	1,072,722,399	1,297,887,283	89,113,586	1,208,773,697
Finished goods	204,694,453	1,812,453	202,882,000	416,054,999	9,124,198	406,930,801
Work in progress	162,929,070	282,318	162,646,752	208,385,421	282,318	208,103,103
Low value consumables	69,190,012	741,914	68,448,098	74,927,505	8,943,729	65,983,776
Materials in transit	64,213,199	-	64,213,199	85,555,538	-	85,555,538
Materials consigned for processing	19,274,152	-	19,274,152	79,170,327	-	79,170,327
	<u>1,680,231,938</u>	<u>90,045,338</u>	<u>1,590,186,600</u>	<u>2,161,981,073</u>	<u>107,463,831</u>	<u>2,054,517,242</u>

(b) Provision for decline in the value of inventories was analysed as follows:

	31 December 2024	Increase in the current period Provision	Decrease in the current period Reversal	Write-off	30 June 2025
Raw materials	89,113,586	-	-	(1,904,933)	87,208,653
Finished goods	9,124,198	-	-	(7,311,745)	1,812,453
Low value consumables	8,943,729	-	(42,736)	(8,159,079)	741,914
Work in progress	282,318	-	-	-	282,318
	<u>107,463,831</u>	<u>-</u>	<u>(42,736)</u>	<u>(17,375,757)</u>	<u>90,045,338</u>

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5 Notes to the consolidated financial statements (Cont'd)

(8) Inventories (Cont'd)

(c) Provision for decline in the value of inventories was analysed as follows:

The Group uses whether the cost is higher than the net realizable value as the basis for the provision for inventory decline. Net realizable value is determined by the estimated selling price of the inventory, less the estimated costs to be incurred at completion, estimated contract performance costs and selling expenses, and related taxes. The reason for the reversal or resale of the provision for inventory decline in the current period is the increase in the net realizable value of the inventory for which the provision for inventory decline has been made in previous periods or the sales realized in the current period.

(9) Other current assets

	30 June 2025	31 December 2024
Taxes prepaid, input VAT to be deducted and to be verified	1,177,906,926	1,200,018,920
Others	36,171,200	28,354,057
	<u>1,214,078,126</u>	<u>1,228,372,977</u>

(10) Current portion of non-current assets

	30 June 2025	31 December 2024
Current portion of long-term receivables (Note 5(11))	<u>16,089,107</u>	<u>20,784,738</u>

(11) Long-term receivables

	30 June 2025	31 December 2024
Long-term receivables	34,918,655	41,474,312
Less: Unearned financing income	(1,383,690)	(2,053,465)
Provision for bad debts	(58,643)	(102,201)
Current portion of long-term receivables (Note 5(10))	<u>(16,089,107)</u>	<u>(20,784,738)</u>
	<u>17,387,215</u>	<u>18,533,908</u>

As at 30 June 2025, the Group's long-term receivables were formed by instalment receipts from disposal of fixed assets and instalment sales, etc., and the payments will be recovered from 2025 to 2029.

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5 Notes to the consolidated financial statements (Cont'd)

(12) Long-term equity investments

	30 June 2025	31 December 2024
Associates		
- Shanxi Yunnei Power Co., Ltd. ("The Power Company")	182,325,974	194,393,246
- Hanon Systems (Nanchang) Co., Ltd. ("Hanon Systems")	27,168,732	24,904,785
Less: Provision for impairment of long-term equity investments	-	-
	<u>209,494,706</u>	<u>219,298,031</u>

Associates

	31 December 2024	Movements for the current period				30 June 2025	Shareholding (%)	Voting rights (%)	Impairment provision	
		Increase/ Decrease in investment	Share of net profit/(loss) under equity method	Cash dividends declared	Provision for impairment				30 June 2025	31 December 2024
The Power Company	194,393,246	-	(12,067,272)	-	-	182,325,974	40%	40%	-	-
Hanon Systems	24,904,785	-	2,263,947	-	-	27,168,732	19.15%	33.33%	-	-
Total	<u>219,298,031</u>	<u>-</u>	<u>(9,803,325)</u>	<u>-</u>	<u>-</u>	<u>209,494,706</u>			<u>-</u>	<u>-</u>

Related information of equity in associates is set forth in Note 6(2).

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5 Notes to the consolidated financial statements (Cont'd)

(13) Fixed assets

	30 June 2025	31 December 2024
Fixed assets (a)	5,972,042,966	5,749,363,332
Fixed assets pending for disposal (b)	102,888	110,673
	<u>5,972,145,854</u>	<u>5,749,474,005</u>

(a) Fixed assets

	Buildings	Machinery and equipment	Vehicles	Moulds	Electronic and other equipment	Total
Cost						
31 December 2024	2,367,665,155	3,233,162,193	1,000,446,605	4,420,796,705	4,447,547,715	15,469,618,373
Increase in the current period						
Transfers from construction in progress	1,401,975	386,951	287,199,046	424,121,056	125,601,584	838,710,612
Decrease in the current period						
Disposal or retirement	(2,648,470)	(238,891,707)	(26,909,471)	(66,384,345)	(166,118,002)	(500,951,995)
Others	-	(7,579,508)	-	-	(61,725,722)	(69,305,230)
30 June 2025	2,366,418,660	2,987,077,929	1,260,736,180	4,778,533,416	4,345,305,575	15,738,071,760
Accumulated depreciation						
31 December 2024	528,036,598	2,057,309,021	389,467,170	2,945,591,662	3,171,243,383	9,091,647,834
Increase in the current period						
Provision	26,438,806	87,688,561	75,453,217	203,689,658	159,559,544	552,829,786
Decrease in the current period						
Disposal or retirement	(1,386,199)	(220,620,354)	(20,921,987)	(59,043,618)	(153,879,527)	(455,851,685)
Others	-	(714,358)	-	-	(22,162,635)	(22,876,993)
30 June 2025	553,089,205	1,923,662,870	443,998,400	3,090,237,702	3,154,760,765	9,165,748,942
Provision for impairment						
31 December 2024	172,020,613	39,433,710	6,937,087	350,150,126	60,065,671	628,607,207
Increase in the current period						
Provision	-	-	-	-	-	-
Decrease in the current period						
Disposal or retirement	-	(12,391,459)	(778,693)	(7,254,855)	(7,902,348)	(28,327,355)
30 June 2025	172,020,613	27,042,251	6,158,394	342,895,271	52,163,323	600,279,852
Carrying amount						
30 June 2025	1,641,308,842	1,036,372,808	810,579,386	1,345,400,443	1,138,381,487	5,972,042,966
31 December 2024	1,667,607,944	1,136,419,462	604,042,348	1,125,054,917	1,216,238,661	5,749,363,332

As at 30 June 2025, depreciation charged to fixed assets amounted to RMB552,829,786 (the six months ended 30 June 2024: RMB485,221,314), of which the depreciation expenses charged in the cost of sales, selling and distribution expenses, general and administrative expenses and research and development expenses were RMB492,673,591, RMB2,314,697, RMB26,170,440 and RMB31,671,058 (the six months ended 30 June 2024 : RMB413,536,440, RMB3,897,033, RMB29,315,200 and RMB38,472,641), respectively.

The costs of fixed assets transferred from construction in progress amounted to RMB838,710,612 (the six months ended 30 June 2024: RMB574,864,185).

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5 Notes to the consolidated financial statements (Cont'd)

(13) Fixed assets(Cont'd)

(a) Fixed assets (Cont'd)

(i) Temporarily idle fixed assets

As at 30 June 2025, the fixed assets with a carrying amount of approximately RMB157,121,026 (a cost of RMB1,277,164,465) (31 December 2024: a carrying amount of approximately RMB166,048,112 and a cost of RMB1,419,765,179) were idle due to the termination of the equity transfer transaction of JMCH and the change of product process of the Group. The analysis was as follows:

	Cost	Accumulated depreciation	Provision for impairment	Carrying amount
Buildings	409,162,422	112,097,962	172,020,613	125,043,847
Machinery and equipment	126,045,578	85,951,059	26,148,468	13,946,051
Vehicles	57,471,069	48,932,313	6,029,518	2,509,238
Moulds	428,029,716	111,902,446	315,977,900	149,370
Electronic and other equipment	256,455,680	196,266,408	44,716,752	15,472,520
	<u>1,277,164,465</u>	<u>555,150,188</u>	<u>564,893,251</u>	<u>157,121,026</u>

(ii) Operating lease of fixed assets:

As at 30 June 2025, the Cost was RMB790,120,592, the accumulated depreciation was RMB95,879,504, and the carrying amount at the end of the period was RMB694,241,088.

(ii) Fixed assets with pending certificates of ownership:

	Carrying amount	Reason for not obtaining certificates of ownership
Buildings	<u>8,681,792</u>	Pending procedures

(b) Fixed assets pending for disposal

	30 June 2025	31 December 2024
Electronic and other equipment	85,891	85,891
Machinery and equipment	<u>16,997</u>	<u>24,782</u>
	<u>102,888</u>	<u>110,673</u>

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5 Notes to the consolidated financial statements (Cont'd)

(14) Construction in progress

	30 June 2025			31 December 2024		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Projects for passenger vehicles	182,738,290	4,460,314	178,277,976	134,553,481	4,460,314	130,093,167
Projects for commercial vehicles	152,406,753	1,284,000	151,122,753	364,639,322	1,284,000	363,355,322
Projects for automobile parts factory	70,892,849	-	70,892,849	64,627,414	-	64,627,414
Projects for automobiles factory	4,560,522	-	4,560,522	5,625,803	-	5,625,803
Others	97,557,499	691,646	96,865,853	98,901,720	691,646	98,210,074
	<u>508,155,913</u>	<u>6,435,960</u>	<u>501,719,953</u>	<u>668,347,740</u>	<u>6,435,960</u>	<u>661,911,780</u>

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5 Notes to the consolidated financial statements (Cont'd)

(14) Construction in progress (Cont'd)

(a) Movement of significant projects of construction in progress

Project name	Budget (In RMB0'000)	31 December 2024	Increase in the current period	Transfer to fixed assets in the current period	Transfer to intangible assets in the current period	30 June 2025	% of project investment in budget	Progress of project	Accumulative capitalised borrowing costs	Including: Borrowing costs capitalised in the current period	Source of fund
Projects for passenger vehicles	85,572	134,553,481	117,603,562	(69,418,753)	-	182,738,290	65%	65%	-	-	Self-owned funds
Projects for commercial vehicles	273,349	364,639,322	256,334,290	(468,566,859)	-	152,406,753	74%	74%	-	-	Self-owned funds
Projects for automobiles factory	50,023	5,625,803	187,078	(1,252,359)	-	4,560,522	75%	75%	-	-	Self-owned funds
Projects for automobile parts factory	14,752	64,627,414	15,675,692	(9,410,257)	-	70,892,849	58%	58%	-	-	Self-owned funds
Others		98,901,720	296,065,063	(290,062,384)	(7,346,900)	97,557,499			292,897	-	Self-owned funds and borrowings
		<u>668,347,740</u>	<u>685,865,685</u>	<u>(838,710,612)</u>	<u>(7,346,900)</u>	<u>508,155,913</u>			<u>292,897</u>	<u>-</u>	

(b) Provision for impairment of construction in progress

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025	Reason for provision
Projects for commercial vehicles	1,284,000	-	-	1,284,000	The recoverable amount is lower than the carrying amount
Projects for passenger vehicles	4,460,314	-	-	4,460,314	The recoverable amount is lower than the carrying amount
Others	691,646	-	-	691,646	The recoverable amount is lower than the carrying amount
	<u>6,435,960</u>	<u>-</u>	<u>-</u>	<u>6,435,960</u>	

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5 Notes to the consolidated financial statements (Cont'd)

(15) Right-of-use assets

Buildings

Cost

31 December 2024	375,793,465
Increase in the current period	
New lease contracts	117,970
Decrease in the current period	
Expiration of lease contract	(136,110)
30 June 2025	375,775,325

Accumulated depreciation

31 December 2024	217,307,777
Increase in the current period	
Provision	40,592,333
Decrease in the current period	
Expiration of lease contract	(136,110)
30 June 2025	257,764,000

Provision for impairment

31 December 2024	-
Increase in the current period	-
Decrease in the current period	-
30 June 2025	-

Carrying amount

30 June 2025	118,011,325
31 December 2024	158,485,688

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5 Notes to the consolidated financial statements (Cont'd)

(16) Intangible assets

	Land use rights	Software use fees	Non-patent technologies	Others	Total
Cost					
31 December 2024	625,299,326	446,450,261	2,320,595,061	38,578,700	3,430,923,348
Increase in the current period					
Transfers from construction in progress	-	7,346,900	-	-	7,346,900
Internal research and development	-	-	167,668,180	-	167,668,180
Decrease in the current period					
Disposal	(2,369,411)	(782,409)	-	-	(3,151,820)
30 June 2025	622,929,915	453,014,752	2,488,263,241	38,578,700	3,602,786,608
Accumulated amortisation					
31 December 2024	164,471,284	285,873,146	1,078,128,739	38,578,700	1,567,051,869
Increase in the current period					
Provision	6,568,314	27,601,062	197,243,548	-	231,412,924
Decrease in the current period					
Disposal	(1,302,714)	(782,409)	-	-	(2,085,123)
30 June 2025	169,736,884	312,691,799	1,275,372,287	38,578,700	1,796,379,670
Provision for impairment					
31 December 2024	-	-	52,416,626	-	52,416,626
Increase in the current period					
Provision	-	-	-	-	-
30 June 2025	-	-	52,416,626	-	52,416,626
Carrying amount					
30 June 2025	453,193,031	140,322,953	1,160,474,328	-	1,753,990,312
31 December 2024	460,828,042	160,577,115	1,190,049,696	-	1,811,454,853

As at 30 June 2025, the intangible assets developed by the Group accounted for 62% (31 December 2024: 61%) of the carrying amount of intangible assets.

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5 Notes to the consolidated financial statements (Cont'd)

(17) Expenditure on research and development

The Group's total expenditure on research and development activities As at 30 June 2025 and 2024 is presented by nature as follows:

	Six months ended 30 June	
	2025	2024
Employee benefits	449,540,890	371,085,867
Design fee	121,218,012	195,801,929
Consumed materials	77,767,929	95,215,493
Depreciation and amortisation	37,108,953	42,867,809
Others	99,655,450	97,106,716
	<u>785,291,234</u>	<u>802,077,814</u>
Wherein expenditure on research and development on the research phase (Note 5(45))	<u>652,925,801</u>	<u>617,237,727</u>

(a) The changes in the Group's development expenditures eligible for capitalisation As at 30 June 2025 is analysed as follows:

	31 December 2024	Increase in the current period	Transfer to intangible assets in the current period	30 June 2025
Projects for passenger vehicles	27,277,985	93,171,433	-	120,449,418
Projects for commercial vehicles	<u>160,825,445</u>	<u>39,194,000</u>	<u>167,668,180</u>	<u>32,351,265</u>
	<u>188,103,430</u>	<u>132,365,433</u>	<u>167,668,180</u>	<u>152,800,683</u>

The capitalization of the vehicle project started when the product was ready and the R&D data was frozen, and it had passed the Group's technical review meeting. After the completion of the development of the project, it is expected to be ready for mass production of vehicle products with marketing capabilities, with a progress of approximately 71% as of 30 June 2025, and is expected to be completed by 2025.

As at 30 June 2025, there was no impairment of the Group's development expenditure items (the six months ended 30 June 2024: nil).

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5 Notes to the consolidated financial statements (Cont'd)

(18) Deferred tax assets and deferred tax liabilities

(a) Deferred tax assets before offsetting

	30 June 2025		31 December 2024	
	Deductible temporary differences and deductible losses	Deferred tax assets	Deductible temporary differences and deductible losses	Deferred tax assets
Accrued expenses and provisions	4,693,645,985	1,066,620,321	5,243,226,986	1,202,834,659
Recoverable losses	3,416,095,086	762,925,165	3,007,086,847	645,511,957
Provision for asset impairment	580,297,581	87,610,318	622,528,655	94,016,209
Non-patent technology	516,378,804	122,008,757	440,753,948	100,999,156
Lease liability	102,200,325	20,562,469	179,407,961	27,067,280
Employee education funds unpaid	50,863,636	8,092,589	53,619,310	8,554,549
Deferred income	65,769,194	9,865,379	61,202,010	9,180,301
Retirement benefits plan	9,573,915	2,107,187	10,153,000	2,194,050
Others	172,388,013	22,437,888	122,815,039	20,274,065
	<u>9,607,212,539</u>	<u>2,102,230,073</u>	<u>9,740,793,756</u>	<u>2,110,632,226</u>

(b) Deferred tax liabilities before offsetting

	30 June 2025		31 December 2024	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Depreciation of fixed assets	3,277,206,567	703,454,256	3,045,807,585	624,476,184
Right-of-use assets	117,893,355	19,216,896	158,457,332	25,571,835
Equity transactions between parent and subsidiary	187,000,000	28,050,000	166,600,000	24,990,000
Differences between the fair value of the identifiable net assets and carrying amount arising from business combinations involving enterprises not under common control	73,600,076	18,400,019	74,742,572	18,685,643
Amortisation of intangible assets	87,867,813	16,790,393	88,274,866	15,312,010
Others	3,649,471	547,421	11,693,768	1,754,065
	<u>3,747,217,282</u>	<u>786,458,985</u>	<u>3,545,576,123</u>	<u>710,789,737</u>

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5 Notes to the consolidated financial statements (Cont'd)

(18) Deferred tax assets and deferred tax liabilities (Cont'd)

- (c) Deductible temporary differences and deductible losses for which no deferred tax asset was recognised were analysed as follows:

	30 June 2025	31 December 2024
Deductible temporary differences	2,592,011,848	2,598,578,425
Deductible losses	242,042,829	231,610,985
	<u>2,834,054,677</u>	<u>2,830,189,410</u>

- (d) Deductible losses for which no deferred tax asset was recognised will be expired in following years:

	30 June 2025	31 December 2024
2025	594,567	594,567
2026	136,794	136,794
2027	109,138,616	109,138,616
2028	80,885,354	80,885,354
2029	40,894,810	40,855,654
2030	10,392,688	-
	<u>242,042,829</u>	<u>231,610,985</u>

- (e) The net balances of deferred tax assets and deferred tax liabilities after offsetting were as follows:

	30 June 2025		31 December 2024	
	Offsetting amount	Balance after offsetting	Offsetting amount	Balance after offsetting
Deferred tax assets	(566,426,641)	1,535,803,432	(580,487,861)	1,530,144,365
Deferred tax liabilities	(566,426,641)	220,032,344	(580,487,861)	130,301,876

(19) Other non-current assets

	30 June 2025	31 December 2024
Prepayment for molds	<u>6,386,526</u>	<u>7,860,340</u>

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5 Notes to the consolidated financial statements (Cont'd)

(20) Provision for asset impairment and losses

	31 December 2024	Increase in the current period	Decrease in the current period		30 June 2025
			Reversal	Write-off /Disposal	
Provision for bad debts of notes receivable (Note 5(3))	67	19	-	-	86
Provision for bad debts of accounts receivable (Note 5(4))	118,285,447	2,311,109	-	-	120,596,556
Including: Provision for bad debts on the individual basis	104,721,207	-	-	-	104,721,207
Provision for bad debts on the grouping basis	13,564,240	2,311,109	-	-	15,875,349
Provision for bad debts of other receivables (Note 5(7))	261,039	28,057	-	-	289,096
Provision for bad debts of long-term receivables (Note 5(11))	102,201	-	(43,558)	-	58,643
Sub-total	118,648,754	2,339,185	(43,558)	-	120,944,381
Provision for decline in the value of inventories (Note 5(8))	107,463,831	-	(42,736)	(17,375,757)	90,045,338
Provision for impairment of fixed assets (Note 5(13))	628,607,207	-	-	(28,327,355)	600,279,852
Provision for impairment of construction in progress (Note 5(14))	6,435,960	-	-	-	6,435,960
Provision for impairment of goodwill (i)	89,028,412	-	-	-	89,028,412
Provision for impairment of intangible assets (Note 5(16))	52,416,626	-	-	-	52,416,626
Sub-total	883,952,036	-	(42,736)	(45,703,112)	838,206,188
	1,002,600,790	2,339,185	(86,294)	(45,703,112)	959,150,569

(i) As at 31 December 2019, the Group had made full provision for impairment of goodwill.

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5 Notes to the consolidated financial statements (Cont'd)

(21) Short-term borrowings

	30 June 2025	31 December 2024
Credit loan	<u>1,400,000,000</u>	<u>1,500,000,000</u>

As at 30 June 2025, the Group had no overdue short-term borrowings and the interest rates ranged from 0.5% to 0.85% (31 December 2024: 0.55% to 0.95%).

(22) Accounts payable

	30 June 2025	31 December 2024
Payable for automobile parts	9,946,234,021	9,785,507,926
Payable for raw and auxiliary materials	<u>330,200,992</u>	<u>275,716,018</u>
	<u>10,276,435,013</u>	<u>10,061,223,944</u>

As at 30 June 2025, accounts payable with aging over one year amounted to RMB195,886,018 (31 December 2024: RMB170,590,008), which mainly represented payables for materials for which a settlement price had not yet been determined, and such payables had not been finally settled yet.

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5 Notes to the consolidated financial statements (Cont'd)

(23) Contract liabilities

	30 June 2025	31 December 2024
Advances for maintenance and warranty services, etc.	894,196,338	632,287,355
Advances for automobiles and automobile parts	156,872,502	206,210,459
	<u>1,051,068,840</u>	<u>838,497,814</u>
Less: Contract liabilities carried forward to revenue after 1 year (Note 5(34), Note 5(41)(c)(i))	(415,521,158)	(370,793,523)
	<u>635,547,682</u>	<u>467,704,291</u>

(24) Employee benefits payable

	30 June 2025	31 December 2024
Short-term employee benefits payable (a)	615,939,366	771,878,485
Defined contribution plans payable (b)	18,716,337	2,799,913
Defined benefit plans payable (c)	3,015,000	3,015,000
Termination benefits payable (d)	1,143,000	2,481,176
	<u>638,813,703</u>	<u>780,174,574</u>

(a) Short-term employee benefits

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Wages and salaries, bonus, allowances and subsidies	692,017,542	1,017,543,497	(1,173,988,578)	535,572,461
Staff welfare	21,071,704	32,981,927	(38,638,307)	15,415,324
Social security contributions	812,921	74,730,146	(65,495,192)	10,047,875
Including: Medical insurance	729,653	66,384,072	(58,137,714)	8,976,011
Work injury insurance	83,268	8,346,074	(7,357,478)	1,071,864
Housing funds	492,198	101,007,398	(101,121,179)	378,417
Labour union funds and employee education funds	57,484,120	23,310,486	(26,269,317)	54,525,289
Other short-term employee benefits	-	3,891,043	(3,891,043)	-
	<u>771,878,485</u>	<u>1,253,464,497</u>	<u>(1,409,403,616)</u>	<u>615,939,366</u>

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5 Notes to the consolidated financial statements (Cont'd)

(24) Employee benefits payable (Cont'd)

(b) Defined contribution plans

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Basic pensions	2,698,067	143,857,338	(128,432,540)	18,122,865
Unemployment insurance	101,846	4,554,161	(4,062,535)	593,472
	<u>2,799,913</u>	<u>148,411,499</u>	<u>(132,495,075)</u>	<u>18,716,337</u>

(c) Defined benefit plans

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Post-retirement benefits payable (Note 5(33))	<u>3,015,000</u>	<u>1,135,167</u>	<u>(1,135,167)</u>	<u>3,015,000</u>

(d) Termination benefits payable

	30 June 2025	31 December 2024
Early retirement benefits payable (Note 5(33))	1,143,000	1,143,000
Other termination benefits (i)	-	1,338,176
	<u>1,143,000</u>	<u>2,481,176</u>

(i) As at 30 June 2025, other termination benefits paid by the Group for termination of the employment relationship were RMB2,458,544 (the six months ended 30 June 2024 : RMB908,195).

(25) Taxes payable

	30 June 2025	31 December 2024
Consumption tax payable	85,683,878	103,965,331
Land use tax payable	4,703,203	4,753,390
Unpaid VAT	2,021,791	117,211,162
Others	35,440,745	39,268,506
	<u>127,849,617</u>	<u>265,198,389</u>

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5 Notes to the consolidated financial statements (Cont'd)

(26) Other payables

	30 June 2025	31 December 2024
Promotion expenses	2,574,908,038	2,727,155,425
Research and development project expenses	803,756,032	962,540,747
Ordinary share dividends payable	620,436,482	6,463,836
Construction payment	393,475,959	466,886,864
Transportation expenses	221,004,714	256,166,660
Guarantees	143,365,491	134,483,995
Advertising and new product planning fees	88,109,227	117,665,807
Trademark license fee	81,116,480	61,000,949
Consulting fees	33,037,236	42,367,665
Technological transformation project expenses	13,271,106	13,301,266
Others	927,120,590	951,030,953
	<u>5,899,601,355</u>	<u>5,739,064,167</u>

As at 30 June 2025, other payables with aging over one year of RMB1,691,750,001 (31 December 2024: RMB1,594,877,126) mainly comprised guarantees collected from distributors and repair stations, payables for promotion, payables for research and development expenses and payables for construction projects. Such payables had not been finally settled yet in view of the continuing business transactions with distributors and service providers, and engineering projects and research and development projects that had not yet been accepted and completed.

(27) Current portion of non-current liabilities

	30 June 2025	31 December 2024
Current portion of lease liabilities (Note 5(30))	83,069,133	85,684,387
Current portion of long-term borrowings (Note 5(29))	468,775	470,727
	<u>83,537,908</u>	<u>86,155,114</u>

(28) Other current liabilities

	30 June 2025	31 December 2024
Provisions expected to be settled within 1 year (Note 5(31))	325,555,076	314,682,704
Others	20,453,457	26,865,737
	<u>346,008,533</u>	<u>341,548,441</u>

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5 Notes to the consolidated financial statements (Cont'd)

(29) Long-term borrowings

	30 June 2025	31 December 2024
Guaranteed loans(a)	1,171,938	1,412,180
Less: Current portion of long-term borrowings (Note 5(27))	<u>(468,775)</u>	<u>(470,727)</u>
	<u>703,163</u>	<u>941,453</u>

- (a) As at 30 June 2025, the above guaranteed loans were long-term borrowings amounting to USD163,710 guaranteed by JMCF (note 8(5)(c)), borrowed from Industrial and Commercial Bank of China ("ICBC"), Nanchang Ganjiang Sub-branch with interests paid every half year and the principal paid in instalments between 10 December 2007 and 27 October 2027.

	Starting date	Maturity date	Currency	Interest rate (%)	30 June 2025		31 December 2024	
					Amount in foreign currency	RMB equivalent	Amount in foreign currency	RMB equivalent
ICBC Nanchang Ganjiang Sub-branch	27 February 1998	27 October 2027	USD	1.5%	163,710	1,171,938	196,453	1,412,180

- (b) As at 30 June 2025, the Group had no overdue long-term borrowings at an interest rate of 1.5% (31 December 2024: 1.5%).

(30) Lease liabilities

	30 June 2025	31 December 2024
Lease liabilities (a)	102,313,438	179,437,021
Less: Current portion of non-current liabilities (Note 5(27))	<u>(83,069,133)</u>	<u>(85,684,387)</u>
	<u>19,244,305</u>	<u>93,752,634</u>

- (a) As at 30 June 2025, the Group had no leases that were not included in lease liabilities but will result in potential future cash outflows.

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5 Notes to the consolidated financial statements (Cont'd)

(31) Provisions

	31 December 2024	Increase in the current period	Decrease in the current period	31 December 2024
Product warranties	601,848,407	179,196,025	(154,868,213)	626,176,219
Less: Provisions expected to be settled within 1 year (Note 5(28))	<u>(314,682,704)</u>			<u>(325,555,076)</u>
	<u>287,165,703</u>			<u>300,621,143</u>

Product warranties are expenses expected to be incurred during the warranty period from free after-sales services, product warranty and other services for the vehicles sold.

(32) Deferred income

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Government grants	<u>61,202,010</u>	<u>6,321,000</u>	<u>(1,695,483)</u>	<u>65,827,527</u>

(a) Government grants

	31 December 2024	Increase in the current period	Decrease in the current period Recognised in other income	30 June 2025
Government grants related to assets	7,113,989	1,556,000	(998,881)	7,671,108
Government grants related to income	<u>54,088,021</u>	<u>4,765,000</u>	<u>(696,602)</u>	<u>58,156,419</u>
	<u>61,202,010</u>	<u>6,321,000</u>	<u>(1,695,483)</u>	<u>65,827,527</u>

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5 Notes to the consolidated financial statements (Cont'd)

(33) Long-term employee benefits payable

	30 June 2025	31 December 2024
Supplementary retirement benefits and early-retirement benefits eligible for recognition of provisions	61,785,748	63,500,000
Less: Payable within 1 year	(4,158,000)	(4,158,000)
	<u>57,627,748</u>	<u>59,342,000</u>

The retirement and early-retirement benefits payable within one year are included in employee benefits payable (Note 5(24)(c), Note 5(24)(d)).

For retired and early-retired employees, the Group provides them with a certain amount of supplementary benefits during their retirement or early-retirement period. The amount of benefits depends on the employee's position, length of service and salary at the time of retirement or early-retirement, and is adjusted in accordance with inflation rate and other factors. The Group's obligations for supplementary retirement and early-retirement benefits as at the balance sheet date were calculated using projected unit credit method and were reviewed by an external independent actuary.

(a) Movements of retirement and early-retirement benefits of the Group are as follows:

	Present value of the obligations of the defined benefit plan	
	30 June 2025	31 December 2024
Opening balance	63,500,000	56,916,000
Cost of defined benefit plans recognised in profit or loss for the current period		
- Current service cost	-	1,237,000
- Past service cost	-	1,131,000
- Actuarial gains or losses recognised immediately	-	610,000
- Net interest	-	1,378,000
Remeasurement of net liabilities for defined benefit plans		
- Actuarial losses(Note 5(38))	-	5,816,000
Other movements		
- Benefits paid	(1,714,252)	(3,588,000)
Ending balance	<u>61,785,748</u>	<u>63,500,000</u>

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5 Notes to the consolidated financial statements (Cont'd)

(33) Long-term employee benefits payable (Cont'd)

- (b) The major actuarial assumptions used to determine the present value of defined benefit plan obligations of the Group

	30 June 2025	31 December 2024
Discount rate	1.75%	1.75%
Inflation rate	2.00%	2.00%
Salaries and benefits growth rates	0%-6%	0%-6%

Future mortality assumptions were determined based on the China Life Insurance Mortality Table (2010-2013), which is publicly available statistical information for the Chinese region.

(34) Other non-current liabilities

	30 June 2025	31 December 2024
Contract liabilities carried forward to revenue after 1 year (Note 5(23))	<u>415,521,158</u>	<u>370,793,523</u>

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5 Notes to the consolidated financial statements (Cont'd)

(35) Share capital

	31 December 2024	Movements for the current period					
		Shares newly issued	Bonus share	Transfer from capital surplus	Others	Sub-total	30 June 2025
Shares subject to trading restriction - Other domestic shares							
Including: Shares held by domestic non-state-owned legal persons	745,140	-	-	-	-	-	745,140
Shares held by domestic natural persons	5,700	-	-	-	-	-	5,700
	<u>750,840</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>750,840</u>
Shares not subject to trading restriction - Ordinary shares denominated in RMB	518,463,160	-	-	-	-	-	518,463,160
Domestically listed foreign shares	<u>344,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>344,000,000</u>
	<u>862,463,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>862,463,160</u>
	<u>863,214,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>863,214,000</u>

Since the implementation of the Company's Scheme on Share Split Reform on 13 February 2006, as at 30 June 2025, there were 750,840 shares currently unavailable for trading. During the reporting period, there was no shares with trading restrictions released from the restricted conditions.

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5 Notes to the consolidated financial statements (Cont'd)

(35) Share capital (Cont'd)

		Movements for the current year					
	31 December 2023	Shares newly issued	Bonus share	Transfer from capital surplus	Others	Sub-total	31 December 2024
Shares subject to trading restriction -							
Other domestic shares							
Including: Shares held by domestic non-state-owned legal persons	745,140	-	-	-	-	-	745,140
Shares held by domestic natural persons	5,700	-	-	-	-	-	5,700
	<u>750,840</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>750,840</u>
Shares not subject to trading restriction -							
Ordinary shares denominated in RMB	518,463,160	-	-	-	-	-	518,463,160
Domestically listed foreign shares	<u>344,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>344,000,000</u>
	<u>862,463,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>862,463,160</u>
	863,214,000	-	-	-	-	-	863,214,000

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5 Notes to the consolidated financial statements (Cont'd)

(36) Capital surplus

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Share premium	816,609,422	-	-	816,609,422
Other capital surplus	22,833,068	-	-	22,833,068
	<u>839,442,490</u>	<u>-</u>	<u>-</u>	<u>839,442,490</u>
	31 December 2023	Increase in the current year	Decrease in the current year	31 December 2024
Share premium	816,609,422	-	-	816,609,422
Other capital surplus	22,833,068	-	-	22,833,068
	<u>839,442,490</u>	<u>-</u>	<u>-</u>	<u>839,442,490</u>

(37) Treasury shares

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Treasury shares	<u>-</u>	<u>168,909,971</u>	<u>-</u>	<u>168,909,971</u>

The increase in treasury shares during the current period was due to the repurchase of A-shares issued by the Company, which shall be allotted for implementing the Employee Stock Ownership Plan (ESOP) or share incentive schemes.

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5 Notes to the consolidated financial statements (Cont'd)

(38) Other comprehensive income

	Other comprehensive income in the balance sheet			Other comprehensive income in the income statement for six months ended 30 June 2025				
	31 December 2024	Attributable to the parent company after tax	30 June 2025	Amount incurred before income tax for the current period	Less: Transfer-out of previous other comprehensive income in the current period	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to the subsidiary after tax
Other comprehensive income that will not be reclassified to profit or loss								
Actuarial gains on defined benefit plans	(26,388,000)	-	(26,388,000)	-	-	-	-	-
	Other comprehensive income in the balance sheet			Other comprehensive income in the income statement for six months ended 31 December 2024				
	31 December 2023	Attributable to the parent company after tax	31 December 2024	Amount incurred before income tax for the current year	Less: Transfer-out of previous other comprehensive income in the current year	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to the subsidiary after tax
Other comprehensive income that will not be reclassified to profit or loss								
Actuarial gains on defined benefit plans	(20,572,000)	(5,816,000)	(26,388,000)	(5,816,000)	-	-	(5,816,000)	-

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5 Notes to the consolidated financial statements (Cont'd)

(39) Surplus reserve

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Statutory surplus reserve	431,607,000	-	-	431,607,000
	31 December 2023	Increase in the current year	Decrease in the current year	31 December 2024
Statutory surplus reserve	431,607,000	-	-	431,607,000

In accordance with the *Company Law of the People's Republic of China*, the Company's Articles of Association and the resolution of the Board of Directors, the Company should appropriate 10% of net profit for the period to the statutory surplus reserve, and the Company can cease appropriation when the statutory surplus reserve accumulated to more than 50% of the registered capital. The statutory surplus reserve can be used to make up for the loss or increase the share capital upon approval from the appropriate authorities. As the accumulated appropriation to the statutory surplus reserve exceeded 50% of the registered capital, no appropriation was made in the current period (the six months ended 30 June 2024: Nil).

The Company reserves the discretionary surplus reserve after the shareholders' meeting approves the proposal from the Board of Directors. The discretionary surplus reserve can be used to compensate for the losses incurred in prior periods or increase the share capital upon approval from appropriate authorities.

(40) Retained earnings

	Six months ended 30 June	
	2025	2024
Retained earnings at the beginning of the year	9,179,333,271	8,232,632,623
Add: Net profit attributable to shareholders of the parent company for the current period	732,728,047	895,480,117
Less: Ordinary share dividends payable (a)	(614,608,368)	(590,438,376)
Retained earnings at the end of the period	9,297,452,950	8,537,674,364

- (a) On June 24, 2025, the Company's 2024 Annual General Meeting examined and approved the Company's 2024 Profit Distribution Proposal. Cash dividends will be distributed at RMB 0.71914 per share, amounting to RMB 614,608,368 in total, based on the total share capital as of the record date for the distribution, less the total number of shares held in the Company's special repurchase securities account.

JIANGLING MOTORS CORPORATION, LTD.

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5 Notes to the consolidated financial statements (Cont'd)

(41) Revenue and cost of sales

	Six months ended 30 June	
	2025	2024
Revenue from main operations	17,647,624,305	17,435,844,213
Revenue from other operations	444,761,905	484,221,588
	<u>18,092,386,210</u>	<u>17,920,065,801</u>
	Six months ended 30 June	
	2025	2024
Cost of sales from main operations	15,234,142,089	15,079,623,428
Cost of sales from other operations	305,514,733	410,257,260
	<u>15,539,656,822</u>	<u>15,489,880,688</u>

(a) Revenue and cost of sales from main operations

	Six months ended 30 June			
	2025		2024	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations (Restated)
Sales of automobiles	16,473,174,098	14,334,899,112	16,234,132,009	14,124,912,768
Sales of automobile parts	879,700,380	604,581,639	858,699,049	615,732,277
Automobile maintenance services, etc.	294,749,827	294,661,338	343,013,155	338,978,383
	<u>17,647,624,305</u>	<u>15,234,142,089</u>	<u>17,435,844,213</u>	<u>15,079,623,428</u>

(b) Revenue and cost of sales from other operations

	Six months ended 30 June			
	2025		2024	
	Revenue from other operations	Cost of sales from other operations	Revenue from other operations	Cost of sales from other operations
Sales of materials	219,681,704	197,278,683	326,730,729	312,885,452
Others	225,080,201	108,236,050	157,490,859	97,371,808
	<u>444,761,905</u>	<u>305,514,733</u>	<u>484,221,588</u>	<u>410,257,260</u>

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5 Notes to the consolidated financial statements (Cont'd)

(41) Revenue and cost of sales (Cont'd)

(c) The breakdown of the Group's revenue by product and service transfer time was as follows:

	Six months ended 30 June 2025				
	Automobiles	Automobile parts	Automobile maintenance services, etc.	Materials and others	Total
Revenue from main operations	16,473,174,098	879,700,380	294,749,827	-	17,647,624,305
Including: Recognised at a time point	16,473,174,098	879,700,380	-	-	17,352,874,478
Recognised within a certain period	-	-	294,749,827	-	294,749,827
Revenue from other operations (i)	-	-	-	444,761,905	444,761,905
	16,473,174,098	879,700,380	294,749,827	444,761,905	18,092,386,210

	Six months ended 30 June 2024				
	Automobiles	Automobile parts	Automobile maintenance services, etc.	Materials and others	Total
Revenue from main operations	16,234,132,009	858,699,049	343,013,155	-	17,435,844,213
Including: Recognised at a time point	16,234,132,009	858,699,049	-	-	17,092,831,058
Recognised within a certain period	-	-	343,013,155	-	343,013,155
Revenue from other operations (i)	-	-	-	484,221,588	484,221,588
	16,234,132,009	858,699,049	343,013,155	484,221,588	17,920,065,801

- (i) The Group's revenue from other operations includes sales of materials and technical service provided. Revenue from sales of materials is recognised at a certain time point, and revenue from technical service provided is recognised within a certain period.

As at 30 June 2025, the amount of revenue corresponding to the performance obligations that the Group had contracted but had not commenced or completed was RMB1,051,068,840, of which the Group expects that RMB156,872,501 and RMB478,675,181 will be recognised as revenue from the sales of automobiles and parts and revenue from the sales of automobile maintenance services respectively in 2025, RMB415,521,158 will be recognised as revenue from automobile maintenance services from 2026 to 2030(Note 5(23)).

(42) Taxes and surcharges

	Six months ended 30 June	
	2025	2024
Consumption tax	435,046,919	524,126,267
City maintenance and construction tax	35,278,515	49,997,854
Educational surcharge	35,050,903	49,882,499
Stamp tax	16,794,959	29,026,562
Real estate tax	10,106,318	9,909,327
Land use tax	10,097,811	10,228,561
Others	198,079	212,283
	542,573,504	673,383,353

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5 Notes to the consolidated financial statements (Cont'd)

(43) Selling and distribution expenses

	Six months ended 30 June	
	2025	2024
Promotion expenses	203,844,392	279,009,783
Employee benefits	106,794,037	119,214,306
Advertising and new product planning fees	39,306,864	54,490,620
Storage expenses	22,792,774	24,921,332
Packaging material expenses	18,726,471	15,610,119
Depreciation and amortisation expenses	6,365,515	8,566,421
Others	68,962,440	115,263,170
	<u>466,792,493</u>	<u>617,075,751</u>

(44) General and administrative expenses

	Six months ended 30 June	
	2025	2024
Employee benefits	278,702,135	257,247,147
Depreciation and amortisation expenses	59,481,750	60,085,504
Trademark license fee	33,660,541	52,181,119
Repair expenses	6,888,317	10,219,241
General office expenses	6,048,357	5,334,911
Consulting fees	4,691,161	7,170,257
Others	71,208,960	68,267,648
	<u>460,681,221</u>	<u>460,505,827</u>

(45) Research and development expenses

	Six months ended 30 June	
	2025	2024
Employee benefits	389,317,458	300,676,533
Materials expenses	73,513,933	82,212,567
Design fee	70,720,348	124,951,201
Depreciation and amortisation expenses	37,108,953	42,867,809
Others	82,265,109	66,529,617
	<u>652,925,801</u>	<u>617,237,727</u>

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5 Notes to the consolidated financial statements (Cont'd)

(46) Financial expenses

	Six months ended 30 June	
	2025	2024
Interest costs	5,017,907	8,911,864
Add: Interest costs on lease liabilities	2,988,976	4,483,267
Interest expenses	8,006,883	13,395,131
Less: Interest income from cash at bank	(72,870,258)	(112,657,246)
Other interest income	(1,590,930)	(3,905,129)
Interest income	(74,461,188)	(116,562,375)
Exchange gains or losses	10,477,168	15,075,445
Others	600,450	436,332
	<u>(55,376,687)</u>	<u>(87,655,467)</u>

(47) Asset impairment losses

	Six months ended 30 June	
	2025	2024
Losses on decline in the value of inventories	<u>(42,736)</u>	<u>(4,296,473)</u>

(48) Credit impairment losses

	Six months ended 30 June	
	2025	2024
Losses on bad debts of accounts receivable	2,311,109	(2,199,927)
Losses on bad debts of other receivables	28,057	(155,303)
Losses on bad debts of notes receivable	19	(17,564)
Losses on bad debts of long-term receivables	<u>(43,558)</u>	<u>(14,909)</u>
	<u>2,295,627</u>	<u>(2,387,703)</u>

(49) Other income

	Six months ended 30 June		
	2025	2024	Asset related/ Income related
Government grants			
- Supporting funds by government	191,600,000	50,000,000	Income related
- Research and development activities related subsidies	596,602	13,820,858	Income related
- Equipment purchasing-related subsidies	998,881	805,357	Asset related
- Other subsidies related with daily operation	9,046,699	11,752,761	Income related
Additional deduction of input VAT, etc.	<u>119,023,489</u>	<u>303,586,244</u>	—
	<u>321,265,671</u>	<u>379,965,220</u>	

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5 Notes to the consolidated financial statements (Cont'd)

(50) Investment income

	Six months ended 30 June	
	2025	2024
Losses on discount of financing receivables eligible for derecognition (Note 5(5))	(234,105)	-
Losses on long-term equity investments under equity method (Note 5(12))	(9,803,325)	(2,527,255)
Investment income from forward exchange settlement	10,631,603	5,982,935
Investment income from financial assets held for trading	85,408	2,652,711
	<u>679,581</u>	<u>6,108,391</u>

There is no significant restriction on the remittance of investment income of the Group.

(51) Gains on changes in fair value

	Six months ended 30 June	
	2025	2024
Derivative financial assets and derivative financial liabilities - (Losses) /Gains on forward exchange contracts	(7,182,998)	4,970,251
Financial assets at fair value through profit or loss - Structural deposits	179,240	(21,425)
	<u>(7,003,758)</u>	<u>4,948,826</u>

(52) Gains on disposal of assets

	Six months ended 30 June		Amount recognised in non-recurring profit or loss As at 30 June 2025
	2025	2024	
Gains on disposal of assets	<u>18,372,675</u>	<u>10,657,596</u>	<u>18,372,675</u>

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5 Notes to the consolidated financial statements (Cont'd)

(53) Non-operating income

	Six months ended 30 June		Amount recognised in non-recurring profit or loss As at 30 June 2025
	2025	2024	
Penalty income and Others	<u>1,697,188</u>	<u>1,134,539</u>	<u>1,697,188</u>

(54) Non-operating expenses

	Six months ended 30 June		Amount recognised in non-recurring profit or loss As at 30 June 2025
	2025	2024	
Losses on scrapping of assets	-	65,698	-
Donations	5,032	2,792,688	5,032
Others	<u>201,715</u>	<u>2,362,709</u>	<u>201,715</u>
	<u>206,747</u>	<u>5,221,095</u>	<u>206,747</u>

(55) Income tax expenses

	Six months ended 30 June	
	2025	2024
Current income tax calculated based on tax law and related regulations	13,337	4,274
Deferred income tax	<u>84,071,401</u>	<u>(56,973,528)</u>
	<u>84,084,738</u>	<u>(56,969,254)</u>

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5 Notes to the consolidated financial statements (Cont'd)

(55) Income tax expenses (Cont'd)

The reconciliation from income tax calculated based on the applicable tax rates and total profit presented in the consolidated income statement to the income tax expenses is listed as follows:

	Six months ended 30 June	
	2025	2024
Total profit	817,684,775	553,915,575
Income tax calculated at applicable tax rates	122,652,716	83,087,336
Effect of different applicable tax rates	33,360,309	(71,290,587)
Additional deductions	(75,507,128)	(72,828,094)
Deductible loss and temporary differences of the unrecognised deferred tax asset in the current period	966,317	3,135,138
Non-deductible investment losses	1,470,498	379,088
Costs, expenses and losses not deductible for tax purposes	1,142,025	547,865
Income tax expenses	84,084,738	(56,969,254)

(56) Earnings per share

(a) Basic earnings per share

Basic earnings per share are calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average number of outstanding ordinary shares of the parent company:

	Six months ended 30 June	
	2025	2024
Consolidated net profit attributable to ordinary shareholders of the parent company	732,728,047	895,480,117
Weighted average number of ordinary shares outstanding issued by the Company	860,455,004	863,214,000
Basic earnings per share	0.85	1.04

(b) Diluted earnings per share are calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company adjusted based on the dilutive potential ordinary shares by the adjusted weighted average number of outstanding ordinary shares of the Company. As there were no dilutive potential ordinary shares as at 30 June 2025 (the six months ended 30 June 2024: Nil), diluted earnings per share equalled to basic earnings per share.

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5 Notes to the consolidated financial statements (Cont'd)

(57) Notes to the cash flow statement

The Group does not present cash flows on a net basis, and the significant cash flow items are presented as follows:

(a) Cash received relating to other operating activities

	Six months ended 30 June	
	2025	2024
Government grants	208,694,864	75,117,834
Guarantees	43,240,153	18,017,968
Others	32,369,069	25,748,723
	<u>284,304,086</u>	<u>118,884,525</u>

(b) Cash paid relating to other operating activities

	Six months ended 30 June	
	2025	2024
Research and development expenses	391,730,406	279,544,973
Promotion expenses	383,162,063	262,782,714
Advertising expenses	73,585,126	106,878,573
Maintenance expenses	44,922,284	34,102,249
Guarantees	35,780,586	29,075,464
Consulting fees	31,116,397	24,608,124
Trademark royalties	10,261,304	32,447,757
Others	278,077,246	288,779,796
	<u>1,248,635,412</u>	<u>1,058,219,650</u>

(c) Cash received relating to other investing activities

	Six months ended 30 June	
	2025	2024
Interest from cash at bank	74,707,091	118,380,474
Other interest	11,599,410	9,764,230
	<u>86,306,501</u>	<u>128,144,704</u>

(d) Cash paid relating to other financing activities

	Six months ended 30 June	
	2025	2024
Lease liabilities	12,377,597	12,923,965
Stock repurchases	170,000,000	-
	<u>182,377,597</u>	<u>12,923,965</u>

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5 Notes to the consolidated financial statements (Cont'd)

(58) Supplementary information to the cash flow statement

(a) Supplementary information to the cash flow statement

Reconciliation from net profit to cash flows from operating activities

	Six months ended 30 June	
	2025	2024
Net profit	733,600,037	610,884,829
Add: Asset impairment losses (Note 5(47))	(42,736)	(4,296,473)
Credit impairment losses (Note 5(48))	2,295,627	(2,387,703)
Depreciation of fixed assets (Note 5(13))	552,829,786	485,221,314
Amortisation of intangible assets (Note 5(16))	231,412,924	200,787,127
Depreciation of right-of-use assets (Note 5(15))	40,592,333	41,568,134
Gains on disposal of long-term assets	(18,414,462)	(10,591,898)
Financial income	(56,039,252)	(88,092,019)
Investment income (Note 5(50))	(679,581)	(6,108,391)
Losses/ (Gains) on changes in fair value (Note 5(51))	7,003,758	(4,948,826)
Increase in deferred tax assets	(5,659,067)	(56,687,904)
Increase/(Decrease) in deferred tax liabilities	89,730,468	(285,624)
Decrease/(Increase) in inventories	149,005,794	(788,821,169)
Increase in provisions	24,327,812	30,899,260
Increase in operating receivables	(1,474,752,408)	(719,744,780)
(Decrease) /Increase in operating payables	(349,545,446)	1,043,839,882
Decrease in other cash and cash equivalents	9,836,629	2,093,918
Net cash flows from operating activities	<u>(64,497,784)</u>	<u>733,329,677</u>

Net increase in cash and cash equivalents

	Six months ended 30 June	
	2025	2024
Cash and cash equivalents at the end of the period	11,781,003,829	10,967,680,201
Less: Cash and cash equivalents at the beginning of the year	<u>(12,475,176,009)</u>	<u>(11,746,518,615)</u>
Net increase in cash and cash equivalents	<u>(694,172,180)</u>	<u>(778,838,414)</u>

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5 Notes to the consolidated financial statements (Cont'd)

(58) Supplementary information to the cash flow statement (Cont'd)

(b) Changes in liabilities arising from financing activities

	Bank borrowings (including the current portion)	Lease liabilities (including the current portion)	Other Payables	Total
31 December 2024	1,501,412,180	179,437,021	125,419,835	1,806,269,036
Cash inflows from financing activities	2,847,575,556	-	85,750,000	2,933,325,556
Cash outflows from financing activities	(2,950,194,385)	(12,377,597)	(362,177)	(2,962,934,159)
Interest accrued in the current period	2,377,923	2,988,976	2,639,982	8,006,881
Dividends accrued in the current period	-	-	614,608,368	614,608,368
Changes that do not involve cash receipts and payments	664	(67,734,962)	70,873,804	3,139,506
30 June 2025	<u>1,401,171,938</u>	<u>102,313,438</u>	<u>898,929,812</u>	<u>2,402,415,188</u>

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5 Notes to the consolidated financial statements (Cont'd)

(58) Supplementary information to the cash flow statement (Cont'd)

(c) Cash and cash equivalents

	30 June 2025	31 December 2024
Cash at bank available for payment at any time	10,420,513,196	11,067,571,593
Cash at finance company available for payment at any time	<u>1,360,490,633</u>	<u>1,407,604,416</u>
	<u>11,781,003,829</u>	<u>12,475,176,009</u>

(i) As in Note 5(1), other cash and cash equivalents of RMB8,856,058 as at 30 June 2025(31 December 2024: RMB18,692,687) was not included in cash and cash equivalents.

(59) Foreign currency monetary items

	30 June 2025		
	Amounts in foreign currencies	Translation exchange rate	Amounts in RMB
Long-term borrowings-USD	163,710	7.1586	<u>1,171,938</u>
Other payables-USD	14,271,673	7.1586	<u>102,165,197</u>
			<u>103,337,135</u>

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5 Notes to the consolidated financial statements (Cont'd)

(60) Lease

(a) As a lessee

	Six months ended 30 June	
	2025	2024
Interest expense on lease liabilities	2,988,976	4,483,267
Short-term lease expenses with simplified treatment through profit or loss for the period	2,047,029	43,810
Total cash outflows related to leases	14,424,626	12,967,775

The leased assets leased by the Group include houses and buildings used in the course of operation, and the lease term of houses and buildings is usually 1-5 years.

Right-of-use assets, see note 5(15); For lease liabilities, see note 5(30).

(b) As a lessor

The Group leases out its premises, buildings and means of transport for lease terms ranging from 1 to 3 years to form an operating lease.

Operating leases

Gains and losses related to operating leases are presented as follows:

	Six months ended 30 June	
	2025	2024
Rental income	98,802,662	14,847,056

According to the lease contract with the lessee, the undiscounted minimum lease collection amount is as follows:

	30 June 2025	31 December 2024
Within 1 year (including 1 year)	175,489,359	131,603,273
1 to 2 years (inclusive)	45,380,806	43,748,470
2 years to 3 years (inclusive)	9,595,672	18,874,242
	230,465,837	194,225,985

For fixed assets leased out of operation, see Note 5(13).

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6 Equity in other entities

(1) Equity in subsidiaries

Structure of the Group

Subsidiaries	Main place of business	Place of registration	Registered capital	Nature of business	Shareholding (%)		Method of acquisition
					Direct	Indirect	
JMCS	Nanchang, Jiangxi	Nanchang, Jiangxi	50,000,000	Retail, wholesale and lease of automobiles	100%	-	Set up by investment Business combinations involving enterprises not under common control
JMCH	Taiyuan, Shanxi	Taiyuan, Shanxi	1,323,793,174	Manufacture and sales of automobiles	100%	-	Set up by investment
SZFJ	Shenzhen, Guangdong	Shenzhen, Guangdong	10,000,000	Retail, wholesale and lease of automobiles	100%	-	Set up by investment
GZFJ	Guangzhou, Guangdong	Guangzhou, Guangdong	10,000,000	Retail, wholesale and lease of automobiles	100%	-	Set up by investment
Jiangling Ford (Shanghai)(a)	Shanghai	Shanghai	200,000,000	Sales of automobiles, technical and business information consultation	51%	-	Set up by investment

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6 Equity in other entities (Cont'd)

(1) Equity in subsidiaries (Cont'd)

(a) Subsidiaries with significant minority interests

The Group determines the subsidiaries with significant minority interests by taking into account whether the subsidiaries are listed companies, the proportion of minority interests in the Group's consolidated shareholders' equity, and the proportion of profit or loss attributable to minority shareholders in the Group's consolidated net profit, as follows:

	Shareholding of minority shareholders	Total profit or loss attributable to minority shareholders for six months ended 30 June 2025	Dividends paid to minority shareholders for six months ended 30 June 2025	Minority interests as at 30 June 2025
Subsidiaries				
Jiangling Ford (Shanghai)	49%	871,990	-	(696,363,343)

Key financial information of the above significant non-wholly owned subsidiaries is presented below.

	30 June 2025					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Jiangling Ford (Shanghai)	<u>307,387,580</u>	<u>567,957,831</u>	<u>875,345,411</u>	<u>2,257,478,972</u>	<u>39,016,117</u>	<u>2,296,495,089</u>
	Six months ended 30 June 2025					
	Revenue	Net loss	Total comprehensive loss	Cash flows from operating activities		
Jiangling Ford (Shanghai)	<u>1,667,276,790</u>	<u>1,779,572</u>	<u>1,779,572</u>	<u>(388,582,257)</u>		

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6 Equity in other entities (Cont'd)

(2) Equity in associates

(a) General information of significant associates

The Group determines the significant associates by taking into account factors such as whether the associates are listed companies, the proportion of their carrying amounts to the Group's consolidated total assets, and the proportion of the investment income from long-term equity investments under equity method to the Group's consolidated net profit, as set out below:

	Place of registration	Shareholding (%)	
		Direct	Indirect
Associate - The Power Company	Taiyuan, Shanxi	40%	-

(b) Summarised financial information for significant associates

	30 June 2025 The Power Company	31 December 2024 The Power Company
Current assets	153,401,579	170,083,868
Non-current assets	414,720,626	437,139,815
Total assets	568,122,205	607,223,683
Current liabilities	130,340,579	139,059,465
Non-current liabilities	390,039	697
Total liabilities	130,730,618	139,060,162
Equity	437,391,587	468,163,521
Share of net assets based on shareholding (i)	174,956,635	187,265,408
Adjustments		
- Unrealised profits arising from internal transactions	(13,483,984)	(13,725,485)
- Others (ii)	20,853,323	20,853,323
Carrying amount of equity investments in associates	182,325,974	194,393,246

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6 Equity in other entities (Cont'd)

(2) Equity in associates (Cont'd)

(b) Summarised financial information for significant associates (Cont'd)

	The six months ended 30 June	
	2025	2024
	The Power Company	The Power Company
Revenue	42,666,259	27,275,105
Net loss	(6,102,629)	(10,982,624)
Other comprehensive income	-	-
Total comprehensive loss	(6,102,629)	(10,982,624)
Dividends received from associates by the Group		-

(i) The Group calculated the shares of net assets in proportion of the shareholdings and based on the amount attributable to the parent company of the associates in their consolidated financial statements. The amount in the consolidated financial statements of associates considers the fair value of identifiable assets and liabilities at the time of acquisition of the investments and the impact of adjustments to uniform accounting policies. None of the assets involved in transactions between the Group and associates contribute to business.

(ii) Other adjustments were mainly the remeasurement of fair value of remaining equity in the consolidated financial statements, which resulted from the loss of control over the original subsidiary due to the disposal of part of the equity investment.

(c) Summarised information of insignificant associates

	The six months ended 30 June	
	2025	2024
Aggregated carrying amount of investments	27,168,732	28,773,014
Aggregate of the following items based on shareholding		
Net loss(i)	2,263,947	1,438,671
Other comprehensive income (i)	-	-
Total comprehensive loss	2,263,947	1,438,671

(i) Net profit and other comprehensive income have taken into account the fair value of identifiable assets and liabilities at the time of acquisition of the investments and the impact of adjustments to uniform accounting policies.

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7 Segment information

Revenue and profits of the Group mainly arise from production and domestic sales of automobiles, and the primary assets of the Group are all located in China. Management of the Group assesses the operating performance of the Group as a whole. Therefore, no segment report is prepared for the current period.

The six months ended 30 June 2025, the revenue obtained from a single customer of the Group accounted for more than 10% of the Group's revenue, amounting to RMB6,014,014,463, or 33.24% (the six months ended 30 June 2024: 28.22%), of the Group's revenue.

8 Related parties and related party transactions

(1) Information of major shareholders

(a) General information of major shareholders

	Type of enterprise	Place of registration	Legal representative	Nature of business	Code of organisation
JIC	State-owned enterprise	Nanchang, China	Qiu Tiangao	Investment and asset management	91360125MA38LUR91F
Ford	Foreign enterprise	United States	William Clay Ford, Jr.	Manufacture and sales of automobiles	N/A

(b) Registered capital and changes in major shareholders

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
JIC	1,000,000,000	-	-	1,000,000,000
Ford	USD 42,000,000	-	-	USD 42,000,000

(c) The percentages of shareholding and voting rights in the Company held by major shareholders

	30 June 2025		31 December 2024	
	Shareholding (%)	Voting rights (%)	Shareholding (%)	Voting rights (%)
JIC	41.03%	41.03%	41.03%	41.03%
Ford	32%	32%	32%	32%

(2) Information of subsidiaries

The general information and other related information of subsidiaries are set out in Note 6(1).

(3) Information of associates

The information of associates is set out in Note 5(12).

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8 Related parties and related party transactions (Cont'd)

(4) Information of other related parties

	Relationship with the Group
JMCG	Shareholder of JIC
Chongqing Changan Automobile Co., Ltd.(hereinafter referred to as "Chongqing Changan")	Shareholder of JIC
Jiangling Automobile Group (Nanchang) Fushan Energy Co., Ltd.	Controlled by JMCG
Jiangxi JMCG Industry Co., Ltd.	Controlled by JMCG
JMCF	Controlled by JMCG
Jiangxi JMCG Specialty Vehicles Co., Ltd.	Controlled by JMCG
Jiangxi Jiangling Lear Interior System Co., Ltd.	Controlled by JMCG
Jiangxi Lingrui Recycling Resources Development Corporation	Controlled by JMCG
Jiangxi Jiangling Chassis Co., Ltd.	Controlled by JMCG
Nanchang Jiangling HuaXiang Auto Components Co., Ltd.	Controlled by JMCG
JMCG Property Management Co.	Controlled by JMCG
JMCG Jiangxi Engineering Construction Co., Ltd.	Controlled by JMCG
Nanchang JMCG Liancheng Auto Component Co., Ltd.	Controlled by JMCG
Jiangling Aowei Automobile Spare Part Co., Ltd.	Controlled by JMCG
Nanchang JMCG Shishun Logistics Co., Ltd.	Controlled by JMCG
Nanchang Lianda Machinery Co., Ltd.	Controlled by JMCG
JMCG Jingma Motors Co., Ltd.	Controlled by JMCG
Jiangxi JMCG Shangrao Industrial Co.,Ltd.	Controlled by JMCG
Nanchang Unistar Electric & Electronics Co., Ltd.	Controlled by JMCG
Jiangxi ISUZU Engine Co., Ltd.	Controlled by JMCG
Jiangxi ISUZU Co., Ltd.	Controlled by JMCG
Nanchang Hengou Industry Co., Ltd.	Controlled by JMCG
Nanchang Jiangling Group Frame Co., Ltd	Controlled by JMCG
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	Controlled by JMCG
Jiangling Motor Electricity Vehicle Co., Ltd.	Controlled by JMCG
Jiangxi Lingge Non-ferrous Metal Die-casting Co., Ltd.	Controlled by JMCG
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Controlled by JMCG
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	Controlled by JMCG
Nanchang Gear Forging Co.,Ltd.	Controlled by JMCG
Jiangxi JMCG Boya brake system Co., Ltd.	Controlled by JMCG
Jiangxi Mingfang Auto Parts Industry Co., Ltd.	Controlled by JMCG
Jiangxi Jiangling group Fuxin Auto Parts Co., Ltd.	Controlled by JMCG
Ford Motor (China) Co., Ltd.	Controlled by Ford
Ford Trading Company, LLC	Controlled by Ford
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	Controlled by Ford
Ford Global Technologies, LLC	Controlled by Ford
Ford Vietnam Limited	Controlled by Ford
Ford Motor Co. Thailand Ltd.	Controlled by Ford
Auto Alliance (Thailand) Co., Ltd.	Controlled by Ford
Ford Electric Mach Technology (Nanjing) Co., Ltd.	Controlled by Ford
Changan Ford Automobile Co., Ltd.	Joint venture of Ford

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8 Related parties and related party transactions (Cont'd)

(4) Information of other related parties

	Relationship with the Group
China Changan Group Tianjin Sales Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Chongqing Anfu Vehicle Marketing Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Chengdu Wanxing Vehicle Sales & Service Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Guizhou Wanfu Vehicle Sales & Service Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Beijing Baiwang Changfu Vehicle Sales & Service Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Beijing Beifang Changfu Vehicle Sales & Service Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Guizhou Wanjia Automobile Sales and Service Co. LTD	Controlled by Ultimate Holding Company of Chongqing Changan
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Nanchang Yinlun Heat-exchanger Co., Ltd.	Joint venture of JMCG
Jiangling Motor Holdings Co., Ltd.	Associate of JMCG
Magna PT Powertrain (Jiangxi) Co., Ltd.	Associate of JMCG
Nanchang Baojiang Steel Processing Distribution Co., Ltd.	Associate of JMCG
Faurecia Emissions Control Technologies (Nanchang) Co., Ltd.	Associate of JMCG
Jiangxi Jiangling Group Special Vehicle Co., Ltd.	Associate of JMCG
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	Associate of JMCG
Jiangxi Lingyun Automobile Industry Technology Co., Ltd.	Associate of JMCG
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	Associate of JMCG
Nanchang JMCG Xincheng Auto Component Co., Ltd.	Associate of JMCG
Dibao transportation equipment (Nanchang) Co., Ltd.	Associate of JMCG
Bosch Electric Drive Systems (Nanchang) Co., Ltd.	Associate of JMCG
Jiangxi Jingwei Hirain Technologies Co., Inc.	Associate of JMCG

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions

(a) Purchase and sales of goods, provision and receipt of services

Purchase of goods:

	Nature of related party transactions	Six months ended 30 June	
		2025	2024
Magna PT Powertrain (Jiangxi) Co., Ltd.	Purchase of automobile parts	615,426,603	600,584,838
Nanchang Jiangling HuaXiang Auto Components Co., Ltd.	Purchase of automobile parts	475,708,044	590,768,738
Jiangxi Jiangling Chassis Co., Ltd.	Purchase of automobile parts	456,223,430	393,178,316
Nanchang Baojiang Steel Processing Distribution Co., Ltd.	Purchase of raw materials	393,721,342	405,780,356
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	Purchase of automobile parts	356,907,375	377,760,824
Jiangxi Jiangling Lear Interior System Co., Ltd.	Purchase of automobile parts	351,786,847	347,400,376
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	Purchase of automobile parts	324,790,233	264,589,567
Nanchang JMCG Liancheng Auto Component Co., Ltd.	Purchase of automobile parts	178,172,213	177,941,031
Faurecia Emissions Control Technologies (Nanchang) Co., Ltd.	Purchase of automobile parts	109,443,670	108,646,612
Ford	Purchase of automobile parts	105,699,063	780,177,730
Nanchang Unistar Electric & Electronics Co., Ltd.	Purchase of automobile parts	102,115,941	116,897,654
Jiangxi Lingyun Automobile Industry Technology Co., Ltd.	Purchase of automobile parts	99,583,790	97,543,965
Nanchang JMCG Shishun Logistics Co., Ltd.	Purchase of automobile parts	98,311,283	87,848,436
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	Purchase of automobile parts	97,181,277	-
Jiangxi Jingwei Hirain Technologies Co., Inc.	Purchase of automobile parts	72,032,364	-
Hanon Systems	Purchase of automobile parts	61,455,877	66,928,237
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	Purchase of automobile parts	59,494,853	60,847,557
Nanchang Yinlun Heat-exchanger Co., Ltd.	Purchase of automobile parts	58,949,235	58,593,286
Changan Ford Automobile Co., Ltd.	Purchase of automobile parts	51,634,635	68,157,110
Dibao transportation equipment (Nanchang) Co., Ltd.	Purchase of automobile parts	39,406,356	35,165,670
Jiangxi Lingge Non-ferrous Metal Die-casting Co., Ltd.	Purchase of automobile parts	34,941,067	33,360,233
Jiangxi JMCG Specialty Vehicles Co., Ltd.	Purchase of automobile parts	29,024,057	28,757,183
Jiangxi Jiangling Group Special Vehicle Co., Ltd.	Purchase of automobile parts	19,227,733	23,270,189

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions

(a) Purchase and sales of goods, provision and receipt of services

Purchase of goods(Cont'd):

Jiangxi JMCG Boya brake system Co., Ltd.	Purchase of automobile parts	18,123,765	11,236,000
Nanchang Lianda Machinery Co., Ltd.	Purchase of automobile parts	16,682,458	15,348,196
Jiangling Automobile Group (Nanchang) Fushan Energy Co., Ltd.	Purchase of raw materials	14,399,011	15,562,142
Jiangxi JMCG Shangrao Industrial Co.,Ltd.	Purchase of automobile parts	14,096,083	13,577,892
Jiangxi Mingfang Auto Parts Industry Co., Ltd.	Purchase of automobile parts	11,020,726	5,908,983
Jiangxi Jiangling group Fuxin Auto Parts Co., Ltd.	Purchase of automobile parts	8,510,953	10,743,777
Bosch Electric Drive Systems (Nanchang) Co., Ltd.	Purchase of automobile parts	7,826,726	-
Jiangling Aowei Automobile Spare Part Co., Ltd.	Purchase of automobile parts	5,264,524	5,562,150
Nanchang JMCG Xincheng Auto Component Co., Ltd.	Purchase of automobile parts	3,157,004	3,127,958
JMCG	Purchase of automobile parts	2,511,812	22,525,005
Nanchang Jiangling Group Frame Co., Ltd	Purchase of automobile parts	1,831,595	-
Jiangxi ISUZU Engine Co., Ltd.	Purchase of automobile parts	1,429,344	40,104
Ford Motor Co. Thailand Ltd.	Purchase of automobile parts	1,406,550	68,314,885
Jiangling Motor Holdings Co., Ltd.	Purchase of automobile parts	1,315,804	1,126,880
Jiangxi Lingrui Recycling Resources Development Corporation	Purchase of raw materials	17,479	16,477,867
Auto Alliance (Thailand) Co., Ltd.	Purchase of automobile parts	625,550	2,915,565
Nanchang Gear Forging Co.,Ltd.	Purchase of automobile parts	939,798	1,061,737
JMCG Jingma Motors Co., Ltd.	Purchase of automobile parts	18,478	1,038,886
		<u>4,300,414,948</u>	<u>4,918,765,935</u>

The products purchased by the Group from related parties are divided into two categories: purchase of imported parts and purchase of domestic parts.

- The pricing on imported parts purchased from Ford or its suppliers is based on the agreed price by both parties;
- The pricing on domestic accessories purchased from other related parties is determined through quotation, cost accounting, and negotiation between the two parties, and is adjusted regularly.

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(a) Purchase and sales of goods, provision and receipt of services (Cont'd)

Receipt of services:

	Nature of related party transactions	Six months ended 30 June	
		2025	2024
Nanchang JMCG Shishun Logistics Co., Ltd.	Transportation, removal fee, etc.	155,311,266	147,357,676
Ford Global Technologies, LLC	Trademark management fees, technology development	86,110,654	130,437,253
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	Design fee, Personnel costs	66,182,110	73,479,037
Ford	Technical services and personnel costs	41,545,223	27,438,900
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	Cartage fee, storage fee, etc.	29,651,515	45,941,842
Ford Motor (China) Co., Ltd.	Design fee, Personnel costs, etc.	36,140,632	27,098,764
Jiangxi JMCG Industry Co., Ltd.	Meals	16,289,997	16,543,562
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Agency fee, advertising fee, etc.	6,740,642	9,290,495
JMCG Property Management Co.	Property fees, etc.	6,669,045	7,073,104
JMCG Jiangxi Engineering Construction Co., Ltd.	Engineering construction	4,742,946	117,416,875
JMCG	Labour fee, rental fee, etc.	3,371,580	349,520
Jiangxi Jingwei Hirain Technologies Co., Inc.	Design fees	2,298,200	-
Chongqing Anfu Vehicle Marketing Co., Ltd.	Promotion	1,936,652	1,604,135
Magna PT Powertrain (Jiangxi) Co., Ltd.	Design fee, experimental costs	1,914,618	190,790
China Changan Group Tianjin Sales Co., Ltd.	Promotion	1,864,600	500,867
Chongqing Changan Automobile Co., Ltd.	Personnel costs	1,285,866	1,287,423
Guizhou Wanfu Vehicle Sales & Service Co., Ltd.	Promotion	1,027,748	276,632
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	Promotion	-	1,180,264
		<u>463,083,294</u>	<u>607,467,139</u>

The Group's pricing on services received from related parties is based on the agreed price by both parties.

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(a) Purchase and sales of goods, provision and receipt of services (Cont'd)

Sales of goods and provision of services:

	Nature of related party transactions	Six months ended 30 June	
		2025	2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Sales of vehicles and accessories, etc.	6,011,263,897	5,042,910,917
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	Sales of vehicles	103,335,709	49,551,991
Jiangxi JMCG Specialty Vehicles Co., Ltd.	Sales of vehicles and accessories	61,861,871	35,660,121
Chongqing Anfu Vehicle Marketing Co., Ltd.	Sales of vehicles and accessories	60,329,061	55,047,669
JMCG Jingma Motors Co., Ltd.	Sales of vehicles and accessories	51,445,265	67,278,640
Jiangxi Lingrui Recycling Resources Development Corporation	Sales of accessories and waste materials	35,741,568	33,437,495
Chengdu Wanxing Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	28,676,309	43,979,176
China Changan Group Tianjin Sales Co., Ltd.	Sales of vehicles and accessories	23,377,989	45,621,776
Guizhou Wanfu Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	21,092,325	25,337,145
Jiangxi Jiangling Chassis Co., Ltd.	Sales of accessories, etc.	18,339,260	17,336,576
Nanchang Hengou Industry Co., Ltd.	Sales of accessories	15,439,211	8,697,566
Nanchang Jiangling HuaXiang Auto Components Co., Ltd.	Sales of accessories, etc.	13,227,215	10,562,548
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	Sales of accessories, etc.	12,793,698	14,319,726
Jiangxi Jiangling Group Special Vehicle Co., Ltd.	Sales of vehicles and accessories	10,849,292	14,599,239
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	Sales of accessories, etc.	10,533,862	33,330,915
Jiangxi Jiangling Lear Interior System Co., Ltd.	Sales of accessories, etc.	8,478,228	8,935,487
Jiangxi ISUZU Engine Co., Ltd.	Sales of accessories, etc.	7,991,895	16,335,938
Nanchang JMCG Liancheng Auto Component Co., Ltd.	Sales of accessories, etc.	7,108,114	8,093,548
Jiangxi ISUZU Co., Ltd.	Sales of accessories, etc.	7,060,132	8,510,068

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(a) Purchase and sales of goods, provision and receipt of services (Cont'd)

Sales of goods and provision of services(Cont'd):

	Nature of related party transactions	Six months ended 30 June	
		2025	2024
Jiangxi JMCG Industry Co., Ltd.	Sales of accessories and waste materials	4,011,751	1,704,763
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	Sales of vehicles and accessories	2,446,876	2,800,546
Beijing Baiwang Changfu Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	193,894	11,027,317
Guizhou Wanjia Automobile Sales and Service Co. LTD	Sales of vehicles and accessories	21,318	7,248,862
Beijing Beifang Changfu Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	230,857	4,420,133
		<u>6,515,849,597</u>	<u>5,566,748,162</u>

The Group's pricing on goods sold to related parties is based on the agreed price by both parties.

(b) Leases

(i) The lease income recognised in the current period with the Group as the lessor:

Name of the lessee	Type of the leased asset	Six months ended 30 June	
		2025	2024
Jiangling Motor Holdings Co., Ltd.	Buildings	8,935	14,727
Jiangxi ISUZU Co., Ltd.	Buildings	2,945	-
		<u>11,880</u>	<u>14,727</u>

(ii) Increase of right-of-use assets in the current period with the Group as the lessee

Name of the lessee	Type of the leased asset	Six months ended 30 June	
		2025	2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Buildings	-	37,552,314

(iii) Interest costs on lease liabilities in the current period with the Group as the lessee:

Name of the lessee	Type of the leased asset	Six months ended 30 June	
		2025	2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Buildings	455,655	426,978
JMCG	Buildings	84,749	301,701
Ford Motor (China) Co., Ltd	Buildings	10,804	-
		<u>551,208</u>	<u>728,679</u>

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(c) Guarantee received

Guarantor	Guaranteed amount	Starting date	Ending date	Fully performed or not
JMCF	1,171,938	5 March 2001	30 October 2029	Not fully performed

As at 30 June 2025, JMCF provided guarantees for some bank borrowings of the Group, with a maximum guarantee limit of USD2,282,123. As at 30 June 2025, JMCF provided borrowing guarantee to the bank borrowing of USD163,710, equivalent to RMB1,171,938 (31 December 2024: USD196,453 equivalent to RMB1,412,180) for the Group.

(d) Transfer of assets

	Nature of related party transactions	Six months ended 30 June	
		2025	2024
Shanxi Yunnei Power Group Co., Ltd.	Sales of fixed assets	8,340	-
Jiangxi JMCG Industry Co., Ltd.	Sales of fixed assets	3,658	4,442
JMCG Jingma Motors Co., Ltd.	Sales of fixed assets	-	44,381
		<u>11,998</u>	<u>48,823</u>

The pricing on transfer of assets between the Group and related parties is based on the agreed price by both parties.

(e) Purchase of assets

	Nature of related party transactions	Six months ended 30 June	
		2025	2024
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	Purchase of fixed assets	19,211,155	2,140,583
Nanchang JMCG Liancheng Auto Component Co., Ltd.	Purchase of fixed assets	3,890,000	-
Jiangxi Jiangling Chassis Co., Ltd.	Purchase of fixed assets	2,100,000	-
Magna PT Powertrain (Jiangxi) Co., Ltd.	Purchase of fixed assets	1,712,116	738,376
Nanchang Jiangling HuaXiang Auto Components Co., Ltd.	Purchase of fixed assets	-	11,714,950
JMCG Jingma Motors Co., Ltd.	Purchase of fixed assets	-	3,928,253
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	Purchase of fixed assets	-	2,079,737
		<u>26,913,271</u>	<u>20,601,899</u>

The pricing on purchase of assets between the Group and related parties is based on the agreed price by both parties.

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(f) Provision of technology sharing and distribution service

	Nature of related party transactions	Six months ended 30 June	
		2025	2024
Ford Electric Mach Technology (Nanjing) Co., Ltd.	Technical service	72,814,268	55,406,177
Ford Global Technologies, LLC	Technical service	15,853,895	-
Ford Motor (China) Co., Ltd.	Distribution and technical service	13,355,759	12,653,421
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Technical service	2,750,566	13,958,000
Ford Vietnam Limited	Technical service	1,452,183	7,250,000
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	Technical service	-	19,141,233
Ford Trading Company, LLC	Technical service	-	2,450,000
		<u>106,226,671</u>	<u>110,858,831</u>

The Group's pricing on technology sharing provided to related parties is based on the agreed price by both parties.

(g) Remuneration of key management

	Six months ended 30 June	
	2025	2024
Remuneration of key management	<u>7,897,859</u>	<u>9,376,278</u>

(h) Interest income

	Six months ended 30 June	
	2025	2024
JMCF	<u>7,873,071</u>	<u>8,461,182</u>

Cash at bank of the Group deposited with JMCF was calculated based on the bank annual interest rate for RMB deposit of 0.85% to 1.55% over the same period (the six months ended 30 June 2024: 1.35% to 2.25%).

(i) Interest expenses

	Six months ended 30 June	
	2025	2024
Ford Motor (China) Co., Ltd.	2,629,588	-
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	-	120,000
Nanchang JMCG Shishun Logistics Co., Ltd.	-	30,000
	<u>2,629,588</u>	<u>150,000</u>

(j) Funds borrowed in

	Six months ended 30 June	
	2025	2024
Ford Motor (China) Co., Ltd.	<u>85,750,000</u>	<u>-</u>

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8 Related parties and related party transactions (Cont'd)

(6) Receivables from and payables to related parties

	30 June 2025		31 December 2024	
	Amount	Provision for bad debts	Amount	Provision for bad debts
Accounts receivable				
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	4,168,764,395	8,456,123	2,984,138,301	6,078,032
JMCG Jingma Motors Co., Ltd.	36,989,454	120,370	33,013,773	99,416
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	18,114,890	2,721	6,455,121	1,920
Jiangxi JMCG Specialty Vehicles Co., Ltd.	15,322,698	2,908	55,452,936	17,776
Ford Motor (China) Co., Ltd.	8,400,157	25,200	6,304,028	18,912
Jiangxi ISUZU Co., Ltd.	7,986,005	25,935	3,720,130	11,160
Nanchang Jiangling HuaXiang Auto Components Co., Ltd.	7,054,757	21,164	5,182,808	15,548
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	5,849,606	17,549	19,871,496	59,614
Jiangxi Jiangling Lear Interior System Co., Ltd.	3,961,394	11,884	4,753,891	14,262
Jiangxi ISUZU Engine Co., Ltd.	3,660,181	10,981	7,314,839	21,945
Nanchang JMCG Liancheng Auto Component Co., Ltd.	2,763,243	8,290	3,764,288	11,293
Jiangxi Jiangling Group Special Vehicle Co., Ltd.	1,017,884	153	-	-
Ford Electric Mach Technology (Nanjing) Co., Ltd.	230,000	690	7,673,176	23,020
Ford Vietnam Limited	483,022	1,449	3,850,000	11,550
	<u>4,280,597,686</u>	<u>8,705,417</u>	<u>3,141,494,787</u>	<u>6,384,448</u>
Other receivables				
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	<u>7,754,132</u>	<u>40,744</u>	<u>4,959,843</u>	<u>24,439</u>

	30 June 2025	31 December 2024
Advances to suppliers		
Nanchang Baojiang Steel Processing Distribution Co., Ltd.	<u>41,393,500</u>	<u>82,972,689</u>
Prepayment for projects		
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	<u>152,334</u>	<u>-</u>
Financing receivables		
Jiangxi JMCG Specialty Vehicles Co., Ltd.	28,000,979	48,401,766
JMCG Jingma Motors Co., Ltd.	13,800,036	8,972,230
Jiangxi ISUZU Engine Co., Ltd.	1,254,500	5,496,370
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	-	2,079,413
Jiangxi ISUZU Co., Ltd.	-	110,000
	<u>43,055,515</u>	<u>65,059,779</u>
Cash at bank		
JMCF	<u>1,360,490,633</u>	<u>1,407,604,416</u>

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8 Related parties and related party transactions (Cont'd)

(6) Receivables from and payables to related parties (Cont'd)

	30 June 2025	31 December 2024
Accounts payable		
Nanchang Jiangling HuaXiang Auto Components Co., Ltd.	450,560,485	636,898,853
Jiangxi Jiangling Lear Interior System Co., Ltd.	443,558,046	360,356,137
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	396,990,666	327,079,328
Jiangxi Jiangling Chassis Co., Ltd.	303,987,652	255,072,881
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	262,264,048	178,167,668
Magna PT Powertrain (Jiangxi) Co., Ltd.	234,145,249	213,711,414
Nanchang JMCG Liancheng Auto Component Co., Ltd.	171,641,834	185,528,237
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	102,693,126	-
Nanchang JMCG Shishun Logistics Co., Ltd.	95,141,108	63,592,060
Ford	77,776,252	250,461,509
Jiangxi Lingyun Automobile Industry Technology Co., Ltd.	67,672,870	48,459,492
Faurecia Emissions Control Technologies (Nanchang) Co., Ltd.	67,624,600	66,628,906
Hanon Systems	58,401,360	50,706,474
Dibao transportation equipment (Nanchang) Co., Ltd.	57,297,461	55,834,503
Jiangxi JMCG Specialty Vehicles Co., Ltd.	52,249,719	26,610,602
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	42,186,306	43,878,807
Nanchang Unistar Electric & Electronics Co., Ltd.	41,013,865	30,195,971
Nanchang Yinlun Heat-exchanger Co., Ltd.	39,297,207	37,417,773
Jiangxi Lingge Non-ferrous Metal Die-casting Co., Ltd.	26,574,147	28,707,639
Changan Ford Automobile Co., Ltd.	22,302,340	23,802,841
Jiangxi Jingwei Hiraan Technologies Co., Inc.	19,743,709	-
Jiangxi Jiangling Group Special Vehicle Co., Ltd.	15,138,677	19,674,440
Jiangxi JMCG Boya brake system Co., Ltd.	12,041,807	9,558,647
Jiangxi JMCG Shangrao Industrial Co., Ltd.	11,784,964	7,115,719
Nanchang Lianda Machinery Co., Ltd.	9,784,545	10,731,546
Jiangxi Jiangling group Fuxin Auto Parts Co., Ltd.	9,671,830	3,726,062
Jiangxi Mingfang Auto Parts Industry Co., Ltd.	8,692,279	8,944,064
Bosch Electric Drive Systems (Nanchang) Co., Ltd.	8,319,791	-
JMCG	5,927,040	39,486,926
Jiangling Aowei Automobile Spare Part Co., Ltd.	4,131,291	6,042,853
Nanchang JMCG Xinchun Auto Component Co., Ltd.	3,275,783	2,979,179
JMCG Jingma Motors Co., Ltd.	2,624,506	2,606,028
Nanchang Jiangling Group Frame Co., Ltd.	1,831,595	1,091,724
Jiangxi ISUZU Engine Co., Ltd.	1,611,664	2,758,942
Ford Motor Co. Thailand Ltd.	1,422,765	6,940,038
Jiangxi Lingrui Recycling Resources Development Corporation	-	11,463,008
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	-	11,243,955
Jiangling Automobile Group (Nanchang) Fushan Energy Co., Ltd.	951,806	2,922,507
	<u>3,130,332,393</u>	<u>3,030,396,733</u>

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8 Related parties and related party transactions (Cont'd)

(6) Receivables from and payables to related parties (Cont'd)

	30 June 2025	31 December 2024
Other payables		
Ford Motor (China) Co., Ltd.	233,311,158	144,907,458
Ford	95,852,918	69,903,294
Ford Global Technologies, LLC	78,524,824	57,533,353
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	59,039,752	51,837,372
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	53,627,396	61,846,021
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	33,479,182	27,838,079
JMCG Jiangxi Engineering Construction Co., Ltd.	26,411,601	25,905,249
Nanchang Jiangling HuaXiang Auto Components Co., Ltd.	26,258,673	35,565,451
Nanchang JMCG Shishun Logistics Co., Ltd.	16,440,167	26,831,215
JMCG Property Management Co.	12,055,102	8,466,756
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	9,439,472	8,431,243
JMCG	6,050,389	7,636,166
Jiangxi JMCG Specialty Vehicles Co., Ltd.	5,620,020	5,772,611
Jiangxi Jiangling Chassis Co., Ltd.	5,145,999	1,681,716
Jiangxi JMCG Industry Co., Ltd.	2,643,705	3,000,344
Jiangxi Jingwei Hirain Technologies Co., Inc.	2,533,557	-
Magna PT Powertrain (Jiangxi) Co., Ltd.	1,978,748	1,488,027
Nanchang JMCG Liancheng Auto Component Co., Ltd.	1,769,818	1,908,156
Faurecia Emissions Control Technologies (Nanchang) Co., Ltd.	1,728,294	558,188
Jiangxi Jiangling Lear Interior System Co., Ltd.	1,705,670	1,518,633
Chongqing Changan Automobile Co., Ltd.(hereinafter referred to as "Chongqing Changan")	1,404,500	2,574,845
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	903,531	5,703,062
Guizhou Wanfu Vehicle Sales & Service Co., Ltd.	71,929	2,937,977
	<u>675,996,405</u>	<u>553,845,216</u>
Contract liabilities		
Ford Global Technologies, LLC	160,155,205	-
Ford Electric Mach Technology (Nanjing) Co., Ltd.	68,285,785	62,310,452
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	5,550,816	3,930,000
Guizhou Wanjia Automobile Sales and Service Co. LTD	1,323,814	1,318,467
JMCG Jingma Motors Co., Ltd.	1,001,327	632,699
Nanchang Hengou Industry Co., Ltd.	-	1,860,835
Jiangxi Jiangling Special Purpose Vehicle Co., Ltd.	-	1,506,350
Jiangxi Jiangling Group Special Vehicle Co., Ltd.	-	1,436,028
	<u>236,316,947</u>	<u>72,994,831</u>
Lease liabilities		
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	24,268,140	30,593,850
JMCG	1,180,864	5,862,186
Ford Motor (China) Co., Ltd.	510,405	589,853
	<u>25,959,409</u>	<u>37,045,889</u>

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8 Related parties and related party transactions (Cont'd)

(7) Commitments in relation to related parties

Capital commitments

	30 June 2025	31 December 2024
JMCG Jiangxi Engineering Construction Co., Ltd.	<u>1,897,200</u>	<u>6,640,100</u>

Guarantee of commitments in relation to related parties is set out in Note 8(5)(c).

9 Contingencies

As at 30 June 2025, the Group had no contingencies that needed to be disclosed in the notes to the financial statements.

10 Commitments

Capital expenditure commitments

Capital expenditures contracted for by the Group but are not yet necessary to be recognised on the balance sheet as at the balance sheet date are as follows:

	30 June 2025	31 December 2024
Buildings, machinery and equipment	<u>395,073,000</u>	<u>477,562,000</u>

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11 Financial instrument and risk

The Group's activities expose it to a variety of financial risks, which mainly comprise market risk (primarily including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The above financial risks and the Group's risk management policies to mitigate the risks are as follows:

The Board of Directors is responsible for planning and establishing the Group's risk management framework, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has established risk management policies to identify and analyse the risks faced by the Group. These risk management policies specify the risks such as market risk, credit risk and liquidity risk management. The Group regularly evaluates the market environment and changes in the Group's operating activities to determine whether to update the risk management policies and systems or not. The Group's risk management is carried out by the Risk Management Committee under policies approved by the Board of Directors. The Risk Management Committee works closely with other business departments of the Group to identify, evaluate and avoid relevant risks. The internal audit department of the Group conducts periodical audit to the controls and procedures for risk management and reports the audit results to the Audit Committee of the Group.

(1) Market risk

(a) Foreign exchange risk

The Group's major operational activities are carried out in the mainland China and a majority of the transactions are denominated in RMB. The Group is exposed to foreign exchange risk arising from the recognised assets and liabilities, and future transactions denominated in foreign currencies, primarily with respect to USD. The Group continuously monitors the amount of assets and liabilities, and transactions denominated in foreign currencies to minimise the foreign exchange risk. As at 30 June 2025, the Group's borrowings denominated in foreign currencies were USD163,710, equivalent to RMB1,171,938. The Group's other accounts payable denominated in foreign currencies was USD14,271,673, equivalent to RMB102,165,197. The Group signed forward exchange contracts to mitigate the foreign exchange risk(Note 5(2), Note 5(29)).

JIANGLING MOTORS CORPORATION, LTD.

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(All amounts in RMB Yuan unless otherwise stated)

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11 Financial instrument and risk (Cont'd)

(1) Market risk (Cont'd)

(a) Foreign exchange risk (Cont'd)

The financial assets and financial liabilities denominated in foreign currencies, which were held by the Group, were expressed in RMB as at 30 June 2025 and 31 December 2024 as follows:

	30 June 2025		
	USD	EUR	Total
Financial asset denominated in foreign currency - Derivative financial assets	4,568,083	-	4,568,083
Financial liabilities denominated in foreign currency - Current portion of long- term borrowings	468,775	-	468,775
Long-term borrowings	703,163	-	703,163
Other payables	102,165,197	-	102,165,197
	103,337,135	-	103,337,135
	31 December 2024		
	USD	EUR	Total
Financial asset denominated in foreign currency - Derivative financial assets	12,612,380	-	12,612,380
Financial liabilities denominated in foreign currency - Current portion of long- term borrowings	470,727	-	470,727
Long-term borrowings	941,453	-	941,453
Other payables	78,220,386	-	78,220,386
	79,632,566	-	79,632,566

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11 Financial instrument and risk (Cont'd)

(1) Market risk (Cont'd)

(a) Foreign exchange risk (Cont'd)

As at 30 June 2025, for various types of foreign currency financial assets and foreign currency financial liabilities, if RMB appreciates or depreciates by 10% against the US dollar, and other factors remain unchanged, the Group will increase or decrease its total profit by approximately RMB9,876,905 (31 December 2024: approximately RMB6,702,019)

(b) Interest rate risk

The Group's interest rate risk mainly arises from interest-bearing debts such as short-term borrowings and long-term borrowings. The financial liabilities of floating interest rate expose the Group to cash flow interest rate risk, and the financial liabilities of fixed interest rate expose the Group to fair value interest rate risk. The Group determines the relative proportions of fixed-rate and floating-rate contracts based on the prevailing market environment. As at 30 June 2025, the Group's short-term borrowings of RMB1,400,000,000 (31 December 2024: RMB1,500,000,000) were fixed-rate borrowings, and long-term borrowings of USD163,710 (31 December 2024: USD196,453) were fixed-rate contracts, therefore there was no significant cash flow interest rate risk.

The Group continuously monitors the interest rate position of the Group. Increases in interest rates will increase the cost of new borrowing, and therefore could have a material adverse effect on the Group's financial performance. Management makes adjustments timely with reference to the latest market conditions and may enter into interest rate swap agreements to mitigate its exposure to interest rate risk. During the six months ended 30 June 2025 and 2024, the Group did not enter into any interest rate swap agreements.

As at 30 June 2025 and 31 December 2024, there was no significant difference between the fair value and the carrying amount of the Group's bank borrowings with fixed rates.

(2) Credit risk

The Group's credit risk mainly arises from cash at bank and on hand, notes receivable, accounts receivable, financing receivables, other receivables, long-term receivables and derivative financial assets at fair value through profit or loss that are not included in the impairment assessment scope. The carrying amount of the Group's financial assets reflects its maximum credit exposure at the balance sheet date.

The Group expects that there is no significant credit risk associated with cash at bank and on hand since they are deposited at state-owned banks and other large or medium size banks with good reputation and high credit rating. The Group does not expect that there will be significant losses from non-performance by these banks.

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11 Financial instrument and risk (Cont'd)

(2) Credit risk (Cont'd)

The Group has policies to limit the credit exposure on notes receivable, accounts receivable, financing receivables, other receivables and long-term receivables. The Group assesses the credit quality of and sets credit limits on its customers by taking into account their financial position, the availability of guarantee from third parties, their credit history and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

As at 30 June 2025, the Group had no significant collateral or other credit enhancements held as a result of the debtor's mortgage (31 December 2024: Nil).

(3) Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group and aggregated by the Group. The Group monitors rolling forecasts of the Group's short-term and long-term liquidity requirements to ensure it has sufficient cash, while maintaining sufficient headroom on its undrawn committed borrowing facilities from major financial institutions so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities to meet the short-term and long-term liquidity requirements.

As at the balance sheet date, the financial liabilities of the Group were analysed by their maturity date below at their undiscounted contractual cash flows:

	30 June 2025				Total
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term borrowings	1,400,000,000	-	-	-	1,400,000,000
Accounts payable	10,276,435,013	-	-	-	10,276,435,013
Other payables	5,902,281,454	-	-	-	5,902,281,454
Lease liabilities	86,286,511	16,217,736	3,464,182	-	105,968,429
Long-term borrowings	484,596	477,564	236,146	-	1,198,306
	<u>17,665,487,574</u>	<u>16,695,300</u>	<u>3,700,328</u>	<u>-</u>	<u>17,685,883,202</u>
	31 December 2024				Total
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term borrowings	1,500,000,000	-	-	-	1,500,000,000
Accounts payable	10,061,223,944	-	-	-	10,061,223,944
Other payables	5,742,026,472	-	-	-	5,742,026,472
Lease liabilities	90,725,324	84,460,529	10,891,131	-	186,076,984
Long-term borrowings	490,144	483,082	476,023	-	1,449,249
	<u>17,394,465,884</u>	<u>84,943,611</u>	<u>11,367,154</u>	<u>-</u>	<u>17,490,776,649</u>

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11 Financial instrument and risk (Cont'd)**(3) Liquidity risk (Cont'd)**

- (i) As at 30 June 2025, the Group did not have lease contracts that had been signed but had not yet been performed.

12 Fair value estimates

The level in which fair value measurement is categorised is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

(1) Assets and liabilities measured at fair value on a recurring basis

As at 30 June 2025, the assets measured at fair value on a recurring basis by the above three levels were analysed below:

	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial asset-				
Forward foreign exchange contracts	-	4,568,083	-	4,568,083
Financing receivables -				
Notes receivable	-	310,302,211	-	310,302,211
	<u>-</u>	<u>314,870,294</u>	<u>-</u>	<u>314,870,294</u>

As at 31 December 2024, the assets measured at fair value on a recurring basis by the above three levels were analysed below:

	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial asset-				
Forward foreign exchange contracts	-	12,612,380	-	12,612,380
Financing receivables -				
Notes receivable	-	302,065,502	-	302,065,502
	<u>-</u>	<u>314,677,882</u>	<u>-</u>	<u>314,677,882</u>

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12 Fair value estimates (Cont'd)

(1) Assets and liabilities measured at fair value on a recurring basis (Cont'd)

As at 30 June 2025, the Group had no continuing liabilities at fair value.

The Group takes the date on which events causing the transfers between the levels take place as the timing specific for recognising the transfers. There was no transfer between Level 1 and Level 2 As at 30 June 2025.

The fair value of financial instruments traded in an active market is determined at the quoted market price; and the fair value of those not traded in an active market is determined by the Group using valuation technique.

(2) Assets measured at fair value on a non-recurring basis

As at 30 June 2025 and 31 December 2024, the Group had no assets measured at fair value on a non-recurring basis.

(3) Assets and liabilities not measured at fair value but for which the fair value is disclosed

The Group's financial assets and liabilities measured at amortised cost mainly comprise notes receivable, accounts receivable, other receivables, long-term receivables, short-term borrowings, payables, lease liabilities and long-term borrowings.

The carrying amount of the Group's financial assets and liabilities not measured at fair value is a reasonable approximation of their fair value.

13 Capital management

The Group's capital management policies aim to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, refund capital to shareholders, issue new shares or sell assets to reduce debts.

The Group's total capital is calculated as "shareholders' equity" as shown in the consolidated balance sheet. The Group is not subject to external mandatory capital requirements, and monitors capital on the basis of equity ratio.

As at 30 June 2025 and 31 December 2024, the Group's equity ratio was as follows:

	30 June 2025	31 December 2024
Total borrowings	1,401,171,938	1,501,412,180
Total shareholders' equity	10,543,868,112	10,595,344,521
Equity ratio	<u>13%</u>	<u>14%</u>

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14 Notes to the Company's financial statements

(1) Accounts receivable

	30 June 2025	31 December 2024
Accounts receivable	6,792,485,882	5,595,070,789
Less: Provision for bad debts	(77,047,969)	(74,023,216)
	<u>6,715,437,913</u>	<u>5,521,047,573</u>

(a) The aging of accounts receivable was analysed as follows:

	30 June 2025	31 December 2024
Within 1 year	6,460,195,786	5,415,107,619
Over 1 year	332,290,096	179,963,170
	<u>6,792,485,882</u>	<u>5,595,070,789</u>

As of December 31, 2024, accounts receivable with significant individual amounts and aging exceeding three years was analysed as follows:

	Balance	Reason and collection risk
SZFJ	34,049,026	The Company evaluates the receivables from its subsidiary, SZFJ, on an individual basis. Based on the judgment of credit risk, these receivables were not subject to significant credit risk and were not impaired.
Company1	66,796,993	Due to the operating difficulties of the defaulting company and several lawsuits involved, the Company considered that the receivables were difficult to collect and had therefore made full provision for bad debts.

(b) As at 30 June 2025, the top five accounts receivable ranked by the balances of the debtors were analysed as follows:

	Balance	Amount of provision for bad debts	% of total balance
The total amount of accounts receivable in the top five	<u>6,519,537,469</u>	<u>75,045,090</u>	<u>95.98%</u>

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14 Notes to the Company's financial statements (Cont'd)

(1) Accounts receivable (Cont'd)

(c) Provision for bad debts

For accounts receivable, the Company measures the loss provision based on the lifetime ECL regardless of whether there is a significant financing component.

The provision for bad debts of accounts receivable was analysed by category as follows:

	30 June 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	2,415,852,597	36%	66,796,993	2.76%
Provision for bad debts on the grouping basis (ii)	4,376,633,285	64%	10,250,976	0.23%
	<u>6,792,485,882</u>	<u>100%</u>	<u>77,047,969</u>	<u>1.13%</u>

	31 December 2024			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	2,294,478,118	41%	66,796,993	2.91%
Provision for bad debts on the grouping basis (ii)	3,300,592,671	59%	7,226,223	0.22%
	<u>5,595,070,789</u>	<u>100%</u>	<u>74,023,216</u>	<u>1.32%</u>

(i) Accounts receivable for which the provision for bad debts was provided on the individual basis were analysed follows:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Provision for bad debts
Receivables from related parties within the Group i)	2,349,055,604	-	-
Receivables for automobiles ii)	66,796,993	100%	66,796,993
	<u>2,415,852,597</u>		<u>66,796,993</u>

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Provision for bad debts
Receivables from related parties within the Group i)	2,227,681,125	-	-
Receivables for automobiles ii)	66,796,993	100%	66,796,993
	<u>2,294,478,118</u>		<u>66,796,993</u>

i) As at 30 June 2025, the Company's accounts receivable from subsidiary Jiangling Ford (Shanghai), SZFJ, GZFJ and JMCS were RMB1,280,618,554, RMB1,015,100,113, RMB6,960,300 and RMB46,376,637 (31 December 2024: RMB1,453,456,415, RMB767,264,410, RMB6,960,300 and Nil). The Company assessed the receivables from subsidiaries individually and based on the judgment of credit risk, the receivables from subsidiaries were not subject to significant credit risk and were not overdue and impaired.

JIANGLING MOTORS CORPORATION, LTD.

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(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

14 Notes to the Company's financial statements (Cont'd)

(1) Accounts receivable (Cont'd)

(c) Provision for bad debts (Cont'd)

(i) Accounts receivable for which the provision for bad debts was provided on the individual basis were analysed follows (Cont'd):

ii) As at 30 June 2025, the Company assessed the expected credit losses of the relevant accounts receivable, which were expected to be unrecoverable, and therefore made a provision for bad debts in full amounting to RMB66,796,993 (31 December 2024: RMB66,796,993), which no impact on profit or loss for the current period (the six months ended 30 June 2024: no impact on profit or loss for the current period).

(ii) Accounts receivable for which provision for bad debts was made on the grouping basis were analysed as follows:

Grouping – Domestic sales of general automobiles:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	109,066,194	0.02%	16,380
Overdue for 1 to 30 days	1,136,000	0.48%	5,421
Overdue for 31 to 60 days	4,562,828	1.19%	54,218
Overdue for 61 to 90 days	3,124,000	2.52%	78,876
Overdue over 90 days	1,691,800	9.00%	152,262
	<u>119,580,822</u>		<u>307,157</u>

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	136,590,607	0.03%	40,628
Overdue for 1 to 30 days	840,000	0.55%	4,605
Overdue for 31 to 60 days	-	-	-
Overdue for 61 to 90 days	-	-	-
Overdue over 90 days	1,074,500	9.00%	96,705
	<u>138,505,107</u>		<u>141,938</u>

Grouping – Export sales of general automobiles:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	<u>4,085,275,267</u>	0.20%	<u>8,170,551</u>

JIANGLING MOTORS CORPORATION, LTD.

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(All amounts in RMB Yuan unless otherwise stated)

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14 Notes to the Company's financial statements (Cont'd)

(1) Accounts receivable (Cont'd)

(c) Provision for bad debts (Cont'd)

(ii) Accounts receivable for which provision for bad debts is made on the grouping basis are analysed as follows (Cont'd):

Grouping – Export sales of general automobiles(Cont'd):

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	2,933,133,292	0.20%	5,866,267

Grouping - Sales of new energy automobiles:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Overdue over 90 days	562,680	80.00%	450,144

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Overdue over 90 days	563,760	80.00%	451,008

Grouping – Automobile parts:

	30 June 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	129,315,319	0.30%	387,946
Overdue for 1 to 30 days	10,742,088	0.30%	32,226
Overdue for 31 to 60 days	9,434,791	0.50%	47,174
Overdue for 61 to 90 days	5,234,958	0.60%	31,410
Overdue over 90 days	16,487,360	5.00%	824,368
	171,214,516		1,323,124

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	202,384,142	0.30%	607,153
Overdue for 1 to 30 days	10,256,078	0.30%	30,768
Overdue for 31 to 60 days	8,788,453	0.50%	43,942
Overdue for 61 to 90 days	5,976,016	0.60%	35,856
Overdue over 90 days	985,823	5.00%	49,291
	228,390,512		767,010

JIANGLING MOTORS CORPORATION, LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

14 Notes to the Company's financial statements (Cont'd)

- (1) Accounts receivable (Cont'd)
- (c) Provision for bad debts (Cont'd)
- (iii) The accrued amount of provision for bad debts for the period was RMB3,024,753.
- (d) There was no provision for bad debts actually written off during the period.
- (e) As at 30 June 2025 and 31 December 2024, there were no accounts receivable pledged.
- (2) Other receivables

	30 June 2025	31 December 2024
Receivables from Jiangling Ford (Shanghai)	181,236,919	89,250,000
Receivables from JMCH	12,858,981	14,542,410
Gas and electricity bills	8,799,782	18,531,901
Import working capital	5,000,000	3,900,523
Stock repurchase securities funds	1,099,623	-
Receivables from refund of social insurance	-	1,297,367
Others	22,402,496	17,315,330
	<u>231,397,801</u>	<u>144,837,531</u>
Less: Provision for bad debts	<u>(192,342)</u>	<u>(220,324)</u>
	<u>231,205,459</u>	<u>144,617,207</u>

The Company did not have any fund deposited at other parties under the centralised fund management and represented in other receivables.

- (a) The aging of other receivables was analysed as follows:

	30 June 2025	31 December 2024
Within 1 year	219,141,862	131,654,349
Over 1 year	12,255,939	13,183,182
	<u>231,397,801</u>	<u>144,837,531</u>

JIANGLING MOTORS CORPORATION, LTD.

**NOTES TO THE FINANCIAL STATEMENTS
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(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

14 Notes to the Company's financial statements (Cont'd)

(2) Other receivables (Cont'd)

(b) Provision for losses and changes in book balance statements

The provision for bad debts of other receivables were analysed by category as follows:

30 June 2025				
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	195,195,523	84%	-	-
Provision for bad debts on the grouping basis (ii)	36,202,278	16%	192,342	0.53%
	231,397,801	100%	192,342	0.08%

31 December 2024				
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	105,089,777	73%	-	-
Provision for bad debts on the grouping basis (ii)	39,747,754	27%	220,324	0.55%
	144,837,531	100%	220,324	0.15%

JIANGLING MOTORS CORPORATION, LTD.

**NOTES TO THE FINANCIAL STATEMENTS
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(All amounts in RMB Yuan unless otherwise stated)
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14 Notes to the Company's financial statements (Cont'd)

(2) Other receivables (Cont'd)

(b) Provision for losses and changes in book balance statements (Cont'd):

	Stage 1		12-month ECL (individual)		Total
	12-month ECL (grouping)		Provision for bad debts		Provision for bad debts
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts
31 December 2024	39,747,754	220,324	105,089,777	-	220,324
Increase in the current period	-	-	90,105,746	-	-
Decrease in the current period	(3,545,476)	-	-	-	-
Bad debt provision decreased in the current period	-	(27,982)	-	-	(27,982)
30 June 2025	36,202,278	192,342	195,195,523	-	192,342

As at 30 June 2025 and 31 December 2024, the Company did not have any other receivables at Stage 2 or Stage 3. Other receivables at Stage 1 were analysed below:

(i) As at 30 June 2025 and 31 December 2024, the Company's other receivables with provision for bad debts on the individual basis were analysed below:

Stage 1	30 June 2025			
	Book balance	12-month ECL rates	Provision for bad debts	Reason
Receivables from Jiangling Ford (Shanghai)	181,236,919	-	-	i)
Receivables from JMCH	12,858,981	-	-	ii)
Stock repurchase securities funds	1,099,623	-	-	
	195,195,523	-	-	

The Company assessed the receivables from subsidiary and stock repurchase securities funds based on the judgment of credit risk, the receivables were not subject to significant credit risk and were not overdue and impaired.

Stage 1	31 December 2024			
	Book balance	12-month ECL rates	Provision for bad debts	Reason
Receivables from Jiangling Ford (Shanghai)	89,250,000	-	-	i)
Receivables from JMCH	14,542,410	-	-	ii)
Receivables from refund of social insurance	1,297,367	-	-	
	105,089,777	-	-	

JIANGLING MOTORS CORPORATION, LTD.**NOTES TO THE FINANCIAL STATEMENTS
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(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

14 Notes to the Company's financial statements (Cont'd)**(2) Other receivables (Cont'd)****(b) Provision for losses and changes in book balance statements (Cont'd):**

- (ii) As at 30 June 2025 and 31 December 2024, the Company's other receivables with provision for bad debts on the grouping basis were analysed below:

Other receivables with provision on the grouping basis at Stage 1:

As at 30 June 2025, the Company's other receivables with provision for bad debts on the grouping basis were analysed below:

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Provision on the grouping basis:				
Gas and electricity bills	8,799,782	0.53%	46,238	ECL
Import working capital	5,000,000	0.53%	26,272	ECL
Others	22,402,496	0.53%	119,832	ECL
	<u>36,202,278</u>		<u>192,342</u>	

As at 31 December 2024, the Company's other receivables with provision for bad debts on the grouping basis were analysed below:

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Provision on the grouping basis:				
Gas and electricity bills	18,531,901	0.49%	91,314	ECL
Import working capital	3,900,523	0.49%	19,219	ECL
Others	17,315,330	0.63%	109,791	ECL
	<u>39,747,754</u>		<u>220,324</u>	

- (c) The reversed provision for bad debts in the current period amounted to RMB27,982.

- (d) There was no provision for bad debts written off during the period.

JIANGLING MOTORS CORPORATION, LTD.

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14 Notes to the Company's financial statements (Cont'd)

(2) Other receivables (Cont'd)

- (e) As at 30 June 2025, the top five other receivables ranked by remaining balances were analysed as follows:

	Nature	Balance	Aging	% of total balance	Provision for bad debts
Company 1	Receivables from subsidiaries	181,236,919	within 1 year	78%	-
Company 2	Receivables from subsidiaries	12,858,981	Over 1 year	6%	-
Company 3	Gas bills	8,799,782	within 1 year	4%	46,238
Company 4	Import working capital, etc	7,754,132	within 1 year	3%	40,744
Company 5	Claim for compensation	2,166,155	within 1 year	1%	11,382
		<u>212,815,969</u>		<u>92%</u>	<u>98,364</u>

(3) Long-term equity investments

	30 June 2025	31 December 2024
Subsidiaries (a)	2,858,943,493	2,858,943,493
Associates (b)	<u>204,645,696</u>	<u>214,449,021</u>
	3,063,589,189	3,073,392,514
Less: Provision for impairment of long-term equity investments for subsidiaries	(2,301,440,553)	(2,301,440,553)
Provision for impairment of long-term equity investments for associates	<u>-</u>	<u>-</u>
	(2,301,440,553)	(2,301,440,553)
	<u>762,148,636</u>	<u>771,951,961</u>

JIANGLING MOTORS CORPORATION, LTD.

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(All amounts in RMB Yuan unless otherwise stated)
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14 Notes to the Company's financial statements (Cont'd)

(3) Long-term equity investments (Cont'd)

(a) Subsidiaries

	31 December 2024	Movements for the current period Additional investments	30 June 2025	Ending balance of provision for impairment	Cash dividends declared this period	30 June 2025 Carrying amount
	Gross amount		Gross amount			
JMCH	2,686,943,493	-	2,686,943,493	(2,301,440,553)	-	385,502,940
JMCS	50,000,000	-	50,000,000	-	-	50,000,000
SZFJ	10,000,000	-	10,000,000	-	-	10,000,000
GZFJ	10,000,000	-	10,000,000	-	-	10,000,000
Jiangling Ford (Shanghai)	102,000,000	-	102,000,000	-	-	102,000,000
	<u>2,858,943,493</u>	<u>-</u>	<u>2,858,943,493</u>	<u>(2,301,440,553)</u>	<u>-</u>	<u>557,502,940</u>

(b) Associates

	31 December 2024	Movements for the current period Increase in the current period	Share of net profit/(loss) under equity method	Cash dividends declared	Provision for impairment	30 June 2025	Shareholding (%)	Voting rights (%)	Impairment provision 30 June 2025	31 December 2024
The Power Company	189,544,236	-	(12,067,272)	-	-	177,476,964	40%	40%	-	-
Hanon Systems	24,904,785	-	2,263,947	-	-	27,168,732	19.15%	33.33%	-	-
Total	<u>214,449,021</u>	<u>-</u>	<u>(9,803,325)</u>	<u>-</u>	<u>-</u>	<u>204,645,696</u>			<u>-</u>	<u>-</u>

JIANGLING MOTORS CORPORATION, LTD.

**NOTES TO THE FINANCIAL STATEMENTS
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(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

14 Notes to the Company's financial statements (Cont'd)

(4) Revenue and cost of sales

	The six months ended 30 June	
	2025	2024
Revenue from main operations	17,063,223,739	16,828,092,423
Revenue from other operations	342,945,766	1,057,857,635
	<u>17,406,169,505</u>	<u>17,885,950,058</u>
	The six months ended 30 June	
	2025	2024
Cost of sales from main operations	15,018,996,560	14,766,862,877
Cost of sales from other operations	220,930,116	409,504,678
	<u>15,239,926,676</u>	<u>15,176,367,555</u>

(a) Revenue and cost of sales from main operations

	The six months ended 30 June			
	2025		2024	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations (Restated)
Sales of automobiles	16,289,695,231	14,433,831,338	16,001,794,796	14,131,205,491
Sales of automobile parts	766,519,823	578,156,537	787,392,775	596,752,534
Automobile maintenance services and others	7,008,685	7,008,685	38,904,852	38,904,852
	<u>17,063,223,739</u>	<u>15,018,996,560</u>	<u>16,828,092,423</u>	<u>14,766,862,877</u>

(b) Revenue and cost of sales from other operations

	The six months ended 30 June			
	2025		2024	
	Revenue from other operations	Cost of sales from other operations	Revenue from other operations	Cost of sales from other operations
Sales of materials	219,772,653	197,371,409	326,770,645	312,926,556
Others	123,173,113	23,558,707	731,086,990	96,578,122
	<u>342,945,766</u>	<u>220,930,116</u>	<u>1,057,857,635</u>	<u>409,504,678</u>

JIANGLING MOTORS CORPORATION, LTD.

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(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

14 Notes to the Company's financial statements (Cont'd)

(4) Revenue and cost of sales (Cont'd)

(c) The breakdown of the Company's revenue by product and service transfer time was as follows:

	The six months ended 30 June 2025				
	Automobiles	Automobile parts	Automobile maintenance services, etc.	Materials and others	Total
Revenue from main operations	16,289,695,231	766,519,823	7,008,685	-	17,063,223,739
Including: Recognised at a time point	16,289,695,231	766,519,823	-	-	17,056,215,054
Recognised within a certain period	-	-	7,008,685	-	7,008,685
Revenue from other operations (i)	-	-	-	342,945,766	342,945,766
	<u>16,289,695,231</u>	<u>766,519,823</u>	<u>7,008,685</u>	<u>342,945,766</u>	<u>17,406,169,505</u>

	The six months ended 30 June 2024				
	Automobiles	Automobile parts	Automobile maintenance services	Materials and others	Total
Revenue from main operations	16,001,794,796	787,392,775	38,904,852	-	16,828,092,423
Including: Recognised at a time point	16,001,794,796	787,392,775	-	-	16,789,187,571
Recognised within a certain period	-	-	38,904,852	-	38,904,852
Revenue from other operations (i)	-	-	-	1,057,857,635	1,057,857,635
	<u>16,001,794,796</u>	<u>787,392,775</u>	<u>38,904,852</u>	<u>1,057,857,635</u>	<u>17,885,950,058</u>

- (i) The Company's revenue from other operations includes sales of materials and technical service provided. Revenue from sales of materials is recognised at a certain time point, and revenue from technical service provided is recognised within a certain period.

As at 30 June 2025, the amount of revenue corresponding to the performance obligations that the Company had contracted but had not commenced or completed was RMB272,153,347, which the Company expected that would be recognised as revenue in 2025.

(5) Investment income

	The six months ended 30 June	
	2025	2024
Investment gain from forward exchange settlement	10,631,603	5,982,935
Losses on discount of financing receivables eligible for derecognition	(1,422,995)	-
Losses on long-term equity investments under equity method	(9,803,325)	(2,527,255)
	<u>(594,717)</u>	<u>3,455,680</u>

There is no significant restriction on the remittance of investment income to the Company.

JIANGLING MOTORS CORPORATION, LTD.

**SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

1 Statement of non-recurring profit or loss

	The six months ended 30 June	
	2025	2024
Government grants recognised in profit or loss for the current period, except those that are closely related to ordinary activities and conform to the national policies and regulations, and are granted in accordance with certain standards and have a continuous impact on the Company's profit or loss	202,242,182	76,378,976
Gains or losses on disposal of non-current assets	18,414,462	10,591,898
Fund occupation fees received from non-financial institutions	1,240,008	3,230,604
Gains or losses arising from changes in fair value of financial assets and liabilities held, and gains or losses on disposal of related financial assets and liabilities, except for the effective hedging business related to the normal operation	3,713,253	13,584,473
Net amount of other non-operating income and expenses	1,448,653	(4,020,858)
One-off expenses incurred due to discontinuation of related business activities	(86,573)	(523,093)
	<u>226,971,985</u>	<u>99,242,000</u>
Effect of income tax	(33,644,788)	(15,639,039)
Effect of gains or losses on minority interests (net of tax)	(515,356)	704,668
	<u>192,811,841</u>	<u>84,307,629</u>

(1) Basis for preparation of statement of non-recurring profit or loss

In 2023, the CSRC issued the *Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public - Non-recurring Profit or Loss (Revised in 2023)* (hereinafter "2023 Explanatory Announcement No. 1"), which came into effect from the date of promulgation.

Under the requirements in the 2023 Explanatory Announcement No. 1, non-recurring profit or loss refers to those arises from transactions and events that are not directly relevant to ordinary activities, or that are relevant to ordinary activities, but are extraordinary and not expected to happen frequently that would have an influence on the financial statements users' making economic decisions based on the financial performance and profitability of an enterprise.

JIANGLING MOTORS CORPORATION, LTD.**SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 June 2025**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Return on net assets and earnings per share

	Weighted average return on net assets (%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	The six months ended 30 June					
	2025	2024	2025	2024	2025	2024
Net profit attributable to ordinary shareholders of the Company	6.30%	8.29%	0.85	1.04	0.85	1.04
Net profit attributable to ordinary shareholders of the Company, net of non-recurring profit or loss	4.64%	7.51%	0.63	0.94	0.63	0.94