

Jiangling Motors Corporation, Ltd.



2025 Annual Report

2026-03

Chapter I Important Notes, Contents and Abbreviations

Important Note

The Board of Directors 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 Li Weihua and Chief of Finance Department, Hu Hanfeng, confirm that the Financial Statements in this Annual Report are truthful and complete.

All Directors were present at the Board meeting to review this Annual 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.

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

The year 2025 profit distribution proposal approved by the Board of Directors is as follows:

A cash dividend of RMB 5.5581 (including tax) will be distributed for every 10 shares held based on the total share capital of 854,581,922 shares, and there is no stock dividend. The Board decided not to convert capital reserve to share capital this time.

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Catalogue on Documents for Reference

1. Originals of 2025 financial statements signed by legal representative, Chief Financial Officer and Chief of Finance Department.
2. Originals of the Independent Auditor's Reports signed by independent accountants and stamped by the accounting firm.
3. Originals of all the documents and public announcements disclosed in newspapers designated by CSRC in 2025.
4. The Annual Report in 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.
JMCH	JMC Heavy Duty Vehicle Co., Ltd.
EVP	Executive Vice President
CFO	Chief Financial Officer
VP	Vice President

Chapter II Brief Introduction and Operating Highlight

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		
Registered Address	No. 2111, Yingbin Middle Avenue, Nanchang County, Nanchang City, Jiangxi Province, P.R.C		
Postal Code of Registered Address	330200		
Changes of Registered Address	Due to the relocation of JMC's Qingyunpu site, the original registered address "No. 509, Northern Yingbin Avenue, Nanchang City, Jiangxi Province" was changed to "No. 2111, Yingbin Middle Avenue, Nanchang County, Nanchang City, Jiangxi Province" in October 2021.		
Headquarters Address	No. 2111, Yingbin Middle Avenue, Nanchang County, Nanchang City, Jiangxi Province, P.R.C		
Postal Code of Headquarters Address	330200		
Website	http://www.jmc.com.cn		
E-mail	relations@jmc.com.cn		

2. Contact Person and Method

	Board Secretary	Securities Affairs Representative
Name	Xu Lanfeng	Quan Shi
Address	No. 2111, Yingbin Middle Avenue, Nanchang County, Nanchang City, Jiangxi Province, P.R.C	No. 2111, Yingbin Middle Avenue, Nanchang County, 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. Information Disclosure and Place for Achieving Annual Report

Stock Exchange Website for Publication of JMC's Annual Report	http://www.szse.cn
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Newspapers and Website for Publication of JMC's Annual Report	China Securities, Securities Times, Hong Kong Commercial Daily, cninfo (http://www.cninfo.com.cn)
Place for Achieving Annual Report	Securities Department, Jiangling Motors Corporation, Ltd.

4. Changes of Registration

Unified social credit code	913600006124469438
Changes in the Main Business since the Listing	No change.
Changes of Controlling Shareholders	<p>On December 1, 1993, JMC A shares were listed on Shenzhen Stock Exchange, while JMCG, the founder-member, was the controlling shareholder of the Company. On September 29, 1995 and November 12, 1998, JMC issued additional 344 million B shares totally, while, after the additional B share issuance, JMCG and Ford were the controlling shareholders of the Company. On December 8, 2005, the 354.176 million JMC shares held by JMCG, the former controlling shareholder, were transferred to Jiangling Motor Holdings Co., Ltd. After the transference, Jiangling Motor Holdings Co., Ltd. and Ford were the controlling shareholders of the Company.</p> <p>In 2019, Jiangling Motor Holdings Co., Ltd., the former controlling shareholder, was divided and separated into Jangling Motor Holdings Co., Ltd. and Nanchang Jiangling Investment Co., Ltd., and transferred the 354.176 million JMC shares it held to Nanchang Jiangling Investment Co., Ltd. Presently, Nanchang Jiangling Investment Co., Ltd. and Ford are the controlling shareholders of the Company.</p>

5. Other Information

Accounting Firm Appointed by JMC for Audit

Name	Ernst & Young Hua Ming LLP
Headquarters Address	Room 01-12, 17th Floor, Ernst & Young Building, Oriental Plaza, No. 1 East Chang'an Street, Dongcheng District, Beijing
Names of Signed Accountants	Qiao Chun, Yuan Yong

The recommendation agency engaged by the Company executing the persistent supervision responsibilities in the reporting period

Applicable Not Applicable

The financial consultant engaged by the Company performing the duties of persistent supervision and guidance in the reporting period

Applicable Not Applicable

6. Main accounting data and financial ratios

Unit: RMB

	2025	2024	Change (%)	2023
Revenue	39,169,909,929	38,374,160,748	2.07%	33,167,325,081
Profit Attributable to the Equity Holders of the Company	1,187,465,719	1,537,139,024	-22.75%	1,475,597,266
Net Profit Attributable to Shareholders of Listed Company After Deducting Non-Recurring Profit or Loss	740,844,834	1,356,329,085	-45.38%	995,236,837
Net Cash Generated From Operating Activities	2,411,911,290	2,633,384,217	-8.41%	4,567,539,866
Basic Earnings Per Share (RMB)	1.38	1.78	-22.47%	1.71
Diluted Earnings Per Share (RMB)	1.38	1.78	-22.47%	1.71
Weighted Average Return on Equity Ratio	10.34%	14.20%	-3.86%	15.06%
	End of Year 2025	End of Year 2024	Change (%)	End of Year 2023
Total Assets	33,725,291,097	30,839,912,640	9.36%	29,141,187,886
Shareholders' Equity Attributable to the Equity Holders of the Company	11,700,238,217	11,292,579,854	3.61%	10,350,145,738

The lower of the Company's net profit before and after deduction of non-recurring gains and losses in the most recent three fiscal years is negative, and the audit report of the most recent year shows that the Company's ability to continue operations is uncertain

Yes No

The lower of the audited total profit, the audited net profit, and the audited net profit after deducting non-recurring gains and losses is negative

Yes No

7. 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

8. Main accounting data quarterly

Unit: RMB

	Q1	Q2	Q3	Q4
Revenue	7,967,428,172	10,124,958,038	9,196,139,182	11,881,384,537
Profit Attributable to the Equity Holders of the Company	305,997,821	426,730,226	16,405,954	438,331,718
Net Profit Attributable to Shareholders of Listed Company After Deducting Non-Recurring Profit or Loss	147,214,143	392,702,063	-72,929,211	273,857,839
Net Cash Generated From Operating Activities	-2,297,115,303	2,232,617,519	266,402,581	2,210,006,493

Whether the above mentioned financial indicators or the total number are significantly different from the financial indicators related to the disclosed quarterly and half-year reports of the Company

Yes No

9. Non-recurring profit and loss items and amounts

Applicable Not Applicable

Unit: RMB

	2025	2024	2023
Profit and loss of non-current assets disposal (including the charge-off part of the asset impairment provision)	59,557,455	665,549	-7,453,268
Government subsidies included in the current profit and loss	464,318,284	184,409,745	565,157,410
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	2,982,859	22,603,584	6,052,713

obtained from the disposal of trading financial assets, trading financial liabilities and available for sale financial assets			
Capital occupation fee charged for non-financial enterprises included in the current profit and loss	2,474,558	4,766,151	11,289,415
Return of the impairment provision for receivables with a separate impairment test	1,872,395	5,433,007	
Other non-operating income and expenses except the above	1,793,470	-2,284,867	6,379,649
Other profit and loss items that meet the definition of non-recurring profit and loss	-9,707,120	-2,060,316	-11,097,866
Less: Income tax impact amount	79,541,777	33,377,674	89,195,274
Influence of minority shareholders' equity	-2,870,761	-654,760	772,350
Total	446,620,885	180,809,939	480,360,429

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 that 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

During the reporting period, the Company's main business is the production and sale of commercial vehicles, passenger vehicle SUVs and related components. The main products include JMC light truck, Pickup, light bus, Ford-branded light bus, MPV, Pickup and other commercial vehicle products, and passenger vehicle SUV products. JMC also produces engines, frame, axle and components. The Company takes high quality development as the main line, anchoring its strategy around three core directions: intelligent connectivity, new energy, and global expansion, focuses on value, lean operation, and transforms from scale expansion development to lean value growth.

In 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. Driven by innovation, we are transforming our marketing approach, continuously optimizing channel structures and layouts to enhance synergistic efficiency. Together with our distributors, we are forging a more integrated "united front" model to accelerate market responsiveness. We are innovating our transport capacity operations, focusing on scenario-based requirements to establish an intelligent operational framework, while strengthening collaborations with logistics enterprises to expand transport capacity partnerships, 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 steadily advanced the scenario-based implementation of intelligent driving technologies to develop industry-leading autonomous driving solutions. JMC strengthened export cooperation and synergy, seized globalisation opportunities, optimised resource allocation across products, channels and after-sales services, and continuously forged new drivers for the Company's development.

In 2025, JMC planned the productivity of 320 thousand units and the utilization rate was 118%.

Vehicle manufacturing and operation

Applicable Not Applicable

Production and Sales Volume Information

	Production Volume (Unit)	Sales Volume (Unit)
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	2025 FY	2024 FY	YOY change (%)	2025 FY	2024 FY	YOY change (%)
By Products						
Light Bus	101,228	87,542	15.63%	99,770	87,310	14.27%
Truck	82,619	65,352	26.42%	83,207	61,932	34.35%
Pickup	59,224	72,579	-18.40%	59,681	73,242	-18.52%
SUV	135,267	119,368	13.32%	134,595	118,724	13.37%
Total	378,338	344,841	9.71%	377,253	341,208	10.56%
By Region						
China	378,338	344,841	9.71%	377,253	341,208	10.56%

Reasons for the year-on-year change of more than 30%

Applicable Not Applicable

The 34.35% year-on-year increase in Truck sales was mainly due to the increase in overseas sales.

Component Kit System Construction

JMC owns in-house R&D and manufacturing capability for key components, with such important components as engine, body parts, frame, and front axle, etc. developed and manufactured independently. For some other key components, JMC keeps strategic cooperation with industry leading suppliers, e.g. Bosch, Baosteel, Garrett, ZF, Magna, Autoliv, and Dicastal. JMC has established deep cooperation with such leading enterprises as CATL, FinDreams Battery, Sunwoda and CALB on new energy development. For smart connectivity, JMC conducted diversified cooperation with such giants as Hengrun, Baidu, Desay SV, Momenta, and ThunderSoft, etc. for ecology development. With the vision of achieving customer success, JMC cooperates with suppliers to create a customer-centered vehicle experience and strives to build a sustainable agile supply system. Through innovative thinking and digitalization, JMC has established a complete supplier access, capability improvement and supplier control mechanism from the perspectives of technology, quality, cost, delivery and service, thus effectively promoting the competitiveness of the supply system.

Production and operation of auto parts during the reporting period

Applicable Not Applicable

The Company carries out auto finance business

Applicable Not Applicable

The Company carries out new energy vehicle related business

Applicable Not Applicable

Production and operation of new energy vehicles and parts

Product Category	Capacity (Unit)	Production Volume (Unit)	Sales Volume (Unit)	Revenue (RMB)
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New Energy Commercial Vehicles	80,000	32,373	32,557	2,404,457,109
New Energy Passenger Vehicles	50,000	4,931	3,249	553,642,498
Total	130,000 Note: all new energy vehicles are collinear with corresponding fuel vehicles.	37,304	35,806	2,958,099,607

2. The industry situation of the Company during the reporting period

During the reporting period of 2025, the automotive industry withstood external pressures such as trade protectionism and the restructuring of global industrial chains. It overcame multiple challenges including technological breakthroughs and industry-wide competition, demonstrating formidable resilience and vitality in its development. This resulted in a dual enhancement of both industrial scale and development quality. Annual automobile production and sales totalled 34.53 million units and 34.40 million units respectively, representing year-on-year increases of 10.4% and 9.4%. This marks the 17th consecutive year China has maintained its position as the world's largest automotive market. In 2025, policies supporting new economic entities and new social organisations were intensified and expanded, ensuring a smooth transition and orderly integration. With enterprises launching new products in rapid succession and sustained growth in end-user demand, annual automobile production and sales achieved growth exceeding expectations. Among these, the passenger vehicle market, as a core component of automotive consumption, has demonstrated steady growth, effectively driving the overall expansion of the automotive sector. The commercial vehicle market has shown signs of recovery and improvement, with production and sales returning to levels exceeding 4 million units. Passenger vehicle production and sales reached 30.27 million units and 30.10 million units respectively, representing year-on-year increases of 10.2% and 9.2%. All major passenger vehicle segments maintained growth. By 2025, the commercial vehicle market exhibited a dual growth trend in both domestic demand and exports. Driven by robust policies for new energy and new business models, the penetration rate of new energy commercial vehicles has surged rapidly. Coupled with sustained export growth, China's commercial vehicle market has achieved a recovery and structural expansion. Throughout the year, commercial vehicle production and sales reached 4.261 million units and 4.296 million units respectively, representing year-on-year increases of 12% and 10.9%. Among the principal commercial vehicle categories, both production and sales of bus and truck increased year-on-year compared with the same period last year. Within the main truck segments, production and sales of heavy truck and light truck rose, while those of medium truck and micro truck declined. Within the main bus segments, sales of large, medium and light bus all grew, with light bus recording a higher growth rate than the others. In 2025, total vehicle exports reached 7.098

million units, representing a year-on-year increase of 21.1%. Of this total, passenger vehicle exports amounted to 6.038 million units, rising by 21.9%, commercial vehicle exports reached 1.06 million units, rising by 17.2%. By category, exports of conventional fuel vehicles reached 4.483 million units, a 2% year-on-year decrease, while new energy vehicle exports amounted to 2.615 million units, a 103.7% year-on-year increase. In 2025, production and sales of new energy vehicles reached 16.626 million units and 16.49 million units respectively, representing year-on-year growth of 29% and 28.2%. New energy vehicle sales accounted for 47.9% of total new vehicle sales, an increase of 7 percent points compared with the same period last year. Among the principal categories of new energy vehicles, production and sales across all types recorded double-digit growth compared with the previous year.

3. 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 2025, JMC light bus ranked No.1 in the segment, Pickup ranked No.2 in the segment, and light truck ranked No.7 in the segment. Jiangling Ford Automobile Technology (Shanghai) Co., Ltd. achieved sales of 29,793 units in 2025, with the Bronco and Ranger models both securing the top annual market share position in their respective segments. JMC export sales have made sustained growth, with sales of 160 thousand units, a year-on-year increase of 38.4%.

The Company has always adhered to a customer-centric approach, has been a full scenario solution provider for light commercial vehicles. The Company providing customized and scalable integrated solutions based on customer usage scenarios. 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 small light truck (3.5 T) and E shunda small light truck (4.5T) 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. In 2025, JMC Pickup completed the iteration of its two product series, launching the all-new

Baodian and the all-new Yuhu. The all-new Baodian achieved a revolutionary upgrade in wealth-creation tool pickups with its exceptional durability, outstanding fuel efficiency, superior loading capacity, and great convenience. Meanwhile, the all-new Yuhu delivers value enhancements for upgrading users, offering excellent appearance, superb drivability, and remarkable ease of use. At the same time, the DaDao pickup series introduced a mountain version with a flat-bottom cargo box, further refining product offerings for specific scenarios based on the Off-road Edition and Extreme cold edition, solidifying its brand positioning as "China's Pickup Expert in All Scenarios." JMC Pickup's three major product series continue to be refreshed, forming a product matrix covering the full price range of the pickup market, while continuously improving coverage of segmented scenarios and enhancing the customer experience.

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 ecosystem, the Ford brand has created a unique "Ford Beyond" lifestyle system, covering four key areas: "Z-Horizon Experience Hub", "Z-Horizon Tribe", "Z-Horizon Accessories for Retrofitting", and "Z-Horizon Service". This system fosters a lifestyle centered on outdoor leisure, exploration, off-road adventures, and outdoor fun, providing users with a "full-scenario outdoor experience." It empowers users to navigate diverse life scenarios, offering reliable support and driving enjoyment whether on wilderness expeditions or urban commutes.

In terms of brand channels, the Company's commercial vehicle segment currently has 368 authorized first-tier distributors and over 1,200 registered secondary networks and has established a modern marketing system through the four-in-one franchise model of sales, accessories, service and information. At the same time, the Ford Beyond Space has formed a three-center model consisting of brand centers, order centers, and maintenance centers.

In terms of product launches, the first all-terrain camping SUV—the Ford Bronco Basecamp—made its global debut at the 2025 Chengdu International Auto Show and officially announced its market launch in Nanchang in December. The Ford Bronco Basecamp is built on the "Ford Fun Domain" native intelligent new energy technology architecture, representing a perfect integration of Ford's century-long professional technical heritage with China's leading intelligent new energy vehicle industry chain. It breaks down scenario boundaries, providing a new generation of users with an ultimate "all-scenario, all-weather, all-terrain" solution, transforming

vehicles from mere modes of transportation into empowering tools for exciting outdoor lifestyles. The domestically produced Ford Bronco, a pure-blood hardcore off-road vehicle, has maintained the top market share in the mid-size traditional fuel SUV segment priced above RMB 300,000. In March 2025, the Desert Runner Limited Edition was officially launched, elevating the overall positioning of the Bronco family. Following that, the Ford Bronco 1966 Special Edition made its debut at the Shanghai International Auto Show in April and officially hit the market in September, highlighting the Bronco brand's historical heritage and retro trend appeal. The Ford Bronco family fully embodies diverse charms ranging from ultimate performance to ultimate freedom and ultimate style, interpreting the off-road attitude of "Play Unconstrained, Go Wild" with strength. Additionally, the Company has established a comprehensive product matrix for Ford Ranger across three series—XLS, XLT, Wildtrak, and FX4—along with multiple versions, to better meet customer demand for premium, passenger-oriented, and intelligent features.

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, it is a demonstration enterprise for the integration of informatization and industrialization in Jiangxi Province.

In terms of autonomous driving, the Company deepening the commercialisation of L4-level autonomous freight vehicles, focusing on the development and operation of autonomous driving for urban freight scenarios, by advancing the full-stack in-house development of the iDEA architecture and end-to-end intelligent driving algorithms, integrating central computing architecture, cockpit-driving integration, and full-scenario intelligent driving technologies, the Company promotes the transformation of its entire commercial vehicle product line into intelligent mobile terminals.

In terms of new energy, adhering to the strategic plan of "striving for progress while maintaining stability," the Company strengthens market development, accelerates the layout of electrified products, and makes every effort to increase the production and sales of new energy vehicles. In the passenger vehicle segment, it globally launched the Ford all-terrain camping SUV—the Bronco Basecamp—providing users with an "all-scenario, all-weather, all-terrain" solution. In the commercial vehicle segment, it commenced production of the E-Fushun, E-Shunda, and heavy-duty wide-body high-capacity electric light truck models, optimizing the new energy product lineup for commercial vehicles. With larger loading space, stronger hauling capacity, and lower usage costs, these models effectively address customer pain points.

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 many countries (regions) worldwide, thanks not only to its diversified market expansion strategy but also to its exceptional product quality.

4. Core Business Analysis

I. Summary

During the reporting period, in response to intensifying market competition, stricter regulations and rising costs, the Company focused on quality enhancement, new product development, cost control and efficiency optimisation, while implementing multiple marketing measures to mitigate market risks. In 2025, JMC achieved sales volume of 377,253 units, including 99,770 light buses, 83,207 trucks, 59,681 Pickups and 134,595 SUVs, with a year-on-year increase of 10.56%. In 2024, the total production volume was 378,338 units, including 101,228 light buses, 82,619 trucks, 59,224 Pickups and 135,267 SUVs, with a year-on-year increase of 9.71%.

In 2025, the operation revenue reached RMB 39,170 million, up 2.07% year-on-year. The operation cost was RMB 33,852 million, up 2.73% year-on-year. The marketing expense was RMB 9,000 million, down 15.04% year-on-year. The administration expense was RMB 1,050 million, up 11.29% year-on-year. The R&D cost was RMB 1,216 million, down 7.5% year-on-year. The financial expense was RMB -132 million, up 13.27% year-on-year.

II. Revenue and Cost

(a) Composition of Sales Revenue

Unit: RMB

	2025 FY		2024 FY		YOY change (%)
	Amount	Proportion (%)	Amount	Proportion (%)	
Revenue	39,169,909,929	100%	38,374,160,748	100%	2.07%
By Industry					
Automobile Industry	39,169,909,929	100%	38,374,160,748	100%	2.07%
By Products					
Vehicle	35,956,461,939	91.80%	35,289,807,942	91.96%	1.89%
Material and Components	2,110,975,528	5.39%	2,510,895,063	6.54%	-15.93%
Maintenance, technical services and other	1,102,472,462	2.81%	573,457,743	1.50%	92.25%
By Region					
China	39,169,909,929	100%	38,374,160,748	100%	2.07%
Sales model					
Distribution	37,107,261,155	94.73%	36,035,440,181	93.91%	2.97%
Direct selling	2,062,648,774	5.27%	2,338,720,567	6.09%	-11.80%

(b) Reach 10% of Revenue or Profit by Industry, Product, Region or Sales Model

Applicable Not Applicable

Unit: RMB

	Turnover	Cost	Gross Margin	YOY turnover change (%)	YOY Cost Change (%)	YOY gross margin change (points)
By Industry						
Automobile Industry	39,169,909,929	33,851,518,907	13.58%	2.07%	2.73%	-0.55%
By Products						
Vehicle	35,956,461,939	31,683,911,528	11.88%	1.89%	3.38%	-1.27%
By Region						
China	39,169,909,929	33,851,518,907	13.58%	2.07%	2.73%	-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

(c) Whether the Company's Goods Revenue Higher Than Service Revenue

Yes No

Industry	Item	Unit	2025	2024	Change (%)
Automobile	Sales Volume	unit	377,253	341,208	10.56%
	Production Volume	unit	378,338	344,841	9.71%
	Inventory Volume	unit	6,152	5,240	17.40%

Explanation on YOY change of over 30%

Applicable Not Applicable

(d) Execution of the Company's Signed Major Sales Contracts and Major Purchase Contracts as of the Reporting Period

Applicable Not Applicable

(e) Composition of Operating Cost

Product categories

Unit: RMB

Product	Item	2025 FY		2024 FY		YOY Change (%)
		Cost	Proportion (%)	Cost	Proportion (%)	

Vehicle	Cost	31,683,911,528	93.60%	30,646,951,970	93%	3.38%
Material and Components	Cost	1,472,902,846	4.35%	1,917,222,493	5.82%	-23.18%
Maintenance, technical services and other	Cost	694,704,533	2.05%	387,570,681	1.18%	79.25%

(f) Whether the Consolidated Scope was Changed During the Reporting Period

Yes No

(g) Major Change or Adjustment on Business, Products or Services During the Reporting Period

Applicable Not Applicable

(h) Main Customers and Suppliers

Main Customers

Total sales value to top 5 customers (RMB)	16,540,498,902
Accounted for the proportion of JMC's total annual turnover	42.22%
Included related party transaction accounted for the proportion of JMC's total annual turnover	39.04%

Top 5 Customers

No.	Name of the Customer	Sales Value (RMB)	Percentage of JMC's Total Turnover (%)
1	Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	14,907,750,775	38.06%
2	Zhenjiang Suzhong Jiangling Automotive Sales Service Co., Ltd.	655,455,266	1.67%
3	Ford Global Technologies, LLC	384,878,125	0.98%
4	Suizhou Weihai Automotive Service Co., Ltd.	316,915,489	0.81%
5	Shanghai Keda Xuzhou Automotive Sales & Service Co., Ltd.	275,499,247	0.70%
Total		16,540,498,902	42.22%

Other introduction to main customers

Applicable Not Applicable

Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd. and Ford Global Technologies, LLC are related parties of the Company.

Main Suppliers:

Total purchase value from top 5 suppliers (RMB)	4,922,723,925
Accounted for the proportion of JMC's total annual purchase amount	16.24%
Included related party transaction accounted for the proportion of JMC's total annual purchase amount	12.78%

Top 5 Suppliers:

No.	Name of the Supplier	Purchase Value (RMB)	Percentage of JMC's Total Annual Purchase Amount (%)
1	Magna PT Powertrain (Jiangxi) Co., Ltd.	1,261,233,176	4.16%
2	Jiangxi Jiangling Qin Chuan Electrical Co., Ltd.	1,048,578,713	3.46%
3	Jiangxi Jiangling Chassis Co., Ltd.	951,329,470	3.14%
4	Jiangxi Jiangling Lear Interior System Co., Ltd.	837,723,534	2.76%
5	Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	823,859,032	2.72%
Total		4,922,723,925	16.24%

Other introduction to main suppliers

Applicable Not Applicable

Magna PT Powertrain (Jiangxi) Co., Ltd., Jiangxi Jiangling Chassis Co., Ltd. Jiangxi Jiangling Lear Interior System Co., Ltd. and Jiangxi Zhonglian Intelligent Logistics Co., Ltd. are related parties of the Company.

During the reporting period, the Company's trading business revenue accounted for more than 10% of its total operating revenue.

Applicable Not Applicable

III. Expense

Unit: RMB

	2025	2024	YOY Change
Distribution Expenses	899,660,536	1,058,948,593	-15.04%
Administrative Expenses	1,050,129,082	943,622,568	11.29%
Finance Income-net	-132,096,412	-152,310,137	13.27%
R & D Expenses	1,216,003,539	1,314,579,423	-7.50%

IV. Research & Development

Name of main R&D project	Project purpose	Project progress	Goals to be achieved
All-new electric platform SUV project	Enhance the competitiveness of passenger vehicle products	Product was launched	Increase the Company's operating revenue
All-new electric platform Van export project	Enhance the competitiveness of Van products in overseas markets.	It will be launched in the third quarter of 2026.	Increase the Company's operating revenue
All-new electric platform Bus project	Enhance the competitiveness of light bus products in domestic markets.	It will be launched in the fourth quarter of 2026	Increase the Company's operating revenue

Dadao Pickup Facelift	Enhance the competitiveness of domestic pickups	It will be launched in the first quarter of 2026.	Increase the Company's operating revenue
E-Luda Wide-Body Large Battery Capacity Product Project	Enhance the competitiveness of wide-body large battery capacity light truck products in the domestic market.	Launched at the beginning of 2026.	Increase the Company's operating revenue
Ford Pickup Facelift	Enhance the competitiveness of domestic pickups	It will be launched in the fourth quarter of 2026.	Increase the Company's operating revenue

Company R & D personnel

	2025	2024	Change(%)
R&D staff (person)	2,684	2,628	2.13%
R&D staff as % of total employees	23.96%	22.75%	1.21%
Educational structure of R&D personnel			
Undergraduate	1,846	1,850	-0.22%
Master	706	639	10.49%
Age composition of R&D personnel			
Under the age of 30 years old	539	586	-8.02%
30 ~ 40 years old	1,624	1,605	1.18%

R&D Investment

	2025	2024	Change(%)
R&D investment (RMB)	1,490,447,935	1,699,761,123	-12.31%
R&D investment as % of revenue	3.81%	4.43%	-0.62%
Capitalization of R&D investment	274,444,396	385,181,700	-28.75%
Capitalization of R&D investment as % of R&D investment	18.41%	22.66%	-4.25%

Causes and impacts of major changes in the composition of R&D personnel

Applicable Not Applicable

Reason for the substantial change of R&D investment as % of revenue

Applicable Not Applicable

Reason and rationality of the substantial change in the capitalization rate of R & D investment

Applicable Not Applicable

V. Cash Flow Analysis

Unit: RMB

Item	2025	2024	Change (%)
Cash received from operating activities	41,357,728,740	41,944,318,317	-1.40%
Cash outflows from operating activities	38,945,817,450	39,310,934,100	-0.93%

Net cash flows generated from operating activities	2,411,911,290	2,633,384,217	-8.41%
Cash received from investing activities	266,597,930	1,055,877,570	-74.75%
Cash outflows from investing activities	1,944,020,940	2,415,222,271	-19.51%
Net cash flows used in investing activities	-1,677,423,010	-1,359,344,701	23.40%
Cash received from financing activities	5,631,691,686	3,078,140,000	82.96%
Cash outflows from financing activities	5,350,201,775	3,623,522,122	47.65%
Net cash flows generated from/(used in) financing activities	281,489,911	-545,382,122	151.61%
Net increase in cash and cash equivalents	1,015,978,191	728,657,394	39.43%

Explanation on the major factors regarding major change of related data

Applicable Not Applicable

The change in net cash flows generated from/(used in) financing activities is mainly due to the cash capital increase received by subsidiaries from minority shareholders this year.

The change in the net increase in cash and cash equivalents is primarily attributed to the increase in net cash flows from financing activities.

Explanation on significant difference between net cash generated from operating activities and net profit during the reporting period.

Applicable Not Applicable

5. Non- core business analysis

Applicable Not Applicable

6. Analysis of Assets and Liabilities

I. Major changes

Unit: RMB

Asset item	End of 2025		Beginning of 2025		YOY
	Amount	Proportion	Amount	Proportion	Proportion change
					(Points)
Cash and cash equivalents	13,582,540,346	40.27%	12,546,295,890	40.68%	-0.41%
Accounts receivables	6,141,405,767	18.21%	4,181,008,234	13.56%	4.65%
Inventories	2,011,925,708	5.97%	2,054,517,242	6.66%	-0.69%

Long-term equity investments	203,641,921	0.60%	219,298,031	0.71%	-0.11%
Fixed assets	5,789,423,822	17.17%	5,749,474,005	18.64%	-1.47%
Construction in progress	507,614,873	1.51%	661,911,780	2.15%	-0.64%
Right-of-use assets	120,243,307	0.36%	158,485,688	0.51%	-0.15%
Short-term borrowings	1,950,000,000	5.78%	1,500,000,000	4.86%	0.92%
Contract liabilities	545,864,754	1.62%	467,704,291	1.52%	0.10%
Long-term borrowings	460,276	0%	941,453	0%	0%
Lease liabilities	44,860,116	0.13%	93,752,634	0.30%	-0.17%

Foreign assets account for a relatively high proportion

Applicable Not Applicable

II. The fair value of the assets and liabilities.

Unit: RMB

Item	financial assets	1. Financial assets held for trading (excluding derivative financial assets)	2. Derivative financial assets	Subtotal of financial assets	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		1,902,466	12,612,380	-10,709,914		-10,709,914	
Cumulative changes in fair value recorded into equity							
Impairment in the period							
Purchase in the period		855,000,000		855,000,000	9,778,144,252	10,633,144,252	
Sell in the period		55,000,000		55,000,000	9,874,358,163	9,929,358,163	
Other changes							
End of the period		801,902,466		801,902,466	205,851,591	1,007,754,057	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

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

Units: RMB

Items	Book value at the end of the period	Cause for restriction

Cash and cash equivalents	27,137,724	frozen funds for litigation.
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7. 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 financial assets investment during the reporting period.

(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	470,390	470,390
Amount at the beginning of the year	470,390	470,390
Gains and losses on fair value changes during the period	-9,310	-9,310
Cumulative fair value changes recognized in equity	820	820
Amount acquired during the reporting period	130,980	130,980
Amount sold during the reporting period	485,520	485,520
Amount at the end of the year	115,850	115,850
Proportion of the investment amount at the end of the period to the Company's net assets at the end of the reporting period	0.99%	0.99%
Statement on whether there were significant changes of the accounting policies and specific principles of accounting applied	No.	

to hedging activities during the reporting period as well as compared with the previous reporting period	
Explanation of actual gains and losses during the reporting period	The actual trading profit during the reporting period was RMB 10.13 million.
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

	<p>operational needs, to avoid and prevent the impact of exchange rate fluctuations on the Company, and does not engage in speculative transactions;</p> <p>2. With regard to the possible performance guarantee issues arising from foreign exchange 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>
<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.</p>	<p>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 -9.31 million.</p>
<p>Litigation status</p>	<p>No.</p>
<p>Date of disclosure of the Board announcement on derivative investment approval</p>	<p>March 9, 2025</p>

(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.

8. Sales of Major Assets and Equity

I. Sale of Major Assets

Applicable Not Applicable

II. Sales of Major Equity

Applicable Not Applicable

9. Analysis of major shareholding companies

Applicable Not Applicable

Main Subsidiaries and the Joint-Stock Companies whose operating results 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 Automobile Technology (Shanghai) Co., Ltd.	Shenzhen Fujiang New Energy Automobile Sales Co., Ltd.
Type of companies	Whole-owned subsidiary	Whole-owned subsidiary	Holding subsidiary	Whole-owned 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.	Automotive sales, car rental, and other related services.
Registered capital	50,000.00	1,323,793.20	2,678,000	10,000.00
Assets	6,556,819.10	340,728.90	445,678.80	1,225,560.20
Net assets	176,889.70	306,516.80	-628,979.20	-262,724.60
Turnover	20,062,985.90	2,098.60	2,389,854.80	319,489.10
Operating profit	-102,620.00	-29,816.10	-58,075.10	-188,862.40
Net profit	24,100.00	-29,244.90	-751,210.20	-188,053.90

Acquisition and disposal of the subsidiaries

Applicable Not Applicable

Description of the main holding and participating companies

The changes in various data of Jiangling Ford Automotive Technology (Shanghai) Co., Ltd. are mainly due to the impact of the business adjustments of Jiangling Ford Automotive Technology (Shanghai) Co., Ltd.

10. Structured Entities Controlled by JMC

Applicable Not Applicable

11. Outlook

I Industry Development

Driven by the sustained vitality of macroeconomic policies, the steady emergence of the "Two New" policy effects, and the continuous expansion of overseas market capacity, China's automotive market is expected to maintain a stable growth trajectory in 2026. Total sales are projected to reach 34.75 million vehicles, representing a year-on-year increase of 1.0%. Among these, passenger vehicle sales are forecasted to reach 30.25 million units, up 0.5% year-on-year, while commercial vehicle sales are expected to hit 4.5 million units, reflecting a year-on-year growth of 4.7%. New energy vehicles will continue to experience rapid growth, with annual sales anticipated to reach 19 million units, achieving a year-on-year increase of 15.2%. Regarding automotive exports, growth expectations have moderated due to uncertainties in the external environment, with sales projected to reach 7.4 million units in 2026, representing a year-on-year growth of 4.3%.

II Company Strategy

Guided by the development vision of "Connecting the World, Leading with Intelligent Mobility," the Company will adhere to the theme of high-quality development, anchor on the three key directions of intelligent connectivity, new energy, and globalization, and continuously enhance core competitiveness. This will drive comprehensive improvements in operational quality, product mix, and development momentum. In the commercial vehicle segment, the Company will focus on specialized scenarios such as urban logistics to accelerate the launch and upgrade of core products, continuously consolidate competitive advantages in market segments, and steadily enhance customer value. In the passenger vehicle segment, the Company will target specific demands such as off-road driving to introduce differentiated products and deliver exceptional customer experiences. At the same time, the Company will keep pace with trends in the automotive industry by accelerating the transition to new energy, increasing investment in research and development, and advancing technological and product innovation. In terms of overseas market expansion, the Company will further refine its local operations and management capabilities, continuously improve its international marketing service system and brand image, consolidate and expand export volumes in key countries and regions, and cultivate export business as a new growth driver. The Company will comprehensively deploy technologies related to the "New Four" trends, continuously strengthen its presence in core areas such as new energy vehicles, intelligent connected vehicles, and autonomous driving, and build a future-oriented, globally competitive business ecosystem through integrated and synergistic development. Additionally, the Company will persistently advance its digital systems, leveraging data mining and demand analysis to continuously align product design, manufacturing, delivery, and after-sales service with user needs,

thereby steadily improving operational efficiency and digital competitive advantages.

III Business Plan

In 2025, the Company achieved sales of 377 thousand vehicles and operating revenue of RMB 39.17 billion. Based on the actual operating performance in 2025 and a comprehensive analysis of domestic and international economic conditions, the automotive industry, raw material markets, and national policies in 2026, the Company has set its 2026 business targets: sales of 430 thousand vehicles and operating revenue of RMB 42 billion.

The Company will adhere to strategic leadership, strengthen the implementation of its strategy, and continue to focus on making breakthroughs in three core directions: intelligence, new energy, and global expansion. At the same time, it will continuously innovate marketing models, deepen private domain marketing, drive brand upgrades and channel renovations, enhance customer loyalty through high-quality products and services, and steadily increase product sales. The Company will persistently advance its product research and development capabilities, particularly in achieving technological breakthroughs in key core areas such as new energy, intelligence, and software development. It will uphold a quality-first strategy, promote the high-quality and efficient launch of new products, comprehensively enhance cost efficiency and reduce costs, continuously optimize its cost structure, further improve the Company's operational level, and achieve high-quality development. In 2026, the Company will focus on the following areas:

(1) Accelerating the development of intelligent capabilities and the enhancement of R&D capabilities. By achieving breakthroughs in platform-based technologies and improving in-house R&D capabilities, the Company will build a new-generation intelligent architecture platform for vehicles covering multiple powertrain routes, thereby enhancing the versatility and scalability of its technologies. Focusing on central computing architecture, cockpit-driving integration, and full-scenario intelligent driving, the Company will tackle key areas such as service-oriented architecture, full-stack in-house OTA development, and the application of large AI models. It will implement the core objectives of "high scalability, high commonality, high safety, and high cost-performance ratio" to accelerate the development of its intelligent connected vehicle technologies. Guided by market demand, the Company will uphold a quality-first strategy, continuously increase investment in product R&D, and focus on enhancing its reserve of R&D capabilities. It will steadily advance product development, iteration, and upgrades, launching precisely customized and differentiated products for different usage scenarios to further enrich its product portfolio. By delivering high-performance, high-quality products to meet market demand, the Company will enhance the all-around competitiveness of its products.

(2) Promoting the accelerated development of new energy vehicles. The Company will pursue key breakthroughs in the new energy sector, accelerating the launch of

new energy commercial vehicle models featuring larger battery capacities and extended range for specific market segments such as logistics and passenger transport. By integrating key technologies and coordinating operations across multiple business formats, the Company aims to achieve leapfrog growth in its new energy business. In its new energy transport capacity operations, the Company will deeply cultivate the urban delivery sector while simultaneously laying out related businesses such as used vehicles, battery-swapping light trucks, and unmanned vehicles. This will solidify an integrated transport capacity service ecosystem. At the same time, the Company will strengthen asset risk control to promote the sustained and healthy development of the business.

(3) Further expanding overseas business. The Company will adhere to the "dual-brand + dual-channel" export strategy, enrich its product portfolio, and continuously enhance the competitiveness of its overseas products. At the same time, the Company will conduct in-depth research on overseas markets, actively explore new markets, strengthen the promotion of new models and the development of localized overseas operational capabilities, improve the fundamental overseas brand system, enhance overseas brand management, and elevate the overseas brand image. Through initiatives such as pilot customer service centers, promoting the Customer Satisfaction Index (CSI), signing off on service channels, and empowering general agents, the Company will promote its service brand, continuously improve its overseas market service levels, and expand its export scale.

(4) Deepening marketing innovation and transformation. The Company will adhere to a customer-centric approach, focus on market demand, and deeply cultivate specific segments. JMC will concentrate on key markets and high-potential regions, driving channel deepening and reform through standardized measures such as rapid response mechanisms, dedicated teams, and the development of a secondary network. Through the refined and systematic operation of communication matrices and innovative marketing initiatives, the Company will continuously expand its brand influence, deepen private domain marketing, and enhance customer loyalty. The Company will fully explore opportunities in the high-end hardcore off-road vehicle market, formulate a portfolio-based product mix marketing strategy, fully leverage the combat effectiveness of newly added channel resources, and continue to promote an exclusive owner ecosystem to build sustained momentum for sales growth.

(5) Comprehensively advancing digital transformation and upgrading the management structure. The Company will leverage the value of data to empower the entire business chain, promoting a comprehensive transformation towards digital intelligence in areas such as production and R&D, and advancing the construction of an enterprise digital intelligence AI online platform. Through cost control across the entire chain and the activation of organizational talent, JMC will build a solid foundation for long-term development. Efforts will be focused on driving cost reduction and efficiency enhancement across all areas including sales,

procurement, manufacturing, R&D, and management, deepening the awareness of cost efficiency among all employees, further activating organizational momentum, and improving operational efficiency.

IV Potential Risks and Solutions

The global economic recovery in 2026 is expected to be fraught with challenges and uncertainties, exacerbated by geopolitical tensions and shifts in trade policies, leading to increasingly intense and complex international competition. The Central Economic Work Conference has clearly emphasized the overarching principle of "pursuing progress while ensuring stability." The fundamental trend of the domestic economy's long-term positive growth remains unchanged. However, under the dual pressures of a strained macroeconomic environment and the reduction of new energy vehicle subsidies, China's automotive market has fully entered a new cycle characterized by "stock competition" and "structural divergence." The continuous upgrading of new energy product structures and the intensifying industry competition pose significant challenges to the Company's operations. To maintain steady and robust growth, the Company will focus on the following key areas:

(1) Market Competition and Shifts in Demand

Challenges and Risks: in 2026, the global economic landscape will continue to undergo adjustments, with geopolitical conflicts introducing significant uncertainty. Domestically, although incremental policies such as expanding domestic demand, promoting consumption, strengthening industries, and advancing reforms are being continuously implemented, the rising penetration rate of new energy vehicles, the accelerated development of intelligence and digitalization, and the further increase in market concentration are intensifying industry competition. These factors pose considerable challenges to the Company's operations.

Countermeasures: the Company will adhere to a customer-centric approach, base its strategies on evolving customer demands and market conditions, and steadfastly accelerate its strategic shift toward new energy vehicles. JMC will speed up the transformation and upgrading of intelligence and digitalization, continuously explore new business growth areas, and seize opportunities in the rapidly developing industry. At the same time, the Company will strengthen innovation in marketing models, persist in deepening private domain marketing, drive brand upgrading, deepen channel reforms and market penetration, and continuously enhance the competitiveness of its products and services by maintaining ongoing insights into market and customer needs.

(2) Industry Transformation and Technological Revolution

Challenges and Risks: the accelerated iteration of new energy and intelligent connected vehicle technologies in the automotive industry, along with further standardization of compliance requirements such as power consumption limits, battery safety, and intelligent driving regulations, has raised the industry's technological entry barriers. This places higher demands on the Company's R&D capabilities and management standards.

Countermeasures: The Company will focus on key technologies in the new four modernizations areas (electrification, intelligence, connectivity, and sharing), with a particular emphasis on breakthroughs in core technologies such as new energy powertrains, intelligent connectivity, and new platforms. JMC will enhance its hardware capabilities for product and technology R&D, build a talent team capable of independent core technology development, and continuously increase R&D investment, especially in key core technology areas. The Company will further deepen its digital transformation, strengthen collaboration with advanced domestic AI large-model enterprises, universities, and research institutions, and accelerate the application of AI technology in practical business scenarios. These efforts aim to expedite the Company's development in electrification, intelligence, sharing, and connectivity.

(3) Cost Competitiveness and Profitability

Challenges and Risks: amidst intensifying industry competition and a shift in customer demand towards low costs and high cost-performance ratios, China's automotive industry as a whole is caught in a predicament of increasing revenue without profit growth. In 2025, the industry's average profit margin hit a new low, and the competitive landscape is expected to further intensify in 2026. Concurrently, factors such as persistently rising raw material market prices, shortages and sharp price increases in chip supply, and international trade disputes, among other adverse supply chain factors, are further squeezing profit margins. This puts pressure on the Company's product cost competitiveness and profitability.

Countermeasures: the Company will focus on continuously promoting cost reduction and efficiency enhancement, deepening marketing innovation and transformation, and increasing product sales and service revenue. JMC will implement a company-wide special initiative for cost reduction, promoting the optimized allocation of resources across all areas including production, manufacturing, product R&D, procurement costs, sales, logistics, and management. The goal is to improve the effectiveness of resource investment and operational management efficiency. Through these concrete actions, the Company aims to enhance its overall cost competitiveness and profitability, and generate ample cash flow to support its high-quality development.

12. External Research, Communication, and Media Interview to the Company

Applicable Not Applicable

Date	Communication Method	Type of Object	Information Discussed and Materials offered
April 17, 2025	Online communication on the internet platform	Individual investor	JMC Operating highlights
May 21, 2025	Online communication	Individual investor	JMC Operating highlights

	on the internet platform		
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13. 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

14. Implementation of the action program "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. Status of the Corporate Governance in JMC

During the reporting period, the Company strictly abided by the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies in China, the Rules Governing Listing of Stock on Shenzhen Stock Exchange, as well as relevant laws and regulations, to carry out corporate governance activities and continued to improve its corporate governance.

Whether there are significant differences between the actual situation of corporate governance in the company and the laws, administrative regulations and those of regulations on corporate governance of listed companies promulgated by CSRC

Yes No

There is no significant difference between the actual situation of corporate governance in JMC and the laws, administrative regulations and those of regulations on corporate governance of listed companies promulgated by CSRC.

2. Separation between JMC and the Controlling Shareholders and actual controller in respect of Personnel, Assets and Finance, and Independence concerning Organization and Business:

(1) With respect to personnel matters, the positions of chairman and president are held by different individuals; JMC's senior management do not hold positions other than director positions with its controlling shareholders; JMC senior management personnel are paid by JMC; labor, personnel matters and compensation management of JMC are completely independent.

(2) With respect to assets, JMC assets are complete. The assets utilized by JMC, including production system, supporting production system and peripheral facilities, and non-patent technology, are owned and/or controlled by JMC.

(3) With respect to finance, JMC has an independent finance department and independent accounting system, and has a uniform and independent accounting system and financial control system for its branches and subsidiaries. JMC has its own bank accounts, and there are no bank accounts jointly owned by JMC and its controlling shareholders. JMC pays taxes independently in accordance with relevant laws.

(4) With respect to organization, JMC's organization is independent, complete and scientifically established with a sound and efficient operating mechanism. The establishment and the operation of JMC's corporate governance are strictly carried out per the Articles of Association of JMC. Production and administrative management are independent from the controlling shareholders. JMC has established an organization structure that meets the need for ongoing development.

(5) With respect to business, JMC has independent purchasing, production and sales systems. The purchasing, production and sales of main materials and products are carried out through its own purchasing, production & sales functions. JMC is independent from the controlling shareholders in respect to its business, and has independent and complete business and self-sufficient operating capability.

3. Horizontal Competition

Applicable Not Applicable

4. Directors and senior managers

(1) Basic information

Name	Gender	Age	Position	Term of Office	Shares at the period-beginning	Stock options	restricted stock	Share Change in the reporting period	Shares at the period-end
Qiu Tiangao	Male	59	Chairman	2016.04.07-2026.06.15	0	0	0	0	0
Shengpo Wu	Male	59	Vice Chairman	2022.11.24-2026.06.15	0	0	0	0	0
Ryan Anderson	Male	52	Director	2021.10.18-2026.06.15	0	0	0	0	0
Yuan Mingxue	Male	57	Director	2021.10.18-2026.06.15	0	0	0	0	0
Xiong Chunying	Female	61	Director	2021.06.25-2026.06.15	1,200	0	0	0	1,200
			President	2021.05.01-2026.06.15					
Zhong Junhua	Female	49	Director	2024.04.11-2026.06.15	0	0	0	0	0
			EVP	2024.03.26-2026.06.15					
Yu Zhuoping	Male	65	Independent Director	2021.10.18-2026.06.15	0	0	0	0	0
Chen Jiangfeng	Male	46	Independent Director	2020.06.19-2026.06.15	0	0	0	0	0
Wang Yue	Female	47	Independent Director	2020.06.19-2026.06.15	0	0	0	0	0
Chen Ping	Male	60	Independent Director	2025.12.30-2026.06.15	0	0	0	0	0
Liu Niansheng	Male	58	Employee Representative Director	2025.12.30-2026.06.15	0	0	0	0	0
Ding Wenmin	Male	53	EVP	2022.06.01-2026.06.15	0	0	0	0	0
Li Weihua	Female	48	CFO	2025.11.01-2026.06.15	0	0	0	0	0
Eric Hermann	Male	61	VP	2021.02.01-2026.06.15	0	0	0	0	0
Wu Xiaojun	Male	51	VP	2017.02.01-2026.06.15	0	0	0	0	0
Xu Lanfeng	Female	56	VP	2021.04.01-2026.06.15	0	0	0	0	0
			Board Secretary	2020.12.01-2026.06.15					
Wu Jiehong	Female	49	VP	2021.10.01-2026.06.15	0	0	0	0	0
Zeng Fafa	Male	47	VP	2022.08.01-2026.06.15	0	0	0	0	0
Sam lo	Male	46	VP	2022.08.01-2026.06.15	0	0	0	0	0

Chen Lei	Male	46	VP	2025.01.01-2026.06.15	0	0	0	0	0
Joey Zhu	Male	43	Ex-CFO	2021.10.01-2025.10.30	0	0	0	0	0
Anderson Liu	Male	53	Ex-VP	2022.11.25-2025.10.30	0	0	0	0	0
Total	—	—	-	—	1,200	0	0	0	1,200

Whether there are any outgoing Directors and Supervisors and the dismissal of senior management personnel during the reporting period?

Yes No

Please refer to "Changes of Directors and Senior Management"

Changes of Directors and Senior Management

Applicable Not Applicable

Name	Position	Status	Date	Reason
Chen Ping	Independent Director	Elected	2025.12.30	Work need
Liu Niansheng	Employee Representative Director	Elected	2025.12.30	Work need
Chen Lei	VP	Employment	2025.01.01	Appointment due to work need.
Li Weihua	CFO	Employment	2025.11.01	Appointment due to work need.
Joey Zhu	Ex-CFO	Dismissal	2025.10.31	Work rotation.
Anderson Liu	Ex-VP	Dismissal	2025.10.31	Work rotation.

(2). Employment

The current Directors and Senior Executives' professional background, main working experience and main responsibilities in the Company:

Directors:

Mr. Qiu Tiangao, born in 1966, holds a Bachelor Degree in Mechanical Manufacturing and a Master Degree in Industrial Engineering from Huazhong University of Science and Technology, and is Chairman of JMCG, Chairman of Nanchang Jiangling Investment Co., Ltd., Chairman of JMC, Chairman of Jiangxi ISUZU Co., Ltd., and Chairman of JMCG New Energy Vehicle Co., Ltd. Mr. Qiu Tiangao held various positions including General Manager, Chairman of Nanchang Gear Co., Ltd., Chairman of Jiangxi JMCG Gear Co., Ltd., Vice President of Jiangling Motor Holdings Co., Ltd., and Director & General Manager of JMCG.

Mr. Shengpo Wu, born in 1966, holds a Bachelor's Degree in Thermal Energy Engineering from Tsinghua University in Beijing and Master's Degrees in Mechanical Engineering and Information Management, respectively, from the University of Nebraska-Lincoln and the Keller Graduate School of Management of DeVry University, and is a Group Vice President of Ford, President and Chief Executive Officer of Ford China and International Markets Group, Chairman and President & Chief Executive Officer of Ford Motor (China) Ltd., Vice Chairman of JMC, and Vice Chairman of Changan Ford Automobile Co., Ltd. Mr. Shengpo Wu held various positions including Vice President and Regional General Manager for Honeywell Process Solutions in Greater China, President and CEO of Osram's

Asia-Pacific business, President, Asia Pacific, and a member of the Global Executive Committee for Whirlpool Corporation.

Mr. Ryan Anderson, born in 1973, holds a Bachelor's Degree in Economics from University of Chicago and a Master's Degree in Business Administration from University of Michigan - Ann Arbor, and is Director and CFO of Ford Motor (China) Ltd., a Director of JMC, a Director of Changan Ford Automobile Co., Ltd., a Director of Fuqi Trading (Shanghai) Ltd., Chairman of Ford Motor Sales Service (Shanghai) Co., Ltd., and a Director of Ford Model e Technology (Nanjing) Co., Ltd. Mr. Ryan Anderson has held various positions including Treasurer of Ford Europe, Product Development Controller, Marketing & Sales Controller of Ford Asia Pacific, Director of Corporate Financial Planning and Analysis for Ford Motor Company.

Mr. Yuan Mingxue, born in 1968, holds a Bachelor's Degree in Auto Engineering from Beijing Institute of Technology and an EMBA from China Europe International Business School, and is Chief Expert of Chongqing Chang'an Automobile Company Limited, Senior Consultant of Chairman business team, Chief Representative in Europe, and a Director of JMC. Mr. Yuan Mingxue has held various positions including Assistant to the President of Chang'an Auto and Executive Vice President of Jiangling Holdings Limited Company, Assistant to the President and Director of Strategy Planning Department for Chang'an Auto, Assistant to the President and Director of Overseas Development Department for Chang'an Auto, deputy Secretary of the Party Committee, Vice President, Executive Vice President, Chairman of the Labor Union for Chang'an Auto.

Ms. Xiong Chunying, born in 1964, senior engineer, holds a Bachelor Degree in Automobile Engineering from Jiangsu Engineering College, a Master Degree in Industrial Economics from Jiangxi University of Finance and Economics and an EMBA Degree from China Europe International Business School, and is Director and President of JMC, and a Director of Ford Motor Sales Service (Shanghai) Co., Ltd. Ms. Xiong Chunying held various positions including Chief of Quality Management Department, Assistant to the President, Vice President, Executive Vice President, a Director for JMC.

Ms. Zhong Junhua, born in 1976, graduated in Financial Accounting from School of Management, Shijiazhuang Tiedao University, holds a Bachelor's Degree in Economics and a MBA Degree, Certified Public Accountant, Senior Accountant, and is a Director of Nanchang Jiangling Investment Co., Ltd., and Director & EVP of JMC, an Executive Director & General Manager of Jiangling Motor Sales Co., Ltd., Chairman of Jiangling Ford Automobile Technology (Shanghai) Co., Ltd., in charge of marketing sales & service, and assist the President to manage the Company. Ms. Zhong Junhua held various positions including chief of Assets and Finance Department for JMCG, Chairman of JMCG Finance Co., Ltd., General Manager, Chairman of Nanchang Jiangling Dingsheng Investment Management Co., Ltd., Vice General Manager of JMCG, Chairman of Jiangxi JMCG Specialty Vehicles Co., Ltd., Chairman of Jiangxi Jiangling Group Special Vehicle Co., Ltd., and a Director of JMCG,

Mr. Yu Zhuoping, born in 1960, holds a Bachelor's Degree in Mechanical Engineering and a Master's degree in Mechanical Engineering from Tongji University and a Doctor's Degree in Automotive Engineering from Tsinghua

University, and is Director of Collaborative Innovation Center for Intelligent Energy Vehicles of Tongji University, Chairman of Tongji Automobile Design and Research Institute Co., Ltd., Chairman and General Manager of Shanghai Intelligent New Energy Vehicle Science and Technology Innovation Function Platform Co., Ltd., a Counsellor of Shanghai Municipal People's Government, a Deputy Chief Supervisor of China Society of Automotive Engineers, an Independent Director of JMC, an Independent Director of Ningbo Shenglong Automotive Powertrain System Co., Ltd., an Independent Director of Huayu Automotive Systems Co., Ltd. Mr. Yu Zhuoping held various positions including Director of School of Mechanical Engineering, Executive Deputy Director of New Energy Vehicle Engineering Center, Executive Vice Dean, Dean of School of Automotive Studies for Tongji University, and Assistant to the President of Tongji University.

Mr. Chen Jiangfeng, born in 1979, holds a Bachelor's Degree and Master's Degree in Law from International Law Department, Foreign Affairs College, and is Senior Deputy General Counsel & Executive Director of Gilead (Shanghai) Pharmaceutical Technology Co., and an Independent Director of JMC. Mr. Chen Jiangfeng has held various positions including Legal Counsel of Ford Motor (China) Ltd., Legal Counsel of Ford Motor Research & Engineering (Nanjing) Co., Ltd./ Chang'an Ford Mazda Automobile Corporation, Ltd., Nanjing Company/Chang'an Ford Mazda Engine Company, Ltd., Senior Legal Counsel & Compliance Officer of Ford Asia Pacific & Africa, Senior Legal Counsel of BMW China Automotive Trading Ltd., and Member of China Country Council, Head of legal, Director, Merck Healthcare China.

Ms. Wang Yue, born in 1978, holds a Bachelor's Degree in Accountancy from Henan University, a Master's Degree in Accountancy from Zhongnan University of Economics and Law, and a Doctor's Degree in Accountancy from Shanghai University of Financial and Economics, and is a Professor of School of Accountancy for Shanghai University of Financial and Economics, an Independent Director of JMC, an Independent Director of Shanghai Chemspec Corporation and an Independent Director of Shanghai Dearer Medical Equipment Co., Ltd.. Ms. Wang Yue has served as Research Assistant at The Hong Kong Polytechnic University and China Europe International School, during 2012~2013, served as Visiting Scholar at Zimmerman Center for University of Illinois at Urbana-Champaign. during 2023~2024, served as visiting scholar at the Newcastle University Business School in the United Kingdom.

Mr. Chen Ping, born in 1965, holds a Bachelor's degree in Radio Technology from Zhejiang University and an EMBA from China Europe International Business School (CEIBS), is a recipient of the State Council's Special Government Allowance. He currently serves as a Director of Shanghai Electrical Apparatus Research Institute (Group) Co., Ltd., a Director of Jiangsu Luokai Electromechanical Co., Ltd., a Director of Shanghai Hi-Tech Control System Co., Ltd., Chairman of Shanghai Dianke Venture Capital Co., Ltd., a Director of Shanghai Electric Power Research Institute Technology Co., Ltd., and a Director of Shanghai Seari Intelligent System Co., Ltd. He also holds dual roles as Supervisor of Shanghai Association for Quality, Supervisor of Shanghai Invention Association, Chairman of Shanghai Yangtze River Delta Advanced Manufacturing Development Research Institute and Independent Director of JMC. His career includes serving as Vice President, President, Chairman, and Party Secretary of Shanghai Electrical Apparatus Research Institute (Group) Co., Ltd. Mr. Chen Ping has been honored with the First

Prize of Shanghai Municipal Science and Technology Progress Award by the Shanghai Municipal People's Government and the Second Prize of National Science and Technology Progress Award by the State Council.

Mr. Liu Niansheng, born in 1967, holds a Bachelor's Degree in Forging Technology and Equipment from Jiangxi Industry University and Postgraduate degree in Economics and Management from Renmin University of China. He currently holds the positions of Employee Representative Director and Chairman of the Trade Union at JMC. He has served as Deputy Director of the Chassis Plant at JMC, Deputy County Governor of Boyang County in Jiangxi Province, Deputy Director of the Manufacturing Department, Director of the Chassis Plant, Director of the Transit Plant and Assistant President of JMC.

Senior management:

Ms. Xiong Chunying, please refer to the part of Directors for her resume.

Ms. Zhong Junhua, please refer to the part of Directors for her resume.

Mr. Ding Wenmin, born in 1972, holds a Bachelor's Degree in Automobile Exertion from Wuhan University of Technology, and is an Executive Vice President of JMC, in charge of the Company's product research and development. Mr. Ding Wenmin held various positions including Deputy Chief of Product Development Center, Chief of Product Planning & Program Management Department, and Assistant to the President for JMC, Vice President of JMC, and a Director of JMCG.

Ms. Li Weihua, born in 1977, holds a Bachelor's Degree in International Economic Law from Shanghai University of Finance and Economics and a MBA from Canada York University Schulich School of Business, and is CFO of JMC, a Director of Jiangling Ford Automobile Technology (Shanghai) Co., Ltd. Ms. Li Weihua has held various positions including Finance Analyst of Ford China, Finance Analyst, and Finance Manager of Ford Motor Research & Engineering (Nanjing) Co., Ltd., MFG Finance Manager, PD Finance Manager, MFG Finance Controller, and PD Finance Controller for C and C SUV of Ford AP, CFO of Ford Lioho, CFO of JMC, Financial Vice President of Changan Ford Automobile Co., Ltd., and a Director of Hanon Systems (Nanchang) Co., Ltd.

Mr Eric Hermann, born in 1964, holds a Bachelor's Degree in Engineering Mechanical and a Master's Degree in Engineering Mechanical from University of Michigan, and is a Vice President of JMC, in charge of the Company's product research and development. Mr. Eric Hermann held various positions in Ford Motor Company including Light Truck Exhaust Design Engineer, Vehicle NVH Supervisor, VE Launch Leader, Exhaust, AIS & Clutch Supervisor, AIS, Cooling, Exhaust & CAE Manager, BoF Cooling & Mounts Manager, Unibody Exhaust & AIS Manager, and Global AIS Manager, as well as the Director of Powertrain Engineering Department and Assistant President for JMC.

Mr. Wu Xiaojun, born in 1974, holds an Automobile Design Bachelor's Degree from Wuhan University of Technology and a MBA from Jiangxi University of Finance and Economics, and is a Vice President of JMC, CEO of New Energy Division for JMC, Executive Director and General Manager of Jiangling Heavy Vehicle Co., Ltd., in charge of the new energy business of commercial vehicles for the Company. Mr.

Wu Xiaojun held various positions including Chief of Quality Department, Assistant to the President for JMC, and Executive Deputy General Manager of JMC Heavy Duty Vehicle Co., Ltd.

Ms. Xu Lanfeng, born in 1969, holds a Bachelor's Degree in Forging Technology and Equipment from Jiangxi Industry University and a MBA from University of International Business and Economics, and is a Vice President and the Board Secretary of JMC, in charge of the Company's human resources and relevant duties of Board Secretary. Ms. Xu Lanfeng held various positions in JMC including Deputy Plant Manager of Framing Plant, Deputy Chief, Chief of Manufacture Department and Assistant to the President for JMC.

Ms. Wu Jiehong, born in 1976, holds a Bachelor's Degree in Finance Management from Nanchang University and a MBA from Jiangxi University of Finance and Economics, and is a Vice President of JMC, in charge of the strategic development of the Company and assist the CFO to support the financial work. Ms. Wu Jiehong held various positions including Assistant to the Chief of Financial Department, Chief of Internal Audit Office, and Chief of Financial Department for JMC, Finance Manager for Ford APA, Chief of Planning Department, and Assistant to the President for JMC.

Mr. Zeng Fafa, born in 1978, holds a Bachelor's Degree in Automotive Engineering from Nanchang University, China, and is a Vice President of JMC, in charge of manufacturing business. Mr. Zeng Fafa held various positions including Deputy Director of Quality Control Department, Director of New Model Program Department, Director of Quality Control Department, Director of Quality Control & New Model Program Department, Director of Manufacture Department, and an Assistant to the President for JMC.

Mr. Sam Lo, born in 1979, holds a Bachelor's Degree in Mechanical Engineering from National Taiwan University of S&T, China, a Master's degree in Mechanical Engineering from National Taiwan University, China, and is a Vice President of JMC, in charge of manufacturing business of the Company. Mr. Sam Lo held various positions including Welding Area Manufacturing Engineer, Craft Engineer, Production Superintendent and ME Manager of Ford Lio Ho Motor Company, VOME Implementation Body Manager and Final Assembly Manager of Ford Asia & Pacific, Body Area Manager Advisor of Changan Ford Motor Co., Ltd. Harbin Branch, Plant Launch Manager and Plant Manager of Changan Ford Motor Co., Ltd. Hangzhou Branch.

Mr. Chen Lei, born in 1979, holds a Bachelor's degree in Electrical Automation from Jiangsu University of Science and Technology and an MBA degree from Nanjing University of Aeronautics and Astronautics, is a Vice President of JMC, in charge of procurement. Mr. Chen Lei has served as the Director of Supplier Technical Assistance (STA) and Electrified Propulsion Engineering (EPE) Supply Chain for Ford China, EPE Supply Chain Director for Ford China's EV Business, STA Director for Ford China, STA Director for Changan Ford, and the Senior Manager of Electrical STA for Ford Asia Pacific.

Positions at the shareholder entities

Applicable Not Applicable

Name	Shareholder Entity	Title	Term of Office	Compensation Paid by Shareholder Entity (Y/N)
Qiu Tiangao	JIC	Chairman	2019.05.28	N
Shengpo Wu	Ford	Group Vice President	2023.03.01	Y
		President and CEO of Ford China and International Markets Group	2025.02.06	
Ryan Anderson	Ford	CFO, Ford China	2021.06.01	Y
Yuan Mingxue	JIC	Director	2019.05.28	N
Zhong Junhua	JIC	Director	2019.05.28	N
Description of the positions in the shareholder entities			None.	

Positions in other entities

Applicable Not Applicable

Name	Entity	Title	Compensation Paid by Other Entities (Y/N)
Qiu Tiangao	JMCG	Chairman	Y
Qiu Tiangao	Jiangxi ISUZU Co., Ltd.	Chairman	N
Qiu Tiangao	JMCG New Energy Vehicle Co., Ltd.	Chairman	N
Qiu Tiangao	Nanchang Jiangling Investment Co. Ltd.	Chairman	N
Shengpo Wu	Ford Motor (China) Ltd.	Chairman, President and CEO	N
Shengpo Wu	Changan Ford Automobile Co., Ltd.	Vice Chairman	N
Shengpo Wu	Ford Technology (China) Holding, Inc.	Chairman	N
Shengpo Wu	Fuqi Trading (Shanghai) Ltd.	Chairman	N
Ryan Anderson	Ford Motor (China) Ltd.	Director, Chief Financial Officer	N
Ryan Anderson	Chang'an Ford Automobile Co., Ltd.	Director	N
Ryan Anderson	Ford Motor Sales Service (Shanghai) Co., Ltd.	Chairman	N
Ryan Anderson	Fuqi Trading (Shanghai) Ltd.	Director	N
Ryan Anderson	Ford Model e Technology (Nanjing) Co., Ltd.	Chairman, Head of Power Technology branch	N
Ryan Anderson	Ford Technology (China) Holding, Inc.	Director	N
Yuan Mingxue	Chongqing Chang'an Automobile Company Limited	Chief Expert and Senior Consultant of Chairman Business	Y

		Team, Chief Representative in Europe	
Xiong Chunying	Ford Motor Sales Service (Shanghai) Co., Ltd.	Director	N
Zhong Junhua	Nanchang Jiangling Investment Co. Ltd.	Director	N
Zhong Junhua	Jiangling Motor Sales Co., Ltd.	Executive Director & General Manager	N
Zhong Junhua	Jiangling Ford Automobile Technology (Shanghai) Co., Ltd.	Chairman	N
Yu Zhuoping	Collaborative Innovation Center for Intelligent Energy Vehicles of Tongji University	Director	N
Yu Zhuoping	Tongji Automobile Design and Research Institute Co., Ltd.	Chairman	N
Yu Zhuoping	Shanghai Intelligent New Energy Vehicle Science and Technology Innovation Function Platform Co., Ltd.	Chairman & President	N
Yu Zhuoping	Huayu Automotive Systems Co., Ltd.	Independent Director	Y
Yu Zhuoping	Ningbo Shenglong Automotive Powertrain System Co., Ltd.	Independent Director	Y
Yu Zhuoping	Shanghai Municipal People's Government	Counsellor	N
Yu Zhuoping	China Society of Automotive Engineers	Deputy Chief Supervisor	N
Chen Jiangfeng	Gilead (Shanghai) Pharmaceutical Technology Co., Ltd.	Executive Director, Senior Deputy General Counsel	Y
Wang Yue	Shanghai University of Finance and Economics	Professor	Y
Wang Yue	Shanghai Chemspec Corporation	Independent Director	Y
Wang Yue	Shanghai Tiluo Medical Equipment Co., Ltd.	Independent Director	Y
Chen Ping	Shanghai Dianke Venture Capital Co., Ltd.	Chairman	N
Chen Ping	Shanghai Electrical Apparatus Research Institute (Group) Co., Ltd.	Director	Y
Chen Ping	Shanghai Electric Power Research Institute Technology Co., Ltd.	Director	N
Chen Ping	Shanghai Seari Intelligent System Co., Ltd.	Director	N
Chen Ping	Shanghai Hi-Tech Control System Co., Ltd.	Director	Y

Chen Ping	Jiangsu Luokai Electromechanical Co., Ltd.	Director	N
Chen Ping	Shanghai Association for Quality	Supervisor	N
Chen Ping	Shanghai Invention Association	Supervisor	N
Chen Ping	Shanghai Yangtze River Delta Advanced Manufacturing Development Research Institute	Chairman	N
Li Weihua	Jiangling Ford Automobile Technology (Shanghai) Co., Ltd.	Director	N
Wu Xiaojun	JMC Heavy Duty Vehicle Co., Ltd.	Executive Director, General Manager	N
Wu Xiaojun	Shenzhen Fujiang New Energy Automobile Sales Co., Ltd.	Executive Director, General Manager	N
Wu Xiaojun	Guangzhou Fujiang New Energy Automobile Sales Co., Ltd.	Executive Director, General Manager	N
Wu Xiaojun	Shanxi Yunnei Power Co., Ltd.	Director	N
Wu Jiehong	JMC Heavy Duty Vehicle Co., Ltd.	Supervisor	N
Wu Jiehong	Shanxi Yunnei Power Co., Ltd.	Director	N
Wu Jiehong	Shenzhen Fujiang New Energy Automobile Sales Co., Ltd.	Supervisor	N
Description of the positions in other entities		None	

Penalties from securities regulator to the present and resigned Directors, Supervisors and Senior Executives in the recent three years

Applicable Not Applicable

(3). Compensation of Directors and Senior Executives

Decision-making procedure, determination of basis, and actual payment regarding the compensation of the Directors and Senior Executives

Directors who did not concurrently hold other management positions in JMC were not paid by JMC. Director Qiu Tiangao is paid by JMCG. Director Shengpo Wu and Director Ryan Anderson were paid by Ford. Director Yuan Mingxue was paid by Chongqing Chang'an Automobile Co., Ltd.

(a) In accordance with JMC Executive Compensation Scheme approved by the Board of Directors, the compensation for the Chinese-side senior management consists of base salary and floating bonus. The base salary level is determined according to the grade of the senior executives, and the floating bonus shall be paid according to the operating performance. 70% of the bonus will be distributed in this year, and the rest 30% will be distributed in the next three years. In 2025, the Company paid annual compensation before tax of approximately RMB 1,500 thousand to EVP Zhong Junhua, paid approximately RMB 1,810 thousand to EVP Ding Wenmin, paid approximately RMB 1,650 thousand to VP Wu Xiaojun, paid

approximately RMB 1,660 thousand to VP & Board Secretary Xu Lanfeng, paid approximately RMB 1,690 thousand to VP Wu Jiehong, paid approximately RMB 1,660 thousand to VP Zeng Fafa. The total compensation before tax paid by JMC for the aforesaid persons was about RMB 9.97 million in the reporting period, including the long-term incentive of RMB 830 thousand deferred from the previous years.

(b)JMC pays annual compensation for Ford-seconded senior management personnel to Ford in accordance with the Personnel Secondment Agreement signed between JMC and Ford & Ford Affiliates. In 2025, the Company should pay approximately RMB 1,100 thousand to Ford for Director and President Xiong Chunying, pay approximately RMB 180 thousand for CFO Li Weihua, pay US\$ 500 thousand for VP Eric Hermann, pay RMB 1,100 thousand for VP Sam Lo, pay RMB 1,100 thousand for VP Chen Lei, and paid annual compensation before tax of approximately RMB 960 thousand to Ex-CFO Joey Zhu, pay RMB 3,150 thousand for Ex-VP Anderson Liu, These payments made by JMC to Ford do not reflect the actual salaries earned by Ford-seconded senior management.

(c) Pursuant to the resolutions of JMC 2011 Annual Shareholder's Meeting, the annual compensation for the JMC Independent Directors is RMB 100 thousand per person, and JMC bears their travel-related expenses associated with JMC's business. In 2025, the Company paid annual compensation before tax of RMB 100 thousand to Independent Director Yu Zhuoping, Independent Director Chen Jiangfeng, and Independent Director Wang Yue respectively.

Table on compensation of the Directors and Senior Executives in the reporting period

Unit: RMB' 000

Name	Gender	Age	Position	Present (Y/N)	Compensation Before Tax Paid by JMC	Compensation Paid by Related Party (Y/N)
Qiu Tiangao	Male	59	Chairman	Y	0	Y
Shengpo Wu	Male	59	Vice Chairman	Y	0	Y
Ryan Anderson	Male	52	Director	Y	0	Y
Yuan Mingxue	Male	57	Director	Y	0	Y
Xiong Chunying	Female	61	Director & President	Y	*	Y
Zhong Junhua	Female	49	Director & EVP	Y	1,500	N
Yu Zhuoping	Male	65	Independent Director	Y	100	N
Chen Jiangfeng	Male	46	Independent Director	Y	100	N
Wang Yue	Female	47	Independent Director	Y	100	N
Chen Ping	Male	60	Independent Director	Y	0	N
Liu Niansheng	Male	58	Employee Representative Director	Y	#	N
Ding Wenmin	Male	53	EVP	Y	1,810	N
Li Weihua	Female	48	CFO	Y	*	Y

Eric Hermann	Male	61	VP	Y	*	Y
Wu Xiaojun	Male	51	VP	Y	1,650	N
Xu Lanfeng	Female	56	VP & Board Secretary	Y	1,660	N
Wu Jiehong	Female	49	VP	Y	1,690	N
Zeng Fafa	Male	47	VP	Y	1,660	N
Sam lo	Male	46	VP	Y	*	Y
Chen Lei	Male	46	VP	Y	*	Y
Joey Zhu	Male	43	Ex-CFO	Y	*	Y
Anderson Liu	Male	53	Ex-VP	Y	*	Y
Total	-	-	-	-	10,270	-

*See the instructions in the previous paragraph.

Liu Niansheng was appointed as the Employee Representative Director of the Company on December 30, 2025.

The assessment basis for the actual compensation received by all Directors and senior executives at the end of the reporting period.	Except for Independent Directors, Directors who do not hold senior management positions in the Company do not receive compensation from the Company. The assessment basis for the compensation received by the Company's senior management is the "JMC Executives Compensation Scheme" and the "KPIs for the Company's senior executives in 2025".
The performance of the assessment for the actual compensation received by all Directors and senior executives management at the end of the reporting period.	The compensation for Chinese senior executives consists of base salary and floating bonus. The base salary is determined according to the senior executives' job grade, while the floating bonus is approved and paid by the Company's Compensation Committee based on performance achievement.
The deferred payment arrangements for the actual compensation received by all Directors and senior executives at the end of the reporting period.	70% of the floating bonus for Chinese senior executives is distributed after the performance assessment in the following year, while the remaining 30% is deferred and paid out in equal instalments over three years.
The clawback and recovery status of the actual compensation received by all directors and senior executives at the end of the reporting period.	None

Explanation of Other Situations

Applicable Not Applicable

5. Directors' Performance of Duty

(1) Particulars about the Directors' attendance to the Board meeting and the Shareholders' Meeting

Name	Required Board Attendance	Presence in Person	Presence in form of Paper Meeting	Presence by Proxy	Absence	Not to present in person in two consecutive	Presence at the Shareholders' Meeting
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						meetings (Y/N)	
Qiu Tiangao	18	4	14	0	0	N	3
Shengpo Wu	18	4	14	0	0	N	2
Ryan Anderson	18	3	13	2	0	N	2
Yuan Mingxue	18	2	14	2	0	N	0
Xiong Chunying	18	4	14	0	0	N	3
Zhong Junhua	18	4	14	0	0	N	3
Yu Zhuoping	18	4	14	0	0	N	3
Chen Jiangfeng	18	4	14	0	0	N	3
Wang Yue	18	4	14	0	0	N	3
Chen Ping	0	0	0	0	0	N	0
Liu Niansheng	0	0	0	0	0	N	0

Statements on failure to attend Board meetings in person for two consecutive occasions

None.

Chen Ping was appointed as an Independent Director of the Company on December 30, 2025, and Liu Niansheng was appointed as the Employee Representative Director of the Company on December 30, 2025.

(2) Dissent from Directors

Yes No

The Directors of the Company had no dissent to the relevant proposals of the Company in the reporting period.

(3) Other introduction to Directors' Performance of Duty

Whether the Directors' suggestions on the Company have been adopted

Yes No

Statement of the adoption or not of the Directors' suggestions on the Company
All the Directors of the Company fulfill their duties diligently, actively pay attention to the Company's management information, financial situation, and major issues, make a thorough study and discussion on the proposals submitted to the Board of Directors and put forward their respective opinions, make recommendations for the Company's business development, fully consider the interests and demands of minority shareholders while making decisions, which strengthens the scientific of the Board's decision, and promotes the sustainable, stable and healthy development of the Company's operation.

6. Situation of the Committees under the Board of Directors in the Reporting Period

(1) Audit Committee

Members:

Chairman: Wang Yue

Member: Ryan Anderson, Yuan Mingxue, Yu Zhuoping, Chen Jiangfeng

Secretary: Li Weihua

The number of meetings held in the reporting period: nine.

The first Audit Committee meeting of 2025 was convened on January 17, 2025. Meeting contents:

Reviewed the 2024 Annual Financial and Accounting Statements of JMC, and would review the Company's financial and accounting statements again after the auditor forms the preliminary audit opinions.

Important comments and suggestions made: None.

Other performance of duties: None.

Details of the objection to matter: None.

The second Audit Committee meeting of 2025 was convened on February 28, 2025. Meeting contents:

Reviewed the Company's financial report after the certified auditor issued its initial audit opinions.

Important comments and suggestions made: None.

Other performance of duties: None.

Details of the objection to matters: None.

The third Audit Committee meeting of 2025 was convened on March 13, 2025. Meeting contents:

1. Reviewed the Ernst & Young Report;
2. Reviewed the 2024 Financial Report audited by the auditor and agreed to submit it to the Board of Directors for approval;
3. Reviewed the Evaluation of the Auditor's Performance in 2024 and the Performance of the Audit Committee's Supervision Responsibilities;
4. Reviewed the 2024 Internal Control Self-Evaluation Report and agreed to submit it to the Board of Directors for approval;
5. Reviewed the Audit Committee Performance Report and agreed to submit it to the Board of Directors for approval;

Important comments and suggestions made: None.

Other performance of duties: None.

Details of the objection to matters: None.

The fourth Audit Committee meeting of 2025 was convened on April 18, 2025. Meeting contents:

Reviewed the First Quarter FY2025 Financial Accounting Statements and agreed to submit this proposal to Board of Directors for approval.

Important comments and suggestions made: None

Other performance of duties: None.

Details of the objection to matters: None.

The fifth Audit Committee meeting of 2025 was convened on June 24, 2025. Meeting contents:

1. Reviewed the Internal Control Work Report for the first half of 2024 and the Work Plan for the second half of 2024;

2. Reviewed the Ernst & Young Report.

Important comments and suggestions made: None

Other performance of duties: None.

Details of the objection to matters: None.

The sixth Audit Committee meeting of 2025 was convened on August 13, 2025. Meeting contents:

Reviewed the First Half FY2025 Financial Accounting Statements and agreed to submit this proposal to Board of Directors for approval.

Important comments and suggestions made: None

Other performance of duties: None.

Details of the objection to matters: None.

The seventh Audit Committee meeting of 2025 was convened on October 14, 2025. Meeting contents:

Reviewed the First Quarter FY2025 Financial Accounting Statements and agreed to submit this proposal to Board of Directors for approval.

Important comments and suggestions made: None

Other performance of duties: None.

Details of the objection to matters: None.

The eighth Audit Committee meeting of 2025 was convened on October 16, 2025. Meeting contents:

Approved Mr. Joey Zhu would no longer serve as the Company's CFO, and appointed Ms. Li Weihua as the Company's CFO, and agreed to submit it to the Board for approval.

Important comments and suggestions made: None

Other performance of duties: None.

Details of the objection to matters: None.

The ninth Audit Committee meeting of 2025 was convened on December 19, 2025. Meeting contents:

1. Reviewed the Ernst & Young Report;

2. Reviewed the Year 2025 Assets Impairment Provision Report and agreed to submit it to the Board for review;

3. Reviewed and approved the 2025 annual financial report audit timing plan;

4. Reviewed the 2025 Internal Control Work Report and approved the Internal Audit Work Plan for 2026.

Important comments and suggestions made: None

Other performance of duties: None.

Details of the objection to matters: None.

(2) Compensation Committee

Members:

Chairman: Chen Jiangfeng

Member: Qiu Tiangao, Ryan Anderson, Yu Zhuoping, Wang Yue

Secretary: Xu Lanfeng

The number of meetings held in the reporting period: one.

A Compensation Committee meeting was convened on March 13, 2025.

Meeting contents:

1. Reviewed and approved the Proposal on 2024 Year-end Bonus for the Company's senior executives;

2. Reviewed and approved the adjustment of the annual total cash income target of the Company's senior executives in 2025;

3. Reviewed and approved the KPIs for the Company's senior executives in 2025;

5. Reviewed and approved the 2024 Due Diligence Report of the Compensation Committee.

Important comments and suggestions made: None.

Other performance of duties: None.

Details of the objection to matters: None.

(3) Strategy Committee

Members:

Chairman: Qiu Tiangao

Member: Shengpo Wu, Ryan Anderson, Yuan Mingxue, Xiong Chunying, Zhong Junhua

Secretary: Wu Jiehong

The number of meetings held in the reporting period: one.

A Strategy Committee meeting was convened on December 19, 2025.

Meeting contents:

Review the Company's "Fifteenth Five-Year Strategic Plan."

Important comments and suggestions made: None.

Other performance of duties: None.

Details of the objection to matters: None.

8. Works of Audit Committee

Risks found by the Audit Committee in the reporting period

Yes No

The Audit Committee had no dissent on inspection items in the reporting period.

9. Employees

(1) Employees, Professional Structure and Educational Level

Employees in parent company at the end of reporting period(person)	11,163
Employees in subsidiaries at the end of reporting period(person)	40
Total employees at the end of reporting period(person)	11,203
Total employees paid compensation (person)	11,790
Retired employees bore retirement benefits in parent company and its subsidiaries	587
Professional Structure	
Type	Employees (Person)
Production Worker	6,695
Sales Personnel	536
Technical Personnel	3,208
Finance Personnel	138
Administrative Staff	626
Total	11,203
Educational Level	
Type	Employees (Person)
Master degree and higher	1,005
Undergraduate degree	3,430

Polytechnic school degree	1,362
Below polytechnic school degree	5,406
Total	11,203

(2) Compensation Policy

JMC strictly abided by the relevant requirements of national labor laws and regulations, and provided safe and comfortable work places. The Company also established and improved the incentive system that can effectively help the realization of the Company's strategy and targets, based on the characteristics of the business and talents. The Company promoted the multi-talent incentive system with orientation on value, ability and contribution, so as to accelerate the growth of new automobile talents. The Company also strengthened the connection between personal interests of core talents and the company's medium and long-term strategic goals, thus driving the achievement of business objectives. At the same time, the Company constantly improved employee welfare policies to meet the diversified individual needs of employees and improve the employees' experience and satisfaction.

(3) Training

By conducting training needs surveys for all employees and building a differentiated talent development and empowerment system, the Company continuously provides employees with comprehensive and diverse learning opportunities, encouraging and supporting them to pursue continuous, efficient, and lifelong learning. In 2025, closely aligned with industry development trends, the Company strategically focused on two core areas: "Artificial Intelligence" and "Global Talent for Overseas Expansion." This forward-looking approach aims to achieve a dual enhancement of organizational effectiveness and employees' core competitiveness. In terms of digital and intelligent transformation, the Company launched a series of AI empowerment initiatives, helping employees master cutting-edge AI tools through systematic training, driving the evolution of work models from traditional to intelligent, and stimulating individual innovation. In terms of globalization, tailored training programs were developed to support the Company's overseas expansion strategy, including cross-cultural communication, localized operations, and overseas legal compliance, cultivating comprehensive talent with an international perspective to support the Company's global business expansion. At the same time, the Company continued its partnership with Tongji University for the specialized cultivation of high-level talent, leveraging postdoctoral workstations at universities such as Nanchang University to deepen the integration of industry, academia, and research, continuously expanding the depth and breadth of university-industry cooperation.

The Company leverages multi-path synergies to continuously advance its "New Four Modernizations" talent development program while keenly seizing opportunities presented by AI transformation and globalization. By building diversified growth platforms for employees across different business sectors, it not only helps individuals achieve their career aspirations but also fully fulfils its responsibility as an engine of social innovation.

(4) Labour outsourcing

Applicable Not Applicable

9. Profit distribution and capital reserve conversion

Establishment, implementation or adjustment of profit distribution policy, esp. cash dividend distribution policy, regarding common stock during the reporting period

Applicable Not Applicable

In accordance with the requirements of laws, regulations and the Articles of Association of the Company, the Company's profit distribution policy maintains continuity and stability, and the Company pays attention to the reasonable return to investors. The Company gives priority to cash dividend, and subject to the provisions of laws, regulations and the Articles of Association of the Company, the Board of Directors can put forward a mid-term or special profit distribution proposal. The Company's profit distribution policy is in line with the CSRC's guidance on encouraging cash dividends for listed companies.

Special Explanation on Cash Dividend Policy	
Whether to comply with the requirements of the Articles of Association of JMC or resolution of the Shareholders' Meeting (Y/N)	Y
Whether the standards and proportion of dividends on profit distribution are clear (Y/N)	Y
Whether the procedures are valid and legal (Y/N)	Y
Whether the Independent Director fulfil their duties (Y/N)	Y
Whether middle and small shareholders have opportunities to claim their appeals and their legal rights and interests are completely protected (Y/N)	Y
Whether the condition and procedure are reasonable and transparent when the cash dividend policy is being changed (Y/N)	Y

The Company made a profit during the reporting period and the profit of the parent company distributable to the common shareholders is positive, but a distribution plan of cash dividends for the common shares is not put forward

Applicable Not Applicable

Proposal on Year 2025 Profit Distribution Plan or Capital Reserve Conversion

Applicable Not Applicable

Stock dividend (share) for every 10 shares	0
Cash Dividend (RMB) for every 10 shares (including tax)	5.5581
Total share capital (share)	854,581,922
Total cash dividend distribution amounts (RMB) (including tax)	474,985,178
Amount of cash dividend (RMB) in other ways (e.g. repurchase of shares)	0
Total cash dividend amounts (RMB) (including other ways)	474,985,178
Distributable profit (RMB)	9,752,190,648
Total cash dividends (including other ways) as a proportion of total profit distribution	100%
Cash dividend status	
If the development stage of the Company is not easy to distinguish but there are major fund expenditure arrangements, the minimum proportion of cash dividends in this profit distribution shall reach 20% when the profit distribution is carried out.	
Detailed description of profit distribution or capital reverse conversion proposal	
Proposal on year 2025 profit distribution: the Company plans to distribute a cash dividend of RMB 5.5581 (including tax) for every 10 shares held. Based on the total share capital of 854,581,922 shares as of December 31, 2025, the total cash dividend distribution amounts shall be RMB 474,985,178. The cash dividend on B share shall be paid in Hong Kong Dollars and converted at the middle rate of the HK dollar's exchange	

rate against RMB quoted by the People's Bank of China on the first working day following the relevant resolution adopted by the Company's Annual Shareholders' Meeting. The Board decides not to convert the capital reserve to the share capital this time. The proposal is subject to the approval of the Company's 2025 annual shareholders' meeting.

10. 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.

11. Internal control system construction and implementation during the reporting period

(1) Internal control construction and implementation

According to the requirements of the Basic Standard for Enterprise Internal Control (C-SOX) along with its Application Guidelines and Internal Control Guidelines for Public Companies listed on the Shenzhen Stock Exchange jointly issued by the Ministry of Finance and China Security Regulation Commission, the Company has established a set of sound and effective internal control system, and at the same time, combined with the internal and external environment, internal institutions and management requirements, so as to make the internal control system design scientific, simple, applicable and effective operation.

The Company has reasonably planned the organizational structure, and established a control structure with the full participation of the Audit Committee, Executive Committee, senior management and business level under the leadership of the Board of Directors. The company has established a "Three Lines of Defense" internal control system: First Line: Various business/functional departments directly identify and manage risks in daily operations, assuming primary responsibility. Second Line: Risk management/compliance departments such as Legal, Quality, and Safety formulate policies, supervise, coordinate, and provide professional support. Third Line: The Audit Committee has an audit department, which supervises and evaluates the operation of the Company's internal control system through internal audit.

Through the operation, analysis and evaluation of the internal control system, the Company has effectively prevented the risks in the operation and management, and promoted the realization of the internal control objectives.

This year, the Company's internal control can cover the main aspects of the Company's operation and management without major omissions; the units, businesses and matters and high-risk areas included in the evaluation scope cover the main aspects of the Company's operation and management without major omissions.

(2) Major defect of internal control in the reporting period

Yes No

12.The Company's management control over the subsidiaries during the reporting period

Applicable Not Applicable

During the reporting period, the Company has not purchased new subsidiaries.

13. Internal Control Self-Assessment Report or Internal Control Audit Report

(1) Internal Control Self-Assessment Report

Issuance date	March 28, 2026
Index	www.cninfo.com.cn
Total value of assets of the entities in scope counts as % of that disclosed in the consolidated financial statements	100.00%
Total value of operating revenue of the entities in scope counts as % of that disclosed in the consolidated financial statements	100.00%

Deficiency Determination Criteria		
Type	Type	Type
Qualitative Criteria	<p>Material Weakness: An error that changes the trend of results, changes profit to loss or loss to profit; Ineffective anti-fraud process or any fraud involving senior management; Ineffective control over accounting policies; Ineffective oversight by the Audit Committee</p> <p>Significant Deficiency: Errors in management reporting systems or Corporate accounting records that could lead to incorrect management decisions; Actions inconsistent with Company values, policies, approval authorities and other Corporate guidelines that are likely to significantly impact cost, quality, customer satisfaction, reputation, or competitive advantage; Significant control issues in IT infrastructure or applications that creates significant risk to corporate assets or processes; Identification of fraud of a significant magnitude or theft that is significant in value</p> <p>Minor Deficiency: Any control deficiencies that do not meet the criteria for material or significant</p>	<p>Material Weakness: Unscientific decision making process such as incorrect decisions that result in unsuccessful mergers and acquisitions; Major regulatory compliance issues; Frequent media reports harmful to the Company's reputation; A lack of control within key business processes or systematic breakdown of control policies; Material weakness identified in the self-assessment without any action plan implemented</p> <p>Significant Deficiency: a control deficiency, or combination of control deficiencies, that does not meet; The criteria for material weakness but deserves the concerns of the Audit Committee and the Board of Directors</p> <p>Minor Deficiency: Any control deficiencies that do not meet the criteria for material or significant</p>
Quantitative Criteria	<p>Material Weakness: Misstatement in the Financial Report is more than 1% of the total assets or 1% of the annual sales revenue in the latest audited consolidated Financial Statements, the lower of the two indicators above</p> <p>Significant Deficiency: Misstatement in the Financial Report is more than 0.5% of the total assets or 0.5% of the annual sales revenue in the latest audited consolidated Financial Statements, the lower of the two indicators above</p>	<p>Please refer to internal control deficiency over financial reporting for the criteria for non-financial reporting internal control.</p>

	Minor Deficiency: All the deficiencies that don't meet the quantitative criteria for significant	
Number of Material Weakness in financial report		0
Number of Material Weakness in non-financial report		0
Number of Significant Deficiency in financial report		0
Number of Significant Deficiency in non-financial report		0

(2). Internal Control Audit Report

Applicable Not Applicable

Opinions in the Internal Control Audit Report	
The comments in the Internal Control Audit Report issued by Ernst & Young Hua Ming LLP are as follows: On December 31, 2025, JMC maintained effective internal control of financial reporting in all major aspects in accordance with the Basic Code for Enterprise Internal Control and relevant provisions.	
Disclosure of Internal Control Audit Report	Disclosed
Issuance Date	March 28, 2026
Index	www.cninfo.com.cn
Type of Opinion	Standard and unqualified opinions
Major Defect Regarding Non-financial Report or not	No

Abnormal opinion issued by the accounting firm

Yes No

Whether the Opinion issued by the accounting firm keeps the same with that of self-assessment report made by the Board?

Yes No

Whether a non-standard audit opinion on internal control was issued during the reporting period or the previous year.

Yes No

14. Situation of Problem Rectification for the self-inspection of the special action for the governance of listed companies

After the Company's self-inspection, the Company's overall compliance operation was found to be in order and no rectification was found.

15. 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

		<p>2. Nanchang Industrial Solid Waste Regulatory Platform http://117.40.240.237:10086/index.jsp</p> <p>3. Credit China https://www.creditchina.gov.cn/</p>
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16. Corporation Social Responsibilities

Details are contained in the Company's Environmental, Social and Governance (ESG) Report, which was disclosed on March 28, 2026.

17. The consolidation and expansion of poverty alleviation achievements and rural revitalization

JMC actively fulfils its corporate social responsibility by fully participating in rural revitalization. Through diversified cooperation models and empowerment initiatives, the Company contributes solid strength to building a new pattern of urban-rural integration and common prosperity.

The Company continues to use "consumption assistance" as a key entry point, deepening the model of "industrial chain collaboration + public welfare empowerment." This year, the Company precisely connected with and procured a variety of high-quality agricultural products through the "purchase instead of assistance" approach, including yellow peaches from Luoyang Village, Suichuan County, Jiangxi Province and Xinfeng navel oranges, with a cumulative procurement volume exceeding 24,000 units, totalling RMB 1.38 million. This effectively supported the stable development of rural specialty industries and stimulated the endogenous momentum of the local economy.

In 2025, JMC once again donated RMB 2 million to build 13 convenient bridges in Yongshun County of Hunan Province, Ningdu County of Jiangxi Province, and Xinfeng County of Jiangxi Province. The "JMC Xiqiao Project", initiated in 2007 by the China Foundation for Rural Development and Jiangling Motors Corporation, Ltd., has adhered to the mission of "Building Rural Bridges, Connecting Revitalization Roads" for nearly 20 years. By the end of 2025, JMC has invested over RMB 43.9 million in the project, donating and constructing 465 bridges across 132 counties in 25 provinces (municipalities and autonomous regions), benefiting nearly 700,000 rural residents in underdeveloped areas.

Chapter V Major events

1. Commitments

(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) Earnings forecast of the assets or project and the explanations

Applicable Not Applicable

(3) The company is involved in performance commitments.

Applicable Not Applicable

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. The Board's explanation of the situation related to the latest "non-standard audit Report"

Applicable Not Applicable

5. Explanation of the Board of Directors, Supervisory Board and Independent Directors to abnormal opinions from accounting firm

Applicable Not Applicable

6. Description of changes in accounting policies, accounting estimates, or correction of major accounting errors compared to the financial report of the previous year

Applicable Not Applicable

The Company had no changes in accounting policies, accounting estimates, or material accounting error corrections during the reporting period.

7. Description of changes in the scope of consolidated statements as compared with the financial statements of the previous year

Applicable Not Applicable

There was no change in the scope of the consolidated statements during the reporting period.

8. Appointment or Dismissal of Accounting Firm

Current appointed accounting firm

Name	Ernst & Young Hua Ming LLP
Compensation (RMB'000)	1,770

Consecutive years offering audit services	2
Names of signed accountants	Qiao Chun, Yuan Yong
Consecutive years offering audit services of signed accountants	Qiao Chun 2 years, Yuan Yong 2 years

Dismissal of accounting firm

Yes No

Appointment of C-SOX auditor, financial consultant or sponsor

Applicable Not Applicable

Upon the approval of 2024 Third Special Shareholders' Meeting, JMC appointed Ernst & Young Hua Ming LLP as JMC's 2024 to 2026 C-SOX auditor. In 2025, JMC paid RMB 430 thousand to Ernst & Young Hua Ming LLP for the C-SOX audit.

9. Suspension and Termination of Listing after Annual Report Disclosed

Applicable Not Applicable

10. Related Matters regarding Bankruptcy

Applicable Not Applicable

There was no matter involving bankruptcy during the reporting period.

11. Major Litigation or Arbitration

Applicable Not Applicable

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

12. Punishment

Applicable Not Applicable

Neither JMC nor its Directors or senior management were punished by regulatory authorities during the reporting period.

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

Applicable Not Applicable

14. Major Related Transactions

(1) Routine related party transactions

Please refer to the Note 8 related party transactions of the notes to the consolidated financial statements in the Chapter VIII Financial Statements for details.

(2) 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.

(3) Related party transaction concerning outside co-investment

Please refer to the details in Section VI, "17. Other Major Events " in this report.

(4) 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.

(5) 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	14,073,010	13,888,120	1,592,490

* 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 deposits 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

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

(6) The transactions between the financial company controlled by the company and its related parties

Applicable Not Applicable

The Company has no controlling financial company.

(7) Other major related party transactions

Applicable Not Applicable

Information on the disclosure website of the interim report of major related party transactions:

Name	Disclosure Date	Website for Disclosure
------	-----------------	------------------------

Public Announcement on Related Party Transactions	2025.05.30	www.cninfo.com.cn.
Public Announcement on Proposed Capital Increase in the Controlled Subsidiary and Related Party Transactions	2025.09.24	www.cninfo.com.cn.
Public Announcement on Forecast of the Routine Related Party Transactions in 2026	2025.12.23	www.cninfo.com.cn.

15. 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 (14), Note 5 (16), note 5 (32), Note 5 (63) and note 8 (5) (b) of the financial statements in the Chapter VIII Financial Statements for detail.

Project of which the profit and loss brought to 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 to the Company reached more than 10% of the total profit of the Company during the reporting period.

(2) Major guarantee

Applicable Not Applicable

The Company had no outside guarantee in the reporting period.

(3) Entrustment on cash asset management

a. Trust investment

Applicable Not Applicable

There was no trust investment in the reporting period.

b. Entrusted loan

Applicable Not Applicable

There was no entrusted loan in the reporting period.

(4) Other major contract

Applicable Not Applicable

There was no other major contract in the reporting period.

16. Usage of Raised Fund

Applicable Not Applicable

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

17. Other Major Events

Applicable Not Applicable

Matters regarding the Company's share repurchase

The Company's Board of Directors reviewed and approved the "Proposal on the Repurchase of the Company's A-Shares" in form of paper meeting from April 10 to April 11, 2025.

Please refer to the relevant announcements disclosed on the website <http://www.cninfo.com.cn> for details.

Name	Disclosure Date
JMC Public announcement on the Repurchase of A-Shares	2025.04.14
JMC Share Repurchase Report	2025.04.16
JMC Public announcement on Shareholding of the Top Ten Shareholders and Top Ten Unrestricted Condition Shareholders Regarding the Share Repurchase	2025.04.16
JMC Public announcement on the Initial Repurchase of Company Shares	2025.04.17
JMC Public announcement on Progress of Share Repurchase	2025.05.07
JMC Public announcement on Progress of Share Repurchase	2025.06.04
JMC Public announcement on Progress of Share Repurchase	2025.07.03
JMC Public announcement on Progress of Share Repurchase	2025.08.05
JMC Public announcement on Progress of Share Repurchase	2025.09.03
JMC Public announcement on Completion of Share Repurchase and Changes in Shareholding	2025.10.10

18. Major event of JMC subsidiary

Applicable Not Applicable

Matters regarding the Company's capital increase to its controlling subsidiary and related-party transactions

The Board of Directors of the Company reviewed and approved, in form of paper meeting on September 22, 2025, the Distribution Service Contract for JMC Brand Vehicles among the Company, Jiangling Motor Sales Co., Ltd. and Ford Motor Sales Service (Shanghai) Co., Ltd., as well as the Revision and Restatement of the Joint Venture and Shareholders' Agreement of Jiangling Ford Automobile Technology (Shanghai) Co., Ltd. (2025) between the Company and Ford.

Please refer to the Public Announcement on Proposed Capital Increase in the Controlled Subsidiary and Related Party Transactions published on September 24, 2025 on the website <http://www.cninfo.com.cn> for details.

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	Subtotal	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%						750,840	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

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

I. Securities issuance (not including preferred shares) in the reporting period

Applicable Not Applicable

II. Explanation on changes of shares, shareholding structure, assets and liabilities structure

Applicable Not Applicable

III. Current staff shares

Applicable Not Applicable

3. Shareholders and actual controlling parties

I. Total shareholders, top ten shareholders, and top ten shareholders holding unlimited tradable shares

Total shareholders as of the end of the reporting period	JMC had 39,701 shareholders, including 33,919 A-share holders, and 5,782 B-share holders, as of December 31, 2025.					
Total shareholders as of the last month-end prior to the disclosure date of the Report	JMC had 40,373 shareholders, including 34,594 A-share holders, and 5,779 B-share holders, as of February 28, 2026.					
Top ten shareholders						
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	1.10%	9,520,669	-15,889,340	0	0
Jin Xing	Domestic Natural Person	0.62%	5,327,900	-508,800	0	0
Industrial and Commercial Bank of China Limited - Guolian Superior Industry Mixed Securities Investment Fund	Domestic non-State-owned legal persons	0.58%	5,028,101	5,028,101	0	0
China Merchants Securities (HK) Co., Ltd.	Foreign legal person	0.54%	4,619,475	-348,100	0	0
Bank of China Limited - E Fund Hong Kong Stock Connect Dividend Flexible Allocation Mixed Securities Investment Fund	Domestic non-State-owned legal persons	0.34%	2,907,400	2,907,400	0	0
China Merchants Bank Co., Ltd. - E Fund Value Return Mixed Securities Investment Fund	Domestic non-State-owned legal persons	0.24%	2,099,400	2,099,400	0	0
Industrial and Commercial Bank of China Limited - HTFTZ Intelligent Manufacturing Stock Securities Investment Fund	Domestic non-State-owned legal persons	0.24%	2,069,224	2,069,224	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%	1,916,630	200,100	0	0
Strategic investors or general legal persons become the top 10 shareholders due to the placement of new shares				None.		
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 8,632,078 A shares of the Company, representing 1% 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)			9,520,669		A share	
Jin Xing			5,327,900		B share	
Industrial and Commercial Bank of China Limited - Guolian Superior Industry Mixed Securities Investment Fund			5,028,101		A share	
China Merchants Securities (HK) Co., Ltd.			4,619,475		B share	
Bank of China Limited - E Fund Hong Kong Stock Connect Dividend Flexible Allocation Mixed Securities Investment Fund			2,907,400		A share	
China Merchants Bank Co., Ltd. - E Fund Value Return Mixed Securities Investment Fund			2,099,400		A share	
Industrial and Commercial Bank of China Limited - HTFTZ Intelligent Manufacturing Stock Securities Investment Fund			2,069,224		A share	
China Merchants Bank Co., Ltd. - China Southern CSI 1000 Exchange Traded Open-End Index Securities Investment Fund			1,916,630		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.	
description of shareholders participating in financing and securities financing business					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.

II. Controlling Shareholders

Nature of controlling shareholders: Central/Local government holdings, foreign holdings

Type: Legal person

Name	Legal representative	Established Date	Organization code	Main scope of business
Nanchang Jiangling Investment Co., Ltd.	Qiu Tiangao	May 28, 2019	91360125MA38LUR91F	investment management, industrial investment, asset management and other business.
Ford Motor Company	William Clay Ford, Jr.	January 1, 1903		to design, manufacture, market, and service a full line of Ford cars, trucks, sport utility vehicles ("SUVs"), electrified vehicles, and Lincoln luxury vehicles, provide financial services through Ford Motor Credit Company LLC, and pursue leadership positions in electrification, autonomous vehicles, and mobility solutions.
Equity status of other listed companies in domestic and abroad market controlled and participated by the controlling shareholders during the reporting period				None

Change of controlling shareholders

Applicable Not Applicable

The controlling shareholders of the Company did not change during the reporting period.

III. Actual Controlling Parties

Nature of controlling shareholders: Central/Local State-owned Assets Supervision and Administration

Type: Legal person

Name	Legal representative	Established Date	Organization code	Main scope of business
JMCG	Qiu Tiangao	July 27, 1991	91360000158263759R	manufacturing of automobiles, engines, chassis, specialty vehicle, transmission, other products, automotive quality testing, sales of self-produced products and raw materials, equipment, electronic products, parts and others, as well as related after-sales services and maintenance services; development of products derived from JMC brand light vehicle; overseas auto project-contracting, export equipment, material and related labour services.
Chongqing Changan Automobile Co., Ltd.	Zhu Huarong	October 31, 1996	9150000020286320X6	development, manufacturing, sales, import & export business of auto (including sedan), engine, automotive components, die, tools, installation of machinery, technological consultant services, among others.

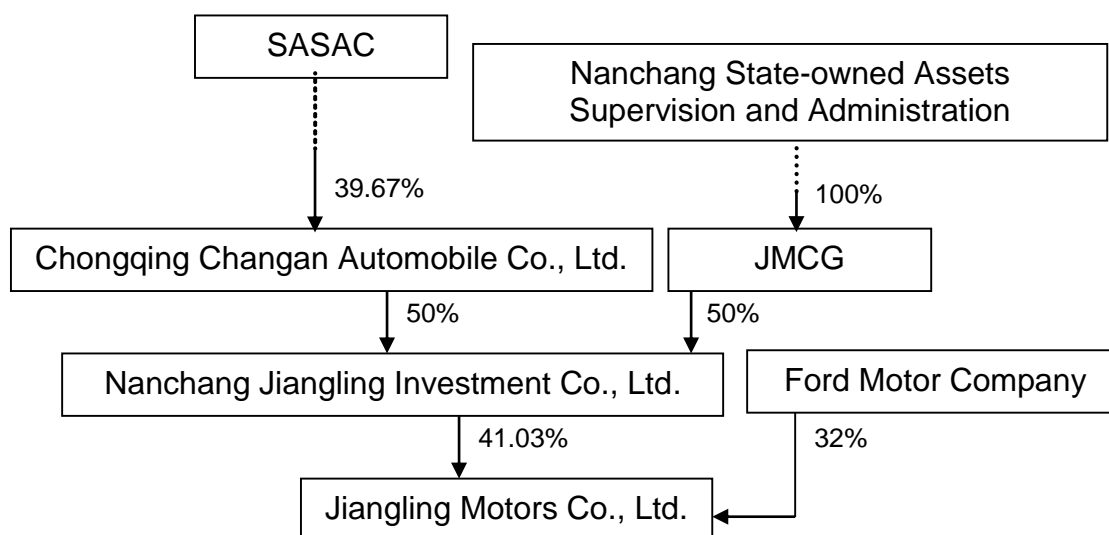
Equity status of listed companies in domestic and abroad market controlled by the actual controlling parties during the reporting period	None
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Change of actual controlling parties

Applicable Not Applicable

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

Ownership and control relations between the Company and the actual controlling parties are shown as follows:



Actual controlling parties control the Company by the way of trust or other assets management

Applicable Not Applicable

IV. The cumulative number of shares pledged by the controlling shareholder or the largest shareholder and its acting partners accounts for 80% of the number of shares held by them.

Applicable Not Applicable

V. Other legal person shareholder holding more than 10% of total equity of the Company

Applicable Not Applicable

VI Shareholding reducing restriction to controlling shareholders, actual controlling parties, restructuring parties and other commitment-making entities

Applicable Not Applicable

4.The specific implementation of share repurchase during the reporting period

The implementation progress of share repurchase

Applicable Not Applicable

Plan disclosure date	2025.04.14
Proposed number of shares to be repurchased (shares)	6,818.2 thousand shares – 9,090.9 thousand shares
Proportion of total share capital	0.8%-1%
Proposed repurchase amount	RMB 150 million - RMB 200 million

Proposed repurchase period	Within 12 months after the Board of Directors' approval
Purpose of repurchase	For employee stock ownership plans or equity incentives
Number of shares repurchased (shares)	8,632,078
Proportion of repurchased shares to the underlying shares involved in the equity incentive plan	Not applicable

The implementation progress of the reduction of the shares repurchase through centralized bidding

Applicable Not Applicable

5. 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

Type of Audit Report	Standard and Unqualified Opinion
Signature date	March 27, 2026
Name of Auditor	Ernst & Young Hua Ming LLP
Document No. of Audit Report	Ernst & Young Hua Ming (2026) Shen Zi No. 70038404_V01

JIANGLING MOTORS CORPORATION, LTD.

**FINANCIAL STATEMENTS AND
AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025**

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

AUDITOR'S REPORT

Ernst & Young Hua Ming (2026) Shen Zi No. 70038404_V01
Jiangling Motors Corporation, Ltd.

To the board of directors of Jiangling Motors Corporation, Ltd.

(I) Opinion

We have audited the financial statements of Jiangling Motors Corporation, Ltd. (the "Company"), which comprise the consolidated and company balance sheets as at 31 December 2025, and the consolidated and company income statements, the consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and the Company's financial position as at 31 December 2025, and the consolidated and the Company's financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises ("ASBEs").

(II) Basis for opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the *Chinese CPA Independence Standard No. 1 — Requirements for Independence in Financial Statement Audit and Review Engagements* and the *China Code of Ethics for Certified Public Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We complied with the independence requirements for audits of public interest entities during the audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(III) Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2026) Shen Zi No. 70038404_V01
Jiangling Motors Corporation, Ltd.

(III) Key audit matter (Cont'd)

Key Audit Matter	How our audit addressed Key Audit Matter
<i>Expenditure on research and development</i>	
<ul style="list-style-type: none"> • R&D expenditure in 2025 was RMB1,490,447,935, of which RMB274,444,396 was capitalized as R&D expenditure. As at 31 December 2025, the balance of development expenditure was RMB57,594,483. • We recognize R&D expenditure as a key audit matter because the R&D expenditure is significant, part of which is capitalized, and the assessment of whether the capitalization conditions are met involves significant accounting judgments from management regarding the technical feasibility of the project, the likelihood that the project will bring sufficient future economic benefits, and the timing of the capitalization commencement. • See notes 3(14), 5(18) and 5(48) to the financial statements. 	<p>The audit procedures we performed on expenditures on research and development included:</p> <ul style="list-style-type: none"> • We understood and evaluated the design of internal controls related to expenditures on research and development, and tested the operation effectiveness of the key controls; • We obtained breakdown of expenditures on research and development by project and reconciled them with amounts recorded in general ledger; • We understood the cost allocation method of research and development projects, reviewed the results of allocation of indirect expenses, and verified the reasonableness the indirect expenses attributable to relevant projects, including payrolls, depreciation and amortization expenses; • We compared costs components across different projects and incurred research and development costs with corresponding budgets, and evaluated the progress of the different projects by interviewing with project managers on a sampling basis; • For projects which expenditures on research and development were capitalised, we understood the criteria and timing of capitalisation determined by management; we checked the feasibility reports of different projects and interviewed with relevant project managers, reviewed the verification reports and meeting minutes at different research and development stages to further confirm the reasonableness of the judgment made by management; and we assessed the technical feasibility of the development projects and the likelihood of the generating of sufficient future economic benefits by considering market information and the Company's successful development experience in the past; • We tested expenditures on research and development on a sampling basis by obtaining and inspecting documents, including contracts and invoices, to verify and evaluate the relevance with research and development activities, the reality of occurrence, the accuracy of amount and the reasonableness of classification; • We reviewed and confirmed the relevant expenditure on research and development has been sufficiently disclosed in financial statement.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2026) Shen Zi No. 70038404_V01
Jiangling Motors Corporation, Ltd.

(IV) Other information

Management of Jiangling Motors is responsible for the other information. The other information comprises all of the information included in 2025 annual report of Jiangling Motors other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

(V) Responsibilities of the management and those charged with governance for the financial statements

The management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with ASBEs, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

(VI) Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2026) Shen Zi No. 70038404_V01
Jiangling Motors Corporation, Ltd.

(VI) Auditor's responsibilities for the audit of the financial statements (Cont'd)

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2026) Shen Zi No. 70038404_V01
Jiangling Motors Corporation, Ltd.

Ernst & Young Hua Ming LLP

Chinese Certified Public Accountant: Terence Qiao

Chinese Certified Public Accountant: Derek Yuan

Beijing, the People's Republic of China

27 March 2026

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2025

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	Notes	31 December 2025 Consolidated	31 December 2024 Consolidated	31 December 2025 Company	31 December 2024 Company
Current assets					
Cash and cash equivalents	5(1)	13,582,540,346	12,546,295,890	10,966,453,363	9,269,593,792
Financial assets held for trading	5(2)	801,902,466	-	-	-
Derivative financial assets	5(3)	-	12,612,380	-	12,612,380
Notes receivable	5(4)	-	226,865	1,500,000,000	1,500,226,865
Accounts receivable	5(5)、 15(1)	6,141,405,767	4,181,008,234	6,264,582,609	5,521,047,573
Financing receivables	5(6)	205,851,591	302,065,502	150,902,273	18,070,384
Advances to suppliers	5(7)	98,624,060	94,749,172	98,624,060	94,749,172
Other receivables	5(8)、 15(2)	134,768,377	54,013,240	134,906,584	144,617,207
Inventories	5(9)	2,011,925,708	2,054,517,242	2,008,282,424	2,046,549,034
Current portion of non-current assets	5(11)	27,153,632	20,784,738	1,631,907	15,161,497
Other current assets	5(10)	1,194,944,928	1,228,372,977	956,607,104	777,406,955
Total current assets		24,199,116,875	20,494,646,240	22,081,990,324	19,400,034,859
Non-current assets					
Long-term receivables	5(12)	71,519,964	18,533,908	-	1,584,891
Long-term equity investments	5(13)、 15(3)	203,641,921	219,298,031	654,295,851	771,951,961
Fixed assets	5(14)	5,789,423,822	5,749,474,005	5,065,812,739	5,111,224,814
Construction in progress	5(15)	507,614,873	661,911,780	333,295,118	582,757,760
Right-of-use assets	5(16)	120,243,307	158,485,688	118,037,006	142,207,976
Intangible assets	5(17)	1,790,269,138	1,811,454,853	1,584,170,614	1,596,623,962
Development expenditures	5(18)	57,594,483	188,103,430	57,594,483	188,103,430
Goodwill	5(21)	-	-	-	-
Deferred tax assets	5(19)	980,954,002	1,530,144,365	-	-
Other non-current assets	5(20)	4,912,712	7,860,340	4,912,712	7,860,340
Total non-current assets		9,526,174,222	10,345,266,400	7,818,118,523	8,402,315,134
TOTAL ASSETS		33,725,291,097	30,839,912,640	29,900,108,847	27,802,349,993

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2025

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND EQUITY	Notes	31 December 2025 Consolidated	31 December 2024 Consolidated	31 December 2025 Company	31 December 2024 Company
Current liabilities					
Short-term borrowings	5(22)	1,950,000,000	1,500,000,000	1,500,000,000	1,500,000,000
Derivative financial liabilities	5(3)	695,349	-	695,349	-
Notes payable	5(23)	427,292,904	-	427,292,904	-
Accounts payable	5(24)	11,397,760,484	10,061,223,944	11,393,769,153	10,047,585,502
Contract liabilities	5(25)	545,864,754	467,704,291	1,315,151,000	536,871,795
Employee benefits payable	5(26)	729,156,434	780,174,574	646,304,675	672,858,988
Taxes payable	5(27)	132,698,441	265,198,389	121,268,279	256,969,632
Other payables	5(28)	5,803,694,871	5,739,064,167	2,231,605,558	2,130,094,497
Current portion of non-current liabilities	5(29)	91,863,024	86,155,114	89,799,585	81,053,594
Other current liabilities	5(30)	304,431,406	341,548,441	183,977,806	98,829,073
Total current liabilities		21,383,457,667	19,241,068,920	17,909,864,309	15,324,263,081
Non-current liabilities					
Long-term borrowings	5(31)	460,276	941,453	460,276	941,453
Lease liabilities	5(32)	44,860,116	93,752,634	43,797,509	82,241,628
Provisions	5(33)	255,436,677	287,165,703	5,561,579	3,553,345
Deferred income	5(34)	13,406,177	61,202,010	13,039,843	61,202,010
Long-term employee benefits payable	5(35)	49,853,000	59,342,000	49,674,000	58,991,000
Deferred tax liabilities	5(19)	123,918,738	130,301,876	105,804,342	111,616,233
Other non-current liabilities	5(36)	461,860,038	370,793,523	-	-
Total non-current liabilities		949,795,022	1,003,499,199	218,337,549	318,545,669
Total liabilities		22,333,252,689	20,244,568,119	18,128,201,858	15,642,808,750
Equity					
Share capital	5(37)	863,214,000	863,214,000	863,214,000	863,214,000
Capital surplus	5(38)	839,442,490	839,442,490	839,442,490	839,442,490
Less: Treasury shares	5(39)	170,214,887	-	170,214,887	-
Other comprehensive income	5(40)	(23,862,000)	(26,388,000)	(24,258,000)	(26,738,000)
Special reserve	5(41)	7,860,966	5,371,093	5,783,345	5,147,194
Surplus reserve	5(42)	431,607,000	431,607,000	431,607,000	431,607,000
Retained earnings	5(43)	9,752,190,648	9,179,333,271	9,826,333,041	10,046,868,559
Total equity attributable to shareholders of the Company		11,700,238,217	11,292,579,854	11,771,906,989	12,159,541,243
Minority interests		(308,199,809)	(697,235,333)	-	-
Total equity		11,392,038,408	10,595,344,521	11,771,906,989	12,159,541,243
TOTAL LIABILITIES AND EQUITY		33,725,291,097	30,839,912,640	29,900,108,847	27,802,349,993

Legal representative: Qiu Tiangao

CFO: Weihua Li

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Notes	2025 Consolidated	2024 Consolidated	2025 Company	2024 Company
Revenue	5(44)、15(4)	39,169,909,929	38,374,160,748	37,858,884,526	37,937,081,015
Less: Cost of sales	5(44)、15(4)	(33,851,518,907)	(32,951,745,144)	(33,306,979,297)	(32,466,245,873)
Taxes and surcharges	5(45)	(1,169,905,869)	(1,467,445,089)	(1,149,453,477)	(1,420,441,384)
Selling and distribution expenses	5(46)	(899,660,536)	(1,058,948,593)	(145,280,055)	(109,668,687)
General and administrative expenses	5(47)	(1,050,129,082)	(943,622,568)	(967,222,169)	(834,480,512)
Research and development expenses	5(48)	(1,216,003,539)	(1,314,579,423)	(1,216,003,539)	(1,314,579,423)
Financial expenses	5(49)	132,096,412	152,310,137	125,129,216	105,404,859
Including: Interest expenses		(18,280,197)	(20,304,855)	(10,397,368)	(19,811,045)
Interest income		164,866,232	198,915,297	144,788,938	150,980,757
Add: Other income	5(52)	583,377,975	514,430,051	578,021,129	512,394,471
Investment income	5(53)、15(5)	(5,686,487)	(942,269)	(7,905,202)	(5,236,433)
Including: Share of loss of associates and joint ventures		(15,656,110)	(10,363,917)	(15,656,110)	(10,363,917)
Gains on changes in fair value	5(54)	(7,231,516)	13,071,686	(9,313,221)	13,071,686
Credit impairment losses	5(51)	(1,910,728)	9,638,212	(476,945,140)	6,068,224
Asset impairment losses	5(50)	(349,554,195)	(66,600,824)	(922,664,466)	(66,600,824)
Gains on disposal of assets	5(55)	61,968,391	3,317,046	64,146,027	3,469,920
Operating profit		1,395,751,848	1,263,043,970	424,414,332	2,360,237,039
Add: Non-operating income	5(56)	4,696,937	5,043,793	1,622,167	3,032,110
Less: Non-operating expenses	5(57)	(5,314,402)	(9,980,157)	(5,305,358)	(7,121,776)
Total profit		1,395,134,383	1,258,107,606	420,731,141	2,356,147,373
Less: Income tax expenses	5(58)	(575,761,665)	(52,930,797)	(26,658,317)	(296,806,600)
Net profit		819,372,718	1,205,176,809	394,072,824	2,059,340,773
Classified by continuity of operations					
Net profit from continuing operations		819,372,718	1,205,176,809	394,072,824	2,059,340,773
Net profit from discontinued operations		-	-	-	-
Classified by ownership of the equity					
Minority interests		(368,093,001)	(331,962,215)	-	-
Attributable to shareholders of the Company		1,187,465,719	1,537,139,024	394,072,824	2,059,340,773
Other comprehensive income, net of tax		2,526,000	(5,816,000)	2,480,000	(5,759,000)
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(40)	2,526,000	(5,816,000)	2,480,000	(5,759,000)
Attributable to minority interests		-	-	-	-
Total comprehensive income		821,898,718	1,199,360,809	396,552,824	2,053,581,773
Attributable to shareholders of the Company		1,189,991,719	1,531,323,024	396,552,824	2,053,581,773
Attributable to minority interests		(368,093,001)	(331,962,215)	-	-
Earnings per share					
Basic earnings per share (RMB Yuan)	5(59)	1.38	1.78	—	—
Diluted earnings per share (RMB Yuan)	5(59)	1.38	1.78	—	—

Legal representative: Qiu Tiangao

CFO: Weihua Li

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Note	2025 Consolidated	2024 Consolidated	2025 Company	2024 Company
Cash flows generated from operating activities					
Cash received from sales of goods or rendering of services		40,518,035,470	41,351,813,244	39,162,424,173	39,365,760,196
Refunds of taxes		300,055,222	263,289,557	300,055,222	263,289,557
Cash received relating to other operating activities	5(60)	539,638,048	329,215,516	477,169,456	225,142,211
Sub-total of cash inflows		41,357,728,740	41,944,318,317	39,939,648,851	39,854,191,964
Cash paid for goods and services		(31,635,725,091)	(32,088,398,075)	(30,368,792,074)	(30,904,745,276)
Cash paid to and on behalf of employees		(2,801,582,122)	(2,690,580,651)	(2,622,880,082)	(2,474,503,947)
Payments of taxes and surcharges		(2,497,343,017)	(2,668,968,974)	(2,470,227,125)	(2,466,735,213)
Cash paid relating to other operating activities	5(60)	(2,011,167,220)	(1,862,986,400)	(1,163,215,891)	(1,095,294,099)
Sub-total of cash outflows		(38,945,817,450)	(39,310,934,100)	(36,625,115,172)	(36,941,278,535)
Net cash flows generated from operating activities	5(61)	2,411,911,290	2,633,384,217	3,314,533,679	2,912,913,429
Cash flows used in investing activities					
Cash received from disposal on investments		55,000,000	800,000,000	183,363,000	-
Cash received from returns of investments		264,648	9,035,441	-	4,136,400
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		46,898,025	28,537,053	38,543,774	22,365,729
Cash received relating to other investing activities	5(60)	164,435,257	218,305,076	125,309,812	158,686,106
Sub-total of cash inflows		266,597,930	1,055,877,570	347,216,586	185,188,235
Cash paid to acquire fixed assets intangible assets and other long-term assets		(1,088,237,558)	(1,810,776,307)	(1,075,561,680)	(1,811,006,047)
Cash paid to acquire investments		(855,000,000)	(600,000,000)	(97,087,000)	(94,113,000)
Cash paid relating to other investing activities		(783,382)	(4,445,964)	(783,382)	(4,445,964)
Sub-total of cash outflows		(1,944,020,940)	(2,415,222,271)	(1,173,432,062)	(1,909,565,011)
Net cash flows used in investing activities		(1,677,423,010)	(1,359,344,701)	(826,215,476)	(1,724,376,776)
Cash flows generated from/(used in) financing activities					
Cash received from absorbing investments		752,534,436	-	-	-
Including: cash received by the subsidiary from absorbing minority shareholders' investment		752,534,436	-	-	-
Cash received from borrowings		4,879,157,250	3,078,140,000	3,945,540,555	2,992,390,000
Sub-total of cash inflows		5,631,691,686	3,078,140,000	3,945,540,555	2,992,390,000
Cash repayments of borrowings		(4,521,974,413)	(2,813,318,287)	(3,950,474,413)	(2,813,318,287)
Cash payments for distribution of dividends, profits or interest expenses		(622,714,287)	(599,144,621)	(617,404,600)	(599,144,621)
Cash paid relating to other financing activities	5(60)	(205,513,075)	(211,059,214)	(200,828,585)	(203,163,964)
Sub-total of cash outflows		(5,350,201,775)	(3,623,522,122)	(4,768,707,598)	(3,615,626,872)
Net cash flows generated from/(used in) financing activities		281,489,911	(545,382,122)	(823,167,043)	(623,236,872)
Effect of foreign exchange rate changes on cash and cash equivalents					
		-	-	-	-
Net increase in cash and cash equivalents	5(61)	1,015,978,191	728,657,394	1,665,151,160	565,299,781
Add: Cash and cash equivalents at beginning of year	5(61)	12,475,176,009	11,746,518,615	9,214,091,023	8,648,791,242
Cash and cash equivalents at end of year	5(61)	13,491,154,200	12,475,176,009	10,879,242,183	9,214,091,023

Legal representative: Qiu Tiangao

CFO: Weihua Li

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 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 Stock	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 the year ended 31 December 2024		-	-	-	(5,816,000)	1,549,468	-	946,700,648	(331,962,215)	610,471,901
Total comprehensive income										
Net profit/(loss)		-	-	-	-	-	-	1,537,139,024	(331,962,215)	1,205,176,809
Other comprehensive income		-	-	-	(5,816,000)	-	-	-	-	(5,816,000)
Total comprehensive income for the year		-	-	-	(5,816,000)	-	-	1,537,139,024	(331,962,215)	1,199,360,809
Profit distribution										
Distribution to shareholders	5(43)	-	-	-	-	-	-	(590,438,376)	-	(590,438,376)
Special reserves										
Withdrawal this year		-	-	-	-	29,631,611	-	-	-	29,631,611
Used this year		-	-	-	-	(28,082,143)	-	-	-	(28,082,143)
Balance at 31 December 2024		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
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 the year ended 31 December 2025		-	-	170,214,887	2,526,000	2,489,873	-	572,857,377	389,035,524	796,693,887
Total comprehensive income										
Net profit/(loss)		-	-	-	-	-	-	1,187,465,719	(368,093,001)	819,372,718
Other comprehensive income		-	-	-	2,526,000	-	-	-	-	2,526,000
Total comprehensive income for the year		-	-	-	2,526,000	-	-	1,187,465,719	(368,093,001)	821,898,718
Capital contributed by owners and capital decreases										
Capital invested by shareholders		-	-	-	-	-	-	-	757,128,525	757,128,525
Share Repurchase	5(39)	-	-	170,214,887	-	-	-	-	-	(170,214,887)
Profit distribution										
Distribution to shareholders	5(43)	-	-	-	-	-	-	(614,608,342)	-	(614,608,342)
Special reserve										
Withdrawal this year		-	-	-	-	28,341,840	-	-	-	28,341,840
Used this year		-	-	-	-	(25,851,967)	-	-	-	(25,851,967)
Balance at 31 December 2025		863,214,000	839,442,490	170,214,887	(23,862,000)	7,860,966	431,607,000	9,752,190,648	(308,199,809)	11,392,038,408

Legal representative: Qiu Tiangao

CFO: Weihua Li

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note	Share capital	Capital surplus	Less: Treasury Stock	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 the year ended 31 December 2024		-	-	-	(5,759,000)	1,325,569	-	1,468,902,397	1,464,468,966
Total comprehensive income									
Net profit		-	-	-	-	-	-	2,059,340,773	2,059,340,773
Other comprehensive income		-	-	-	(5,759,000)	-	-	-	(5,759,000)
Total comprehensive income for the year		-	-	-	(5,759,000)	-	-	2,059,340,773	2,053,581,773
Profit distribution									
Distribution to shareholders	5(43)	-	-	-	-	-	-	(590,438,376)	(590,438,376)
Special reserve									
Withdrawal this year		-	-	-	-	29,407,712	-	-	29,407,712
Used this year		-	-	-	-	(28,082,143)	-	-	(28,082,143)
Balance at 31 December 2024		863,214,000	839,442,490	-	(26,738,000)	5,147,194	431,607,000	10,046,868,559	12,159,541,243
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 the year ended 31 December 2025		-	-	170,214,887	2,480,000	636,151	-	(220,535,518)	(387,634,254)
Total comprehensive income									
Net profit		-	-	-	-	-	-	394,072,824	394,072,824
Other comprehensive income		-	-	-	2,480,000	-	-	-	2,480,000
Total comprehensive income for the year		-	-	-	2,480,000	-	-	394,072,824	396,552,824
Capital contributed by owners and capital decreases									
Share Repurchase	5(39)	-	-	170,214,887	-	-	-	-	(170,214,887)
Profit distribution									
Distribution to shareholders	5(43)	-	-	-	-	-	-	(614,608,342)	(614,608,342)
Special reserve									
Withdrawal this year		-	-	-	-	26,488,118	-	-	26,488,118
Used this year		-	-	-	-	(25,851,967)	-	-	(25,851,967)
Balance at 31 December 2025		863,214,000	839,442,490	170,214,887	(24,258,000)	5,783,345	431,607,000	9,826,333,041	11,771,906,989

Legal representative: Qiu Tiangao

CFO: Weihua Li

Finance Department: Hu Hanfeng

JIANGLING MOTORS CORPORATION, LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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 (Shenzhen 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(37).

As at 31 December 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; import and export of automobiles and parts; dealership of used cars; provision of enterprise management and consulting services related to production, sales and rent of automobiles.

These financial statements were authorised for issue by the Company’s Board of Directors on 27 March 2026.

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 YEAR ENDED 31 DECEMBER 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 the year ended 31 December 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 31 December 2025 and their financial performance, cash flows and other information for the year 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 RMB15 million.

The amount of a single prepayment exceeds 10% of the total amount of various prepayments and is greater than RMB15 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 RMB100 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 YEAR ENDED 31 DECEMBER 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 YEAR ENDED 31 DECEMBER 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 YEAR ENDED 31 DECEMBER 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 YEAR ENDED 31 DECEMBER 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:

JIANGLING MOTORS CORPORATION, LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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.

JIANGLING MOTORS CORPORATION, LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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 contractually agreed payment due date is used as the starting point of overdue aging
Export general vehicle sales mix	For export general automobile procurement customers, the contractually agreed payment due date is used as the starting point of overdue aging
New energy vehicle sales mix	For new energy vehicle procurement customers, the contractually agreed payment due date is used as the starting point of overdue aging
Component sales mix	For parts procurement customers, the contractually agreed payment due 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.

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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 20%	9.6% to 40%
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 useable 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 year 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 remeasurement 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 years, 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 a 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)

(a) As the lessee(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)

(a) Critical judgements in applying the accounting policies(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)

(b) Uncertainty in the estimate(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 for the year of 2025 is 15% (2024: 15%).

In 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% (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

	31 December 2025	31 December 2024
Cash at bank	11,898,659,395	11,067,571,593
Cash at finance company (a) (Note 8(6))	1,592,494,805	1,407,604,416
Other cash and cash equivalents (b)	27,137,724	18,692,687
Interest receivable	64,248,422	52,427,194
	<u>13,582,540,346</u>	<u>12,546,295,890</u>

- (a) As at 31 December 2025, the group's bank deposit with Jiangling Automobile Group Finance Co, Ltd. was RMB1,592,494,805. 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 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 RMB27,137,724 (December 31 2024: 18,692,687) were the frozen funds of the Group's litigation.

(2) Financial assets held for trading

	31 December 2025	31 December 2024
Structural deposits	<u>801,902,466</u>	<u>-</u>

(3) Derivative financial assets and derivative financial liabilities

	31 December 2025	31 December 2024
Derivative financial assets - Forward exchange contracts	<u>-</u>	<u>12,612,380</u>
Derivative financial liabilities - Forward exchange contracts	<u>695,349</u>	<u>-</u>

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

(4) Notes receivable

	31 December 2025	31 December 2024
Trade acceptance notes	-	226,932
Less: Provision for bad debts	-	(67)
	<u>-</u>	<u>226,865</u>

(5) Accounts receivable

	31 December 2025	31 December 2024
Accounts receivable	6,261,767,357	4,299,293,681
Less: Provision for bad debts	(120,361,590)	(118,285,447)
	<u>6,141,405,767</u>	<u>4,181,008,234</u>

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

	31 December 2025	31 December 2024
Within 1 year	6,136,599,101	4,168,893,653
1 to 2 years	2,332,966	1,812,248
Over 2 years	122,835,290	128,587,780
	<u>6,261,767,357</u>	<u>4,299,293,681</u>

As at 31 December 2025, accounts receivable with individually significant amounts and aged over three years were analyzed as follows:

	Balance	Reasons and risk of collection
Company 1	64,924,598	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	10,296,890	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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- (b) As at 31 December 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	<u>4,954,439,143</u>	<u>74,516,928</u>	<u>79.12%</u>

- (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:

	31 December 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	103,465,547	2%	103,231,811	99.77%
Provision for bad debts on the grouping basis (ii)	<u>6,158,301,810</u>	<u>98%</u>	<u>17,129,779</u>	<u>0.28%</u>
	<u>6,261,767,357</u>	<u>100%</u>	<u>120,361,590</u>	<u>1.92%</u>

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

(5) Accounts receivable (Cont'd)

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

	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%
	<u>4,299,293,681</u>	<u>100%</u>	<u>118,285,447</u>	<u>2.75%</u>

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

	31 December 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	65,541,333	99.64%	65,307,597
	<u>103,465,547</u>		<u>103,231,811</u>

	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 31 December 2025, the Group assessed the expected credit losses on the related accounts receivable. The Group considered a portion of the receivables cannot be collected, therefore, a provision for bad debt was made for those receivables. The related amount was RMB103,231,811 (31 December 2024: RMB104,721,207), of which RMB1,489,396 (2024: RMB5,433,007) was reversed in profit or loss for the current period.

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

(5) 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:

Grouping - Domestic sales of general automobiles:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	1,298,021,154	0.02%	256,917
Overdue for 1 to 30 days	28,433,864	1.25%	354,247
Overdue for 31 to 60 days	9,159,455	2.18%	199,456
Overdue for 61 to 90 days	6,007,784	3.66%	219,824
Overdue over 90 days	28,609,142	9.18%	2,626,319
	<u>1,370,231,399</u>		<u>3,656,763</u>
	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>

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

(5) 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:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	4,538,555,702	0.20%	9,077,111

	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:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Overdue over 90 days	4,122,180	80.00%	3,297,744

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

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

(5) 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:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	188,462,019	0.30%	565,386
Overdue for 1 to 30 days	22,120,280	0.30%	66,361
Overdue for 31 to 60 days	17,471,552	0.50%	87,358
Overdue for 61 to 90 days	11,088,147	0.60%	66,529
Overdue over 90 days	6,250,531	5.00%	312,527
	<u>245,392,529</u>		<u>1,098,161</u>

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	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 provision for bad debts was RMB2,076,143 this year.

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

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

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

(6) Financing receivables

	31 December 2025	31 December 2024
Bank acceptance notes	<u>205,851,591</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. In 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 RMB1,698,864,617 and RMB7,692,252,503(2024: RMB1,098,017,761 and RMB2,029,290,040) respectively, and the related losses on discount of RMB244,753 (2024: RMB110,250) were included in investment income (Note 5(53)).

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

As at 31 December 2025, the Group's bank acceptance notes had been endorsed or discounted but not yet matured were RMB5,373,003,459, which had been derecognised.

There was no significant write-offs of financing receivables for the Group in 2025 (2024: Nil).

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

(7) Advances to suppliers

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

	31 December 2025		31 December 2024	
	Amount	% of total balance	Amount	% of total balance
Within 1 year	94,393,889	96%	90,702,706	96%
Over 1 year	4,230,171	4%	4,046,466	4%
	<u>98,624,060</u>	<u>100%</u>	<u>94,749,172</u>	<u>100%</u>

(b) As at 31 December 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>98,624,060</u>	<u>100.00%</u>

(8) Other receivables

	31 December 2025	31 December 2024
Receivables from land acquisition and storage	79,807,336	-
Gas and electricity bills	21,112,025	18,531,901
Platform utilization fee	5,831,714	5,525,739
Bills for R&D projects	5,262,421	4,723,933
Import working capital	5,000,000	3,900,523
Guarantees	3,932,887	7,604,290
Others	13,986,707	13,987,893
	<u>134,933,090</u>	<u>54,274,279</u>
Less: Provision for bad debts	<u>(164,713)</u>	<u>(261,039)</u>
	<u>134,768,377</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:

	31 December 2025	31 December 2024
Within 1 year	131,308,902	49,055,878
Over 1 year	3,624,188	5,218,401
	<u>134,933,090</u>	<u>54,274,279</u>

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

(8) 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:

	31 December 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis	79,807,336	59%	-	-
Provision for bad debts on the grouping basis	55,125,754	41%	164,713	0.30%
	<u>134,933,090</u>	<u>100%</u>	<u>164,713</u>	<u>0.12%</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	1,297,367	2%	-	-
Provision for bad debts on the grouping basis	52,976,912	98%	261,039	0.49%
	<u>54,274,279</u>	<u>100%</u>	<u>261,039</u>	<u>0.48%</u>

	Stage 1				
	12-month ECL (grouping)		12-month ECL (individual)		Total
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts
31 December 2024	52,976,912	261,039	1,297,367	-	261,039
Decrease in the current year	-	-	-	-	-
Increase in the current year	2,148,842	-	78,509,969	-	-
Provision for bad debts accrued during the year	-	(96,326)	-	-	(96,326)
31 December 2025	<u>55,125,754</u>	<u>164,713</u>	<u>79,807,336</u>	<u>-</u>	<u>164,713</u>

As at 31 December 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:

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

(8) Other receivables (Cont'd)

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

As at 31 December 2025, the Group's other receivables with provision for bad debts were analysed below:

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Provision on the individual basis:				
Receivable from land acquisition and storage (i)	79,807,336	-	-	ECL
Provision on the grouping basis:				
Gas and electricity bills	21,112,025	0.30%	63,082	ECL
Platform utilization fee	5,831,714	0.30%	17,425	ECL
Bills for R&D projects	5,262,421	0.30%	15,724	ECL
Import working capital	5,000,000	0.30%	14,940	ECL
Guarantees	3,932,887	0.30%	11,751	ECL
Others	13,986,707	0.30%	41,791	ECL
	<u>134,933,090</u>		<u>164,713</u>	

(i)The Group assessed the credit risk of receivable from land acquisition and storage on the individual basis , the receivables were not subject to significant credit risk and were not overdue and impaired.

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
Import working capital	7,604,290	0.49%	37,469	ECL
Guarantees	5,525,739	0.49%	27,228	ECL
Platform utilization fee	4,723,933	0.49%	23,277	ECL
Bills for R&D projects	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) In 2025, the Group reversed the provision for bad debts amounting to RMB96,326. The reversal in the current period is due to the actual receipt of other receivables corresponding to the provision for bad debts in the previous period.

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

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

(8) Other receivables (Cont'd)

(e) As at 31 December 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	receivables from land acquisition and storage	79,807,336	within 1 year	59%	-
Company 2	Electricity bills	16,993,000	within 1 year	13%	50,774
Company 3	Import working capital Platform	8,678,667	within 1 year	6%	25,931
Company 4	utilization fee	5,831,714	within 1 year	4%	17,425
Company 5	Gas bills	4,119,025	within 1 year	3%	12,307
		<u>115,429,742</u>		<u>85%</u>	<u>106,437</u>

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

(9) Inventories

(a) Inventories were summarised by category as follows:

	31 December 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	1,107,964,940	64,981,628	1,042,983,312	1,297,887,283	89,113,586	1,208,773,697
Finished goods	666,482,402	21,361,803	645,120,599	416,054,999	9,124,198	406,930,801
Work in progress	178,941,925	49,688	178,892,237	208,385,421	282,318	208,103,103
Low value consumables	65,588,843	543,890	65,044,953	74,927,505	8,943,729	65,983,776
Materials in transit	67,782,373	-	67,782,373	85,555,538	-	85,555,538
Materials consigned for processing	12,102,234	-	12,102,234	79,170,327	-	79,170,327
	<u>2,098,862,717</u>	<u>86,937,009</u>	<u>2,011,925,708</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 year		Decrease in the current year		31 December 2025
		Provision	Reversal	Write-off		
Raw materials	89,113,586	12,051,738	(1,554,832)	(34,628,864)		64,981,628
Finished goods	9,124,198	19,732,603	-	(7,494,998)		21,361,803
Low value consumables	8,943,729	543,890	(42,736)	(8,900,993)		543,890
Work in progress	282,318	38,310	(53,777)	(217,163)		49,688
	<u>107,463,831</u>	<u>32,366,541</u>	<u>(1,651,345)</u>	<u>(51,242,018)</u>		<u>86,937,009</u>

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

(9) 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 year is the increase in the net realizable value of the inventory for which the provision for inventory decline has been made in previous years or the sales realized in the current year.

(10) Other current assets

	31 December 2025	31 December 2024
Taxes prepaid, input VAT to be deducted and to be verified	1,288,158,530	1,200,018,920
Others	<u>42,858,755</u>	<u>28,354,057</u>
	1,331,017,285	1,228,372,977
Less: provision for diminution in value	<u>(136,072,357)</u>	<u>-</u>
	<u>1,194,944,928</u>	<u>1,228,372,977</u>

In 2025, the Group made a provision for impairment of RMB136,072,357 for input tax that is expected to not be deductible or used in the future.

(11) Current portion of non-current assets

	31 December 2025	31 December 2024
Current portion of long-term receivables (Note 5(12))	<u>27,153,632</u>	<u>20,784,738</u>

(12) Long-term receivables

	31 December 2025	31 December 2024
Long-term receivables	98,706,775	39,420,847
Less: provision for bad debts	<u>(33,179)</u>	<u>(102,201)</u>
Current portion of long-term receivables (Note 5(11))	<u>(27,153,632)</u>	<u>(20,784,738)</u>
	<u>71,519,964</u>	<u>18,533,908</u>

As at 31 December 2025, the Group's long-term receivables were formed by accounts receivable from instalment sales, and the payments will be gradually recovered from 2026 to 2029.

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

(13) Long-term equity investments

	31 December 2025	31 December 2024
Associates		
- Shanxi Yunnei Power Co., Ltd. ("The Power Company")	177,016,522	194,393,246
- Hanon Systems (Nanchang) Co., Ltd. ("Hanon Systems")	26,625,399	24,904,785
Less: Provision for impairment of long-term equity investments	-	-
	<u>203,641,921</u>	<u>219,298,031</u>

Associates

	31 December 2024	Movements for the current year				31 December 2025	Shareholding (%)	Voting rights (%)	Impairment provision	
		Increase/ Decrease in investment	Share of net profit/(loss) under equity method	Cash dividends declared	Provision for impairment				31 December 2024	31 December 2023
The Power Company	194,393,246	-	(17,376,724)	-	-	177,016,522	40%	40%	-	-
Hanon Systems	24,904,785	-	1,720,614	-	-	26,625,399	19.15%	33.33%	-	-
Total	<u>219,298,031</u>	<u>-</u>	<u>(15,656,110)</u>	<u>-</u>	<u>-</u>	<u>203,641,921</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)

(14) Fixed assets

	31 December 2025	31 December 2024
Fixed assets (a)	5,789,147,812	5,749,363,332
Fixed assets pending for disposal (b)	276,010	110,673
	5,789,423,822	5,749,474,005

(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 year						
Transfers from construction in progress	11,761,917	113,032,541	458,349,281	602,003,312	288,627,682	1,473,774,733
others	-	-	8,134,817	-	-	8,134,817
Decrease in the current year						
Disposal or retirement	(75,600,272)	(255,267,096)	(49,490,060)	(206,692,364)	(182,157,824)	(769,207,616)
Others	-	(35,288,968)	-	-	(71,043,089)	(106,332,057)
31 December 2025	2,303,826,800	3,055,638,670	1,417,440,643	4,816,107,653	4,482,974,484	16,075,988,250
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 year						
Provision	52,801,041	173,633,132	174,614,255	415,547,902	318,937,686	1,135,534,016
Decrease in the current year						
Disposal or retirement	(48,348,825)	(231,040,644)	(31,497,314)	(198,463,695)	(167,207,230)	(676,557,708)
Others	-	(14,662,072)	-	-	(28,524,207)	(43,186,279)
31 December 2025	532,488,814	1,985,239,437	532,584,111	3,162,675,869	3,294,449,632	9,507,437,863
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 year						
Provision	-	4,851,803	171,094,896	905,344	5,809,456	182,661,499
Decrease in the current year						
Disposal or retirement	-	(14,068,896)	(778,693)	(7,386,856)	(9,631,686)	(31,866,131)
31 December 2025	172,020,613	30,216,617	177,253,290	343,668,614	56,243,441	779,402,575
Carrying amount						
31 December 2025	1,599,317,373	1,040,182,616	707,603,242	1,309,763,170	1,132,281,411	5,789,147,812
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

In 2025, depreciation charged to fixed assets amounted to RMB1,135,534,016 (2024: RMB987,377,843), 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 RMB1,017,454,850, RMB4,303,935, RMB51,864,743 and RMB61,910,488 (2024: RMB849,126,318, RMB6,581,964, RMB58,162,821 and RMB73,506,740), respectively.

The costs of fixed assets transferred from construction in progress amounted to RMB1,473,774,733 (2024: RMB1,410,284,216).

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

(14) Fixed assets(Cont'd)

(a) Fixed assets (Cont'd)

In 2025, Shenzhen Fujiang's leasing business incurred losses, and there were indications of impairment in the related assets. The Group conducted an impairment test on the assets used for leasing by Shenzhen Fujiang and determined the recoverable amount of the relevant assets to be RMB583,699,232 by taking the higher of the fair value less costs of disposal and the present value of the estimated future cash flows of the assets. Accordingly, an impairment provision of RMB170,870,890 was made based on the difference between the recoverable amount as of 31 December 2025, and the carrying amount.

(i) Temporarily idle fixed assets

As at 31 December 2025, the fixed assets with a carrying amount of approximately RMB137,144,685 (a cost of RMB1,253,368,096) (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	114,085,803	172,020,613	123,056,006
Machinery and equipment	129,956,554	92,748,751	29,764,468	7,443,335
Vehicles	57,745,640	49,840,846	6,252,593	1,652,201
Moulds	423,834,673	110,665,785	313,168,888	-
Electronic and other equipment	232,668,807	182,532,953	45,142,711	4,993,143
	<u>1,253,368,096</u>	<u>549,874,138</u>	<u>566,349,273</u>	<u>137,144,685</u>

(ii) Operating lease of fixed assets:

As of 31 December 2025, the Cost was RMB923,813,175, the accumulated depreciation was RMB169,243,053, the Impairment provision was RMB170,870,890 and the carrying amount at the end of the period was RMB583,699,232.

(ii) Fixed assets with pending certificates of ownership:

	Carrying amount	Reason for not obtaining certificates of ownership
Buildings	<u>16,144,137</u>	Pending procedures

(b) Fixed assets pending for disposal

	31 December 2025	31 December 2024
Vehicles	250,667	-
Electronic and other equipment	10,538	85,891
Machinery and equipment	14,805	24,782
	<u>276,010</u>	<u>110,673</u>

As at 31 December 2025, the cost of fixed assets was RMB353,554, the impairment provision was RMB77,544 and the carrying amount at the end of the period was RMB276,010.

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

(15) Construction in progress

	31 December 2025			31 December 2024		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Projects for commercial vehicles	390,972,214	1,311,599	389,660,615	441,559,409	1,284,000	440,275,409
Projects for passenger vehicles	52,470,311	4,460,314	48,009,997	134,553,481	4,460,314	130,093,167
Projects for automobile parts factory	22,200,973	-	22,200,973	64,627,414	-	64,627,414
Projects for automobiles factory	2,224,873	-	2,224,873	5,625,803	-	5,625,803
Others	46,210,061	691,646	45,518,415	21,981,633	691,646	21,289,987
	<u>514,078,432</u>	<u>6,435,559</u>	<u>507,614,873</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)

(15) 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 year	Transfer to fixed assets in the current year	Transfer to intangible assets in the current year	31 December 2025	% of project investment in budget	Progress of project	Accumulative capitalised borrowing costs	Including: Borrowing costs capitalised in the current year	Source of fund
Projects for commercial vehicles	352,592	441,559,409	883,594,253	(934,181,448)	-	390,972,214	75%	75%	-	-	Self-owned funds
Projects for Passenger vehicles	87,750	134,553,481	251,466,015	(333,549,185)	-	52,470,311	79%	79%	-	-	Self-owned funds
Projects for Automobiles factory	52,041	5,625,803	14,338,724	(17,739,654)	-	2,224,873	75%	75%	-	-	Self-owned funds
Projects for automobile parts factory	18,624	64,627,414	74,010,694	(116,437,135)	-	22,200,973	86%	86%	-	-	Self-owned funds
Others	-	21,981,633	164,523,970	(71,867,311)	(68,428,231)	46,210,061			292,897	-	Self-owned funds
		<u>668,347,740</u>	<u>1,387,933,656</u>	<u>(1,473,774,733)</u>	<u>(68,428,231)</u>	<u>514,078,432</u>			<u>292,897</u>	<u>-</u>	

(b) Provision for impairment of construction in progress

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025	Reason for provisione
Projects for commercial vehicles	1,284,000	27,599	-	1,311,599	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>27,599</u>	<u>-</u>	<u>6,463,559</u>	

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

(16) Right-of-use assets

	Buildings
Cost	
31 December 2024	375,793,465
Increase in the current year	
New lease contracts	59,472,019
Decrease in the current year	
Expiration of lease contract	(40,396,766)
Other decrease	(608,092)
31 December 2025	394,260,626
Accumulated depreciation	
31 December 2024	217,307,777
Increase in the current year	
Provision	88,146,844
Decrease in the current year	
Expiration of lease contract	(31,196,599)
Other decrease	(240,703)
31 December 2025	274,017,319
Provision for impairment	
31 December 2024	-
Increase in the current year	-
Decrease in the current year	-
31 December 2025	-
Carrying amount	
31 December 2025	120,243,307
31 December 2024	158,485,688

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

(17) 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 year	-	-	-	-	-
Transfers from construction in progress	-	68,428,231	-	-	68,428,231
Internal research and development	-	-	404,953,343	-	404,953,343
Decrease in the current year	-	-	-	-	-
Disposal	(15,623,755)	(6,998,434)	-	-	(22,622,189)
Other decrease	-	(16,300,959)	-	-	(16,300,959)
31 December 2025	609,675,571	491,579,099	2,725,548,404	38,578,700	3,865,381,774
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 year	-	-	-	-	-
Provision	13,100,346	55,655,184	404,691,627	-	473,447,157
Decrease in the current year	-	-	-	-	-
Disposal	(8,855,105)	(6,998,434)	-	-	(15,853,539)
Other decrease	-	(1,949,477)	-	-	(1,949,477)
31 December 2025	168,716,525	332,580,419	1,482,820,366	38,578,700	2,022,696,010
Provision for impairment					
31 December 2024	-	-	52,416,626	-	52,416,626
Increase in the current year	-	-	-	-	-
Provision	-	-	-	-	-
31 December 2025	-	-	52,416,626	-	52,416,626
Carrying amount					
31 December 2025	440,959,046	158,998,680	1,190,311,412	-	1,790,269,138
31 December 2024	460,828,042	160,577,115	1,190,049,696	-	1,811,454,853

As at 31 December 2025, the intangible assets developed by the Group accounted for 63% (31 December 2024: 61%) of the carrying amount of intangible assets.

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

(18) Expenditure on research and development

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

	2025	2024
Employee benefits	748,021,754	872,800,912
Design fee	279,392,314	276,633,918
Consumed materials	158,628,958	241,660,045
Depreciation and amortisation	72,647,497	82,982,038
Others	231,757,412	225,684,210
	<u>1,490,447,935</u>	<u>1,699,761,123</u>
Wherein expenditure on research and development on the research phase (Note 5(48))	<u>1,216,003,539</u>	<u>1,314,579,423</u>

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

	31 December 2024	Increase in the current year	Transfer to intangible assets in the current year	31 December 2025
Projects for passenger vehicles	27,277,985	192,599,988	219,877,973	-
Projects for commercial vehicles	160,825,445	81,844,408	185,075,370	57,594,483
	<u>188,103,430</u>	<u>274,444,396</u>	<u>404,953,343</u>	<u>57,594,483</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 88% as of 31 December 2025, and is expected to be completed by 2026.

In 2025, there was no impairment of the Group's development expenditure items (2024: nil).

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

(19) Deferred tax assets and deferred tax liabilities

(a) Deferred tax assets before offsetting

	31 December 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	4,615,638,068	1,037,353,003	5,243,226,986	1,202,834,659
Recoverable losses	466,815,447	116,703,862	3,007,086,847	645,511,957
Provision for asset impairment	1,942,298,621	292,044,435	622,528,655	94,016,209
Non-patent technology	593,336,532	143,728,516	440,753,948	100,999,156
Lease liability	135,747,740	23,290,388	179,407,961	27,067,280
Employee education funds unpaid	25,931,540	4,181,264	53,619,310	8,554,549
Deferred income	13,039,843	1,955,976	61,202,010	9,180,301
Retirement benefits plan	10,756,000	2,586,000	10,153,000	2,194,050
Others	141,377,441	22,698,198	122,815,039	20,274,065
	<u>7,944,941,232</u>	<u>1,644,541,642</u>	<u>9,740,793,756</u>	<u>2,110,632,226</u>

(b) Deferred tax liabilities before offsetting

	31 December 2025		31 December 2024	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Depreciation of fixed assets	3,106,313,384	696,962,697	3,045,807,585	624,476,184
Right-of-use assets	120,159,745	22,163,211	158,457,332	25,571,835
Equity transactions between parent and subsidiary	207,400,000	31,110,000	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	72,457,584	18,114,396	74,742,572	18,685,643
Amortisation of intangible assets	88,850,280	18,680,458	88,274,866	15,312,010
Others	1,902,466	475,616	11,693,768	1,754,065
	<u>3,597,083,459</u>	<u>787,506,378</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)

(19) 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:

	31 December 2025	31 December 2024
Deductible temporary differences	3,150,632,098	2,598,578,425
Deductible losses	2,267,940,580	231,610,985
	<u>5,418,572,678</u>	<u>2,830,189,410</u>

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

	31 December 2025	31 December 2024
2025	-	594,567
2026	136,794	136,794
2027	150,951,754	109,138,616
2028	246,244,245	80,885,354
2029	1,008,158,641	40,855,654
2030	862,449,146	-
	<u>2,267,940,580</u>	<u>231,610,985</u>

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

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	Offsetting amount	Balance after offsetting	Offsetting amount	Balance after offsetting
Deferred tax assets	(663,587,640)	980,954,002	(580,487,861)	1,530,144,365
Deferred tax liabilities	(663,587,640)	123,918,738	(580,487,861)	130,301,876

(20) Other non-current assets

	31 December 2025	31 December 2024
Prepayment for molds	<u>4,912,712</u>	<u>7,860,340</u>

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

(21) Provision for asset impairment and losses

	31 December 2024	Increase in the current year	Decrease in the current year		31 December 2025
			Reversal	Write-off /Disposal	
Provision for bad debts of notes receivable (Note 5(4))	67	-	(67)	-	-
Provision for bad debts of accounts receivable (Note 5(5))	118,285,447	3,565,539	(1,489,396)	-	120,361,590
Including: Provision for bad debts on the individual basis	104,721,207	-	(1,489,396)	-	103,231,811
Provision for bad debts on the grouping basis	13,564,240	3,565,539	-	-	17,129,779
Provision for bad debts of other receivables (Note 5(8))	261,039	-	(96,326)	-	164,713
Provision for bad debts of long-term receivables (Note 5(12))	102,201	-	(69,022)	-	33,179
Sub-total	<u>118,648,754</u>	<u>3,565,539</u>	<u>(1,654,811)</u>	<u>-</u>	<u>120,559,482</u>
Provision for decline in the value of inventories (Note 5(9))	107,463,831	32,366,541	(1,651,345)	(51,242,018)	86,937,009
provisions for other current asset impairment (Note 5(10))	-	136,072,357	-	-	136,072,357
Provision for impairment of fixed assets (Note 5(14))	628,607,207	182,739,043	-	(31,866,131)	779,480,119
Provision for impairment of construction in progress (Note 5(15))	6,435,960	27,599	-	-	6,463,559
Provision for impairment of goodwill (i)	89,028,412	-	-	-	89,028,412
Provision for impairment of intangible assets (Note 5(17))	52,416,626	-	-	-	52,416,626
Sub-total	<u>883,952,036</u>	<u>351,205,540</u>	<u>(1,651,345)</u>	<u>(83,108,149)</u>	<u>1,150,398,082</u>
	<u>1,002,600,790</u>	<u>354,771,079</u>	<u>(3,306,156)</u>	<u>(83,108,149)</u>	<u>1,270,957,564</u>

(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)**(22) Short-term borrowings**

	31 December 2025	31 December 2024
Credit loan	<u>1,950,000,000</u>	<u>1,500,000,000</u>

As at 31 December 2025, the Group had no overdue short-term borrowings and the interest rates ranged from 0.35% to 0.92% (31 December 2024: 0.55% to 0.95%).

(23) Notes payable

	31 December 2025	31 December 2024
Banker's Acceptance Payable	<u>427,292,904</u>	<u>-</u>

(24) Accounts payable

	31 December 2025	31 December 2024
Payable for automobile parts	11,072,236,002	9,785,507,926
Payable for raw and auxiliary materials	<u>325,524,482</u>	<u>275,716,018</u>
	<u>11,397,760,484</u>	<u>10,061,223,944</u>

As at 31 December 2025, accounts payable with aging over one year amounted to RMB717,410,426 (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)

(25) Contract liabilities

	31 December 2025	31 December 2024
Advances for maintenance and warranty services, etc.	860,003,200	632,287,355
Advances for automobiles and automobile parts	147,721,592	206,210,459
	<u>1,007,724,792</u>	<u>838,497,814</u>
Less: Contract liabilities carried forward to revenue after 1 year (Note 5(36), Note 5(44)(c)(i))	(461,860,038)	(370,793,523)
	<u>545,864,754</u>	<u>467,704,291</u>

In 2025, contract liabilities amounting to RMB454,809,298 included in the carrying amount as at 31 December 2024 were transferred to the revenue of 2025 (2024: RMB236,041,276), including advances for automobiles and automobile parts amounting to RMB193,030,415 (2024: RMB129,477,208), and advances for maintenance and warranty services amounting to RMB261,778,883 (2024: RMB106,564,068).

(26) Employee benefits payable

	31 December 2025	31 December 2024
Short-term employee benefits payable (a)	723,926,311	771,878,485
Defined contribution plans payable (b)	500,343	2,799,913
Defined benefit plans payable (c)	2,289,000	3,015,000
Termination benefits payable (d)	2,440,780	2,481,176
	<u>729,156,434</u>	<u>780,174,574</u>

(a) Short-term employee benefits

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Wages and salaries, bonus, allowances and subsidies	692,017,542	2,071,832,935	(2,083,775,443)	680,075,034
Staff welfare	21,071,704	86,009,981	(93,847,798)	13,233,887
Social security contributions	812,921	147,119,442	(146,755,991)	1,176,372
Including: Medical insurance	729,653	131,309,238	(130,934,643)	1,104,248
Work injury insurance	83,268	15,810,204	(15,821,348)	72,124
Housing funds	492,198	217,517,186	(217,980,635)	28,749
Labour union funds and employee education funds	57,484,120	21,638,392	(49,710,243)	29,412,269
Other short-term employee benefits	-	7,451,200	(7,451,200)	-
	<u>771,878,485</u>	<u>2,551,569,136</u>	<u>(2,599,521,310)</u>	<u>723,926,311</u>

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

(26) Employee benefits payable (Cont'd)

(b) Defined contribution plans

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Basic pensions	2,698,067	287,975,569	(290,205,330)	468,306
Unemployment insurance	101,846	9,112,787	(9,182,596)	32,037
	<u>2,799,913</u>	<u>297,088,356</u>	<u>(299,387,926)</u>	<u>500,343</u>

(c) Defined benefit plans

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Post-retirement benefits payable (Note 5(35))	<u>3,015,000</u>	<u>1,406,555</u>	<u>(2,132,555)</u>	<u>2,289,000</u>

(d) Termination benefits payable

	31 December 2025	31 December 2024
Early retirement benefits payable (Note 5(35))	1,030,000	1,143,000
Other termination benefits (i)	<u>1,410,780</u>	<u>1,338,176</u>
	<u>2,440,780</u>	<u>2,481,176</u>

(i) In 2025, other termination benefits paid by the Group for termination of the employment relationship were RMB12,695,618 (2024: RMB3,333,613).

(27) Taxes payable

	31 December 2025	31 December 2024
Consumption tax payable	59,076,964	103,965,331
Enterprise income tax payable	32,921,540	-
Land use tax payable	4,609,622	4,753,390
Unpaid VAT	600,401	117,211,162
Others	<u>35,489,914</u>	<u>39,268,506</u>
	<u>132,698,441</u>	<u>265,198,389</u>

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

(28) Other payables

	31 December 2025	31 December 2024
Promotion expenses	3,058,197,201	2,727,155,425
Research and development project expenses	947,404,470	962,540,747
Construction payment	498,931,773	466,886,864
Guarantees	146,610,838	134,483,995
Advertising and new product planning fees	106,729,208	117,665,807
Trademark license fee	103,978,965	61,000,949
Transportation expenses	87,941,218	256,166,660
Ordinary share dividends payable	4,006,342	6,463,836
Others	849,894,856	1,006,699,884
	<u>5,803,694,871</u>	<u>5,739,064,167</u>

As at 31 December 2025, other payables with aging over one year of RMB1,601,148,088 (31 December 2024: RMB1,594,877,126) mainly comprised 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.

(29) Current portion of non-current liabilities

	31 December 2025	31 December 2024
Current portion of lease liabilities (Note 5(32))	91,402,749	85,684,387
Current portion of long-term borrowings (Note 5(31))	460,275	470,727
	<u>91,863,024</u>	<u>86,155,114</u>

(30) Other current liabilities

	31 December 2025	31 December 2024
Provisions expected to be settled within 1 year (Note 5(33))	285,227,475	314,682,704
Others	19,203,931	26,865,737
	<u>304,431,406</u>	<u>341,548,441</u>

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

(31) Long-term borrowings

	31 December 2025	31 December 2024
Guaranteed loans(a)	920,551	1,412,180
Credit loans	-	-
Less: Current portion of long-term borrowings (Note 5(29))	<u>(460,275)</u>	<u>(470,727)</u>
	<u>460,276</u>	<u>941,453</u>

(a) As at 31 December 2025, the above guaranteed loans were long-term borrowings amounting to USD 130,968 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.

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

(32) Lease liabilities

	31 December 2025	31 December 2024
Lease liabilities (a)	136,262,865	179,437,021
Less: Current portion of non-current liabilities (Note 5(29))	<u>(91,402,749)</u>	<u>(85,684,387)</u>
	<u>44,860,116</u>	<u>93,752,634</u>

(a) As at 31 December 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)

(33) Provisions

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Product warranties	601,848,407	262,630,222	(323,814,477)	540,664,152
Less: Provisions expected to be settled within 1 year (Note 5(30))	<u>(314,682,704)</u>			<u>(285,227,475)</u>
	<u>287,165,703</u>			<u>255,436,677</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.

(34) Deferred income

	31 December 2024	Increase in the current year	<u>Decrease in the current year</u> Recognised in other income	31 December 2025
Government grants Government grants related to assets	7,113,989	1,941,000	(1,987,381)	7,067,608
Government grants related to income	<u>54,088,021</u>	<u>5,185,000</u>	<u>(52,934,452)</u>	<u>6,338,569</u>
	<u>61,202,010</u>	<u>7,126,000</u>	<u>(54,921,833)</u>	<u>13,406,177</u>

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5 Notes to the consolidated financial statements (Cont'd)**(35) Long-term employee benefits payable**

	31 December 2025	31 December 2024
Supplementary retirement benefits and early-retirement benefits eligible for recognition of provisions	53,172,000	63,500,000
Less: portion to be paid within one year	<u>(3,319,000)</u>	<u>(4,158,000)</u>
	<u>49,853,000</u>	<u>59,342,000</u>

The retirement and early-retirement benefits payable within one year are included in employee benefits payable (Note 5(26)(c), Note 5(26)(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.

In 2025, the defined benefit gain recognized in current profit and loss was RMB4,510,000(2024: 4,356,000), and the defined benefit gain recognized in other comprehensive income was RMB2,526,000 (2024: RMB5,816,000).

(36) Other non-current liabilities

	31 December 2025	31 December 2024
Contract liabilities carried forward to revenue after 1 year (Note 5(25))	<u>461,860,038</u>	<u>370,793,523</u>

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

(37) Share capital

	31 December 2024	Movements for the current year					31 December 2025
		Shares newly issued	Bonus share	Transfer from capital surplus	Others	Sub-total	
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	344,000,000	-	-	-	-	-	344,000,000
	<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 31 December 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)

(37) Share capital (Cont'd)

	31 December 2023	Movements for the current year					Sub-total	31 December 2024
		Shares newly issued	Bonus share	Transfer from capital surplus	Others			
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>-</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	344,000,000	-	-	-	-	-	-	344,000,000
	<u>862,463,160</u>	<u>-</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>-</u>	<u>863,214,000</u>

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5 Notes to the consolidated financial statements (Cont'd)**(38) Capital surplus**

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 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>

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

(39) Treasury stock

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Treasury stock	-	170,214,887	-	170,214,887

In 2025, with the board's approval, the company repurchased 8,632,078 shares through a dedicated securities account via centralized bidding. The repurchased shares will be allocated to the employee stock ownership plan or equity incentive programs. If the company fails to utilize all repurchased shares within 36 months, the unused shares will be canceled.

(40) Other comprehensive income

	Other comprehensive income in the balance sheet			Other comprehensive income in the income statement for the year ended 31 December 2025				
	31 December 2024	Attributable to the parent company after tax	31 December 2025	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								
Remeasure changes in defined benefit plans	(26,388,000)	2,526,000	(23,862,000)	2,526,000	-	-	2,526,000	-
	Other comprehensive income in the balance sheet			Other comprehensive income in the income statement for the year 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								
Remeasure changes in 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)

(41) Special reserve

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Safety production cost	<u>5,371,093</u>	<u>28,341,840</u>	<u>(25,851,967)</u>	<u>7,860,966</u>
	31 December 2023	Increase in the current year	Decrease in the current year	31 December 2024
Safety production cost	<u>3,821,625</u>	<u>29,631,611</u>	<u>(28,082,143)</u>	<u>5,371,093</u>

(42) Surplus reserve

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Statutory surplus reserve	<u>431,607,000</u>	<u>-</u>	<u>-</u>	<u>431,607,000</u>
	31 December 2023	Increase in the current year	Decrease in the current year	31 December 2024
Statutory surplus reserve	<u>431,607,000</u>	<u>-</u>	<u>-</u>	<u>431,607,000</u>

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 year 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 year (2025: Nil).

(43) Retained earnings

	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 year	1,187,465,719	1,537,139,024
Less: Ordinary share dividends payable (a)	<u>(614,608,342)</u>	<u>(590,438,376)</u>
Retained earnings at the end of the year	<u>9,752,190,648</u>	<u>9,179,333,271</u>

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

(43) Retained earnings(Cont'd)

- (a) According to the resolution of the 2024 Annual General Meeting of Shareholders, the company proposed to distribute cash dividends of RMB0.71914 per share to all shareholders, for a total of RMB614,608,342, based on the deduction of the total issued share capital from the number of shares in the company's repurchase special securities account until the implementation of profit distribution.

According to the resolution of the Board of Directors on March 27, 2026, the Board of Directors proposed that the Company distribute a cash dividend of RMB0.55581 per share to all shareholders, with a total cash dividend of RMB474,985,178 calculated based on the issued shares minus the number of shares held in the company's dedicated repurchase securities account of RMB854,581,922 (Note 11).

(44) Revenue and cost of sales

- (a) Revenue and cost of sales

	2025		2024	
	revenue	cost	revenue	cost
main operations	37,870,906,551	33,011,088,313	37,235,820,378	32,003,611,043
other operations	1,299,003,378	840,430,594	1,138,340,370	948,134,101
	<u>39,169,909,929</u>	<u>33,851,518,907</u>	<u>38,374,160,748</u>	<u>32,951,745,144</u>

- (b) The breakdown of revenue

	2025			
	Automobiles	Materials and parts	Automobile maintenance services, etc.	Total
Recognised at a time point	35,956,461,939	2,110,975,528	-	38,067,437,467
Recognised within a certain period	-	-	1,102,472,462	1,102,472,462
	<u>35,956,461,939</u>	<u>2,110,975,528</u>	<u>1,102,472,462</u>	<u>39,169,909,929</u>
	2024			
	Automobiles	Materials and parts	Automobile maintenance services, etc.	Total
Recognised at a time point	35,289,807,942	2,510,895,063	-	37,800,703,005
Recognised within a certain period	-	-	573,457,743	573,457,743
	<u>35,289,807,942</u>	<u>2,510,895,063</u>	<u>573,457,743</u>	<u>38,374,160,748</u>

- (c) The breakdown of cost of sales

	2025			
	Automobiles	Materials and parts	Automobile maintenance services, etc.	Total
Recognised at a time point	31,683,911,528	1,472,902,846	-	33,156,814,374
Recognised within a certain period	-	-	694,704,533	694,704,533
	<u>31,683,911,528</u>	<u>1,472,902,846</u>	<u>694,704,533</u>	<u>33,851,518,907</u>

As at 31 December 2025, the amount of revenue corresponding to the performance obligations that the Group had contracted but had not commenced or completed was RMB1,007,724,792, of which the Group expects that RMB147,721,592 and RMB398,143,162 will be recognised as revenue from the sales of automobiles and parts and revenue from the sales of automobile maintenance services respectively in 2026, RMB461,860,038 will be recognised as revenue from automobile maintenance services from 2027 to 2030(Note 5(25)).

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

(45) Taxes and surcharges

	2025	2024
Consumption tax	925,776,921	1,127,393,441
City maintenance and construction tax	83,998,736	124,517,786
Educational surcharge	83,619,962	124,287,311
Stamp tax	35,896,314	50,452,323
Real estate tax	20,184,172	19,966,276
Land use tax	20,051,853	20,374,559
Others	377,911	453,393
	<u>1,169,905,869</u>	<u>1,467,445,089</u>

(46) Selling and distribution expenses

	2025	2024
Promotion expenses	424,714,439	479,050,609
Employee benefits	188,590,317	252,743,744
Advertising and new product planning fees	101,581,928	112,244,723
Storage expenses	33,675,410	32,230,829
Packaging material expenses	30,042,893	29,861,191
Depreciation and amortisation expenses	20,886,072	15,597,750
Others	100,169,477	137,219,747
	<u>899,660,536</u>	<u>1,058,948,593</u>

(47) General and administrative expenses

	2025	2024
Employee benefits	641,460,640	518,113,814
Depreciation and amortisation expenses	118,926,227	121,213,685
Trademark license fee	64,163,810	90,222,606
Consulting fees	31,113,279	34,235,261
Repair expenses	28,316,172	32,646,022
General office expenses	13,332,712	13,264,317
Others	152,816,242	133,926,863
	<u>1,050,129,082</u>	<u>943,622,568</u>

(48) Research and development expenses

	2025	2024
Employee benefits	634,509,436	705,363,425
Design fee	168,981,790	177,283,649
Materials expenses	150,674,681	212,613,178
Depreciation and amortisation expenses	72,647,497	82,982,038
Others	189,190,135	136,337,133
	<u>1,216,003,539</u>	<u>1,314,579,423</u>

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

(49) Financial expenses

	2025	2024
Interest costs	12,023,242	11,982,579
Add: Interest costs on lease liabilities	6,256,955	8,322,276
Interest expenses	<u>18,280,197</u>	<u>20,304,855</u>
Less: Interest income from cash at bank	(161,871,607)	(192,964,801)
Other interest income	(2,994,625)	(5,950,496)
Interest income	<u>(164,866,232)</u>	<u>(198,915,297)</u>
Exchange gains or losses	12,660,809	25,017,106
Others	1,828,814	1,283,199
	<u>(132,096,412)</u>	<u>(152,310,137)</u>

(50) Asset impairment losses

	2025	2024
Impairment of fixed assets	182,739,043	36,573,579
Impairment of other current assets	136,072,357	-
Impairment of inventory	30,715,196	30,027,245
Impairment of construction in progress	27,599	-
	<u>349,554,195</u>	<u>66,600,824</u>

(51) Credit impairment losses

	2025	2024
Losses on bad debts of accounts receivable	2,076,143	(9,455,213)
Losses on bad debts of other receivables	(96,326)	(141,945)
Losses on bad debts of notes receivable	(67)	(17,497)
Losses on bad debts of long-term receivables	(69,022)	(23,557)
	<u>1,910,728</u>	<u>(9,638,212)</u>

(52) Other income

	2025	2024	
Government grants			Asset related/ Income related
- Supporting funds by government	379,600,000	130,000,000	Income related
- Research and development activities related subsidies	52,914,453	16,559,837	Income related
- Equipment purchasing-related subsidies	1,987,381	1,610,714	Asset related
- Other subsidies related with daily operation	29,816,450	36,239,194	Income related
Additional deduction of input VAT, etc.	119,059,691	330,020,306	-
	<u>583,377,975</u>	<u>514,430,051</u>	

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

(53) Investment income

	2025	2024
Losses on discount of financing receivables eligible for derecognition (Note 5(6))	(244,753)	(110,250)
Losses on long-term equity investments under equity method(Note 5(13))	(15,656,110)	(10,363,917)
Investment income from forward exchange settlement	10,128,967	5,237,734
Investment income from financial assets held for trading	85,409	4,294,164
	<u>(5,686,487)</u>	<u>(942,269)</u>

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

(54) Gains on changes in fair value

	2025	2024
Derivative financial assets and derivative financial liabilities - (Losses)/Gains on forward exchange contracts	(9,313,221)	13,071,686
Financial assets at fair value through profit or loss - Structural deposits	2,081,705	-
	<u>(7,231,516)</u>	<u>13,071,686</u>

(55) Gains on disposal of assets

	2025	2024	Amount recognised in non-recurring profit or loss in 2025
Gains on disposal of assets	<u>61,968,391</u>	<u>3,317,046</u>	<u>61,968,391</u>

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

(56) Non-operating income

	2025	2024	Amount recognised in non-recurring profit or loss in 2025
Penalty income	3,287,090	2,198,667	3,287,090
Others	1,409,847	2,845,126	1,409,847
	<u>4,696,937</u>	<u>5,043,793</u>	<u>4,696,937</u>

(57) Non-operating expenses

	2025	2024	Amount recognised in non-recurring profit or loss in 2025
Losses on scrapping of assets	2,712,138	2,773,464	2,712,138
Donations	2,005,620	2,792,688	2,005,620
Others	596,644	4,414,005	596,644
	<u>5,314,402</u>	<u>9,980,157</u>	<u>5,314,402</u>

(58) Income tax expenses

	2025	2024
Current income tax calculated based on tax law and related regulations	32,954,440	26,622
Deferred income tax	542,807,225	52,904,175
	<u>575,761,665</u>	<u>52,930,797</u>

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

(58) 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:

	2025	2024
Total profit	<u>1,395,134,383</u>	<u>1,258,107,606</u>
Income tax calculated at applicable tax rates	209,270,157	188,716,141
Effect of different applicable tax rates	(198,126,334)	(76,105,027)
Additional deductions	(85,146,304)	(172,777,356)
Deductible loss and temporary differences of the unrecognised deferred tax asset in the current period	647,095,817	108,140,186
Non-deductible investment losses	2,348,416	1,554,588
Costs, expenses and losses not deductible for tax purposes	319,913	3,402,265
Income tax expenses	<u>575,761,665</u>	<u>52,930,797</u>

(59) 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:

	2025	2024
Consolidated net profit attributable to ordinary shareholders of the parent company	1,187,465,719	1,537,139,024
Weighted average number of ordinary shares outstanding issued by the Company	<u>857,528,730</u>	<u>863,214,000</u>
Basic earnings per share	<u>1.38</u>	<u>1.78</u>

In 2025, our company repurchased a total of 8,632,078 shares (Note 5 (39)). We calculated the weighted number of shares for this year based on the repurchase time and calculated earnings per share based on the adjusted number of shares.

- (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 in 2025 (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)

(60) 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

	2025	2024
Government grants	416,152,879	179,310,467
Guarantees	81,207,784	67,713,679
Others	42,277,385	82,191,370
	<u>539,638,048</u>	<u>329,215,516</u>

(b) Cash paid relating to other operating activities

	2025	2024
Promotion expenses	609,211,507	525,988,884
Research and development expenses	567,906,010	374,612,865
Advertising expenses	99,086,762	172,059,370
Maintenance expenses	86,230,074	95,340,158
Guarantees	66,921,556	55,333,833
Consulting fees	59,058,279	47,010,290
Trademark royalties	14,796,759	46,266,139
Others	507,956,273	546,374,861
	<u>2,011,167,220</u>	<u>1,862,986,400</u>

(c) Cash received relating to other investing activities

	2025	2024
Interest from cash at bank	150,050,351	203,725,243
Other interest	14,384,906	14,579,833
	<u>164,435,257</u>	<u>218,305,076</u>

(d) Cash paid relating to other financing activities

	2025	2024
Payment of treasury shares	170,214,887	-
Payments of lease liabilities	35,025,216	210,728,262
Others	272,972	330,952
	<u>205,513,075</u>	<u>211,059,214</u>

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

(61) 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

	2025	2024
Net profit	819,372,718	1,205,176,809
Add: Asset impairment losses	349,554,195	66,600,824
Credit impairment losses	1,910,728	(9,638,212)
Depreciation of fixed assets	1,135,534,016	987,377,843
Amortisation of intangible assets	473,447,157	411,075,768
Depreciation of right-of-use assets	88,146,844	83,864,887
Gains on disposal of long-term assets	(59,557,455)	(665,549)
Financial income	(133,721,312)	(153,285,041)
Investment loss	5,686,487	942,269
Losses / (Gains) on changes in fair value	7,231,516	(13,071,686)
Decrease / (Increase) in deferred tax assets	549,190,363	(58,140,811)
(Decrease) / Increase in deferred tax liabilities	(6,383,138)	111,044,986
Increase in inventories	(574,689,215)	(1,196,599,903)
Decrease in provisions	(61,184,255)	(69,967,486)
Increase in operating receivables	(2,053,912,967)	(99,967,834)
Increase in operating payables	1,879,730,645	1,366,475,616
(Increase) / Decrease in other cash and cash equivalents	(8,445,037)	2,161,737
Net cash flows from operating activities	<u>2,411,911,290</u>	<u>2,633,384,217</u>

Net increase in cash and cash equivalents

	2025	2024
Cash and cash equivalents at the end of the year	13,491,154,200	12,475,176,009
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>1,015,978,191</u>	<u>728,657,394</u>

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

(61) 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	Other	Total
31 December 2024	1,501,412,180	179,437,021	125,419,835	-	1,806,269,036
Cash inflows from financing activities	4,793,407,250	-	85,750,000	752,534,436	5,631,691,686
Cash outflows from financing activities	(4,350,426,547)	(35,025,216)	(964,750,012)	-	(5,350,201,775)
Interest accrued in the current year	6,544,884	6,256,955	5,478,358	-	18,280,197
Dividends accrued in the current year	-	-	614,608,342	-	614,608,342
Changes that do not involve cash receipts and payments	(17,216)	(14,405,895)	239,290,744	-	224,867,633
31 December 2025	<u>1,950,920,551</u>	<u>136,262,865</u>	<u>105,797,267</u>	<u>752,534,436</u>	<u>2,945,515,119</u>

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

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

(c) Cash and cash equivalents

	31 December 2025	31 December 2024
Cash at bank available for payment at any time	11,898,659,395	11,067,571,593
Cash at finance company available for payment at any time	<u>1,592,494,805</u>	<u>1,407,604,416</u>
	<u>13,491,154,200</u>	<u>12,475,176,009</u>

(i) As in Note 5(1), other cash and cash equivalents of RMB27,137,724 as at 31 December 2025(31 December 2024: RMB18,692,687) was not included in cash and cash equivalents.

(62) Foreign currency monetary items

	31 December 2025		
	Amounts in foreign currencies	Translation exchange rate	Amounts in RMB
Long-term borrowings- USD	130,968	7.0288	<u>920,551</u>
Other payables- USD	33,867,645	7.0288	<u>238,048,904</u>
			<u>238,969,455</u>

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

(63) Lease

(a) As a lessee

	31 December 2025	31 December 2024
Interest expense on lease liabilities	6,256,955	8,322,276
Short-term lease expenses with simplified treatment through profit or loss for the period	4,126,739	1,117,726
Total cash outflows related to leases	<u>39,151,955</u>	<u>211,873,185</u>

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(16); For lease liabilities, see note 5(32).

(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:

	2025	2024
Rental income	210,202,688	72,919,837

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

	2025	2024
Within 1 year (including 1 year)	149,604,139	131,603,273
1 to 2 years (inclusive)	28,182,334	43,748,470
2 years to 3 years (inclusive)	<u>10,771,072</u>	<u>18,874,242</u>
	<u>188,557,545</u>	<u>194,225,985</u>

For fixed assets leased out of operation, see Note 5(14).

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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	2,678,000,000	Retail, Technical consultation and business information consultation	51%	-	Set up by investment

In 2025, the registered capital of Jiangling Ford (Shanghai) was changed from RMB200 million to RMB2.678 billion, and the industrial and commercial registration of the change has been completed.

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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:

Subsidiaries	Shareholding of minority shareholders	Total profit or loss attributable to minority shareholders for the year ended 31 December 2025	Dividends paid to minority shareholders for the year ended 31 December 2025	Minority interests as at 31 December 2025
Jiangling Ford (Shanghai)	49%	(368,093,001)	-	(308,199,809)

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

	31 December 2025					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Jiangling Ford (Shanghai)	445,678,786	-	445,678,786	1,074,395,372	262,615	1,074,657,987

	2025			
	Revenue	Net loss	Total comprehensive income	Cash flows from operating activities
Jiangling Ford (Shanghai)	2,389,854,773	(751,210,207)	(751,210,207)	(511,385,042)

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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

	31 December 2025 The Power Company	31 December 2024 The Power Company
Current assets	129,114,691	170,083,868
Non-current assets	414,895,371	437,139,815
Total assets	544,010,062	607,223,683
Current liabilities	120,165,219	139,059,465
Non-current liabilities	330,626	697
Total liabilities	120,495,845	139,060,162
Equity	423,514,217	468,163,521
Share of net assets based on shareholding (i)	169,405,687	187,265,408
Adjustments		
- Unrealised profits arising from internal transactions	(13,242,488)	(13,725,485)
- Others (ii)	20,853,323	20,853,323
Carrying amount of equity investments in associates	177,016,522	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)

	2025 The Power Company	2024 The Power Company
Revenue	83,238,047	55,024,619
Net loss	(19,980,000)	(21,745,330)
Other comprehensive income	-	-
Total comprehensive loss	<u>(19,980,000)</u>	<u>(21,745,330)</u>
Dividends received from associates by the Group	<u>-</u>	<u>-</u>

(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

	2025	2024
Aggregated carrying amount of investments	<u>26,625,399</u>	<u>24,904,785</u>
Aggregate of the following items based on shareholding		
Net loss(i)	1,720,614	(2,429,558)
Other comprehensive income (i)	-	-
Total comprehensive loss	<u>1,720,614</u>	<u>(2,429,558)</u>

(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 year.

In 2025, the revenue obtained from a single customer of the Group accounted for more than 10% of the Group's revenue, amounting to RMB14,907,750,775, or 38.06% (2024: 28.27%), 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 year	Decrease in the current year	31 December 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

	31 December 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(13) and 6(2).

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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 Motor Group (Nanchang) Fushan Energy Co., LTD	Controlled by JMCG
JMCF	Controlled by JMCG
JMCG Property Management Co.	Controlled by JMCG
JMCG Jiangxi Engineering Construction Co., Ltd.	Controlled by JMCG
Jiangxi Jiangling Chassis Co.,Ltd.	Controlled by JMCG
Jiangling Aowei Aotomobile Spare Part Co.,Ltd.	Controlled by JMCG
Jiangxi JMCG Boya brake system Co., Ltd.	Controlled by JMCG
Jiangxi Jiangling group Fuxin Auto Parts Co., Ltd	Controlled by JMCG
JMCG Jingma Motors Co., Ltd.	Controlled by JMCG
Jiangling Motor Electricity Vehicle Co., Ltd.	Controlled by JMCG
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Controlled by JMCG
Jiangxi Jiangling Lear Interior System Co.,Ltd.	Controlled by JMCG
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	Controlled by JMCG
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	Controlled by JMCG
Jiangxi JMCG Shangrao Industrial Co.,Ltd.	Controlled by JMCG
Jiangxi JMCG Industry Co.,Ltd.	Controlled by JMCG
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	Controlled by JMCG
Jiangxi Jiangling Overseas Automobile Co., Ltd.	Controlled by JMCG
Jiangxi Lingge Non-ferrous Metal Die-casting Co.,Ltd.	Controlled by JMCG
Jiangxi Lingrui Recycling Resources Development Corporation	Controlled by JMCG
Jiangxi Mingfang Auto Parts Industry Co., Ltd	Controlled by JMCG
Jiangxi Fuxiang Vehicle Co., Ltd.	Controlled by JMCG
Jiangxi ISUZU Engine Co.,Ltd.	Controlled by JMCG
Jiangxi ISUZU Co., Ltd.	Controlled by JMCG
Jiujiang Fuwantong Vehicle Co., Ltd.	Controlled by JMCG
Nanchang Gear Forging Co.,Ltd.	Controlled by JMCG
Nanchang Hengou Industry Co., Ltd.	Controlled by JMCG
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd.	Controlled by JMCG
Nanchang JMCG Frame Co.,Ltd.	Controlled by JMCG
Nanchang JMCG Liancheng Auto Component Co.,Ltd.	Controlled by JMCG
Nanchang JMCG Shishun Logistics Co., Ltd.	Controlled by JMCG
Nanchang Lianda Machinery Co.,Ltd.	Controlled by JMCG
Nanchang Unistar Electric & Electronics Co.,Ltd.	Controlled by JMCG
Auto Alliance (Thailand) Co.,Ltd.	Controlled by Ford
Ford Global Technologies, LLC	Controlled by Ford
Ford Motor Co. Thailand Ltd.	Controlled by Ford
Ford Trading Company LLC	Controlled by Ford
Ford Vietnam Limited	Controlled by Ford
Ford Electric Mach Technology (Nanjing) Co., Ltd.	Controlled by Ford
Ford Motor (China) Co., Ltd.	Controlled by Ford
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	Controlled by Ford
Ford Motor Sales & Service (Shanghai) Co., Ltd.	Controlled by Ford

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

(4) Information of other related parties

	Relationship with the Group
Ford Otomotiv Sanayi A.S.	Joint venture of Ford
Changan Ford Automobile Co.,Ltd.	Joint venture of Ford
Anhui Wanyou Automobile 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
Chengdu Wanxing Vehicle Sales & Service Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Chengdu Wanyou Vehicle Trade & 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
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
Wanyou Automobile Investment Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
Yunan Wanfu Vehicle Sales & Service Co., Ltd.	Controlled by Ultimate Holding Company of Chongqing Changan
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
Jiangxi Zhengxing Automotive Parts Manufacturing Co., Ltd.	Joint venture of JMCG
Nanchang Huaxiang Automotive Interior & Exterior Components Co., Ltd.	Joint venture of JMCG
Nanchang Yinlun Heat-exchanger Co.,Ltd.	Joint venture of JMCG
Bosch Electric Drive Systems (Nanchang) Co., Ltd.	Associate of JMCG
Dibao transportation equipment (Nanchang) Co., Ltd	Associate of JMCG
Jiangling Motor Holdings Co., Ltd	Associate of JMCG
Jiangxi Jiangling Group Special Vehicle Co.,Ltd.	Associate of JMCG
Jiangxi Jingwei Hirain Technologies Co., Inc.	Associate of JMCG
Jiangxi Lingyun Automobile Industry Technology Co.,Ltd	Associate of JMCG
Jiangxi Zhonglian Intelligent Logistics 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
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	Associate of JMCG
Nanchang JMCG Xinchun Auto Component Co.,Ltd.	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	2025	2024
Magna PT Powertrain (Jiangxi) Co., Ltd	Purchase of automobile parts	1,213,283,975	1,213,283,975
Jiangxi Jiangling Chassis Co.,Ltd.	Purchase of automobile parts	951,329,470	868,277,838
Jiangxi Jiangling Lear Interior System Co.,Ltd.	Purchase of automobile parts	837,723,534	759,463,783
Nanchang Baojiang Steel Processing Distribution Co.,Ltd.	Purchase of raw and auxiliary materials	816,259,759	820,314,741
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd.	Purchase of automobile parts	782,570,785	1,263,327,476
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	Purchase of automobile parts	773,671,632	803,875,765
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	Purchase of automobile parts	670,239,638	544,252,769
Nanchang Huaxiang Automotive Interior & Exterior Components Co., Ltd.	Purchase of automobile parts	482,995,231	-
Nanchang JMCG Liancheng Auto Component Co.,Ltd.	Purchase of automobile parts	352,302,385	368,113,693
Faurecia Emissions Control Technologies (Nanchang) Co.,Ltd.	Purchase of automobile parts	263,305,340	222,487,974
Ford	Purchase of automobile parts	248,275,827	1,400,778,072
Nanchang JMCG Shishun Logistics Co., Ltd.	Purchase of automobile parts	242,743,283	181,101,384
Jiangxi Lingyun Automobile Industry Technology Co.,Ltd	Purchase of automobile parts	229,353,907	195,120,129
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	Purchase of automobile parts	215,977,255	128,047,672
Nanchang Unistar Electric & Electronics Co.,Ltd.	Purchase of automobile parts	213,703,162	228,332,729
Jiangxi Jingwei Hirain Technologies Co., Inc.	Purchase of automobile parts	198,895,268	99,869,772
Nanchang Yinlun Heat-exchanger Co.,Ltd.	Purchase of automobile parts	134,126,431	117,276,155
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	Purchase of automobile parts	133,935,730	135,512,745
Hanon Systems	Purchase of automobile parts	117,232,460	148,048,317
Dibao transportation equipment (Nanchang) Co., Ltd	Purchase of automobile parts	104,604,608	106,869,480
Changan Ford Automobile Co.,Ltd.	Purchase of automobile parts	99,825,253	178,623,753
Bosch Electric Drive Systems (Nanchang) Co., Ltd.	Purchase of automobile parts	82,122,418	-
Jiangxi Lingge Non-ferrous Metal Die-casting Co.,Ltd.	Purchase of automobile parts	75,935,213	64,642,915
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	Purchase of automobile parts	45,040,475	49,607,876
Jiangxi Jiangling Group Special Vehicle Co.,Ltd.	Purchase of automobile parts	44,306,875	42,443,490

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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)

Purchase of goods (Cont'd):

	Nature of related party transactions	2025	2024
Jiangxi JMCG Boya brake system Co., Ltd.	Purchase of automobile parts	42,712,368	28,423,858
Nanchang Lianda Machinery Co.,Ltd.	Purchase of automobile parts	38,919,983	32,400,213
Jiangxi Mingfang Auto Parts Industry Co., Ltd	Purchase of automobile parts	29,883,748	14,178,898
Jiangling Motor Group (Nanchang) Fushan Energy Co., LTD	Purchase of raw and auxiliary materials	28,023,086	30,611,533
Jiangxi JMCG Shangrao Industrial Co.,Ltd.	Purchase of automobile parts	27,259,053	26,325,532
Jiangxi Jiangling group Fuxin Auto Parts Co., Ltd	Purchase of automobile parts	19,531,683	22,436,081
Ford Motor Co. Thailand Ltd.	Purchase of automobile parts	14,503,425	139,753,289
Jiangxi Zhengxing Automotive Parts Manufacturing Co., Ltd.	Purchase of automobile parts	11,326,534	-
Jiangling Aowei Aotomobile Spare Part Co.,Ltd.	Purchase of automobile parts	11,079,069	10,685,318
Jiangxi ISUZU Engine Co.,Ltd.	Purchase of automobile parts	8,933,400	2,908,662
Nanchang JMCG Xinchun Auto Component Co.,Ltd.	Purchase of automobile parts	6,764,371	6,604,035
Auto Alliance (Thailand) Co.,Ltd.	Purchase of automobile parts	2,758,494	5,441,378
JMCG	Purchase of automobile parts	2,521,065	77,426,792
Jiangling Motor Holdings Co., Ltd	Purchase of automobile parts	2,164,830	2,741,332
Nanchang JMCG Frame Co.,Ltd.	Purchase of automobile parts	2,025,282	1,000,762
Nanchang Gear Forging Co.,Ltd.	Purchase of automobile parts	1,576,503	2,563,330
Ford Otomotiv Sanayi A.S.	Purchase of automobile parts	1,568,246	1,867,906
JMCG Jingma Motors Co., Ltd.	Purchase of automobile parts	44,962	1,718,914
Jiangxi Lingrui Recycling Resources Development Corporation	Purchase of raw and auxiliary materials	17,479	33,427,557
		<u>9,629,322,696</u>	<u>10,380,187,893</u>

The Group purchases goods from related parties based on the agreed price between the two parties as the pricing basis.

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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	2025	2024
Nanchang JMCG Shishun Logistics Co., Ltd.	Transportation, cartage fees, etc.	271,649,658	291,458,533
Ford Global Technologies, LLC	Technology development	151,258,877	218,930,299
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	Design fees, personnel costs	147,796,114	135,795,642
Ford	Trademark usage, personnel costs, etc.	95,741,157	95,728,384
Ford Motor (China) Co., Ltd.	Design fees, personnel costs, etc.	81,785,182	41,382,841
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	Cartage fees, storage fees, etc.	78,657,950	64,392,144
Jiangxi JMCG Industry Co.,Ltd.	Meal fees	34,022,696	33,349,736
JMCG Jiangxi Engineering Construction Co., Ltd.	Engineering construction	26,015,314	120,556,432
Ford Motor Sales & Service (Shanghai) Co., Ltd.	Promotion expenses	21,704,280	-
JMCG Property Management Co.	Property fees, etc.	17,282,827	14,600,286
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Agency fees, advertising fees, etc.	16,670,646	17,326,503
Jiangxi Jingwei Hirain Technologies Co., Inc.	Design fees	14,224,700	870,000
JMCG	Labour costs, rental fees, etc.	7,917,294	4,087,090
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd.	Design fees, Prototype development costs, etc.	5,244,498	-
Chongqing Anfu Vehicle Marketing Co., Ltd.	Warranty and promotion expenses	3,247,709	2,491,320
Magna PT Powertrain (Jiangxi) Co., Ltd	Design fees, experimental costs	2,996,779	37,220
Chongqing Changan Automobile Co.,Ltd	Personnel costs	2,691,958	2,574,845
China Changan Group Tianjin Sales Co.,Ltd	Promotion expenses	2,561,509	3,394,286
Guizhou Wanfu Vehicle Sales & Service Co., Ltd.	Promotion expenses	1,755,849	3,021,024
JMCG Jingma Motors Co., Ltd.	Promotion expenses	1,639,863	1,124,348
Changan Ford Automobile Co.,Ltd.	Design fees, service fees, etc.	1,522,453	703,553
Chengdu Wanxing Vehicle Sales & Service Co., Ltd.	Warranty and promotion expenses	1,064,820	2,522,662
Ford Otomotiv Sanayi A.S.	Technical services and technical development	227,034	1,215,889
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	Promotion expenses	209,519	1,509,142
		<u>987,888,686</u>	<u>1,057,072,179</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	2025	2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Sales of vehicles and accessories, etc.	14,765,138,898	10,827,024,547
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	Sales of vehicles	221,050,647	158,841,415
JMCG Jingma Motors Co., Ltd.	Sales of vehicles and accessories	117,419,661	123,316,338
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	Sales of vehicles and accessories	115,335,232	147,776,860
Chongqing Anfu Vehicle Marketing Co., Ltd.	Sales of vehicles and accessories	101,552,685	108,989,648
Jiangxi Lingrui Recycling Resources Development Corporation	Sales of waste materials, etc.	81,499,350	70,715,213
Chengdu Wanxing Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	63,769,656	98,609,717
China Changan Group Tianjin Sales Co.,Ltd	Sales of vehicles and accessories	50,597,449	103,326,239
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd.	Sales of accessories	43,166,836	21,492,252
Guizhou Wanfu Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	42,481,833	60,983,086
Nanchang Hengou Industry Co., Ltd.	Sales of accessories, etc.	37,362,544	22,279,648
Jiangxi Jiangling Chassis Co.,Ltd.	Sales of accessories	33,489,852	31,378,213
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	Sales of accessories	27,290,455	30,704,569
Yunan Wanfu Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	25,659,210	783
Jiangxi Jiangling Group Special Vehicle Co.,Ltd.	Sales of vehicles and accessories	24,239,203	21,765,371
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	Sales of vehicles and accessories	22,348,702	26,328,071
Jiangxi Jiangling Lear Interior System Co.,Ltd.	Sales of accessories	22,306,736	19,454,493
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	Sales of accessories	21,162,565	84,009,526
Jiangxi ISUZU Co., Ltd.	Sales of accessories	17,737,497	15,463,036
Nanchang JMCG Liancheng Auto Component Co.,Ltd.	Sales of accessories	15,430,270	16,742,013
Jiangxi ISUZU Engine Co.,Ltd.	Sales of accessories	15,219,564	30,660,694
Beijing Beifang Changfu Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	13,369,613	4,620,426
Jiangxi JMCG Industry Co.,Ltd.	Sales of accessories and waste materials	8,080,110	3,756,352
Beijing Baiwang Changfu Vehicle Sales & Service Co., Ltd.	Sales of vehicles and accessories	5,741,638	11,338,763
Wanyou Automobile Investment Co., Ltd.	Sales of vehicles and accessories	4,085,315	-
Anhui Wanyou Automobile Sales service Co. LTD	Sales of vehicles and accessories	4,058,802	70

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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	2025	2024
Jiujiang Fuwantong Vehicle Co., Ltd.	Sales of vehicles and accessories	3,652,477	4,036
Jiangxi Jiangling Overseas Automobile Co., Ltd.	Sales of vehicles and accessories	3,100,755	3,873
Jiangxi Fuxiang Vehicle Co., Ltd.	Sales of vehicles and accessories	2,745,084	8,226
Chengdu Wanyou Vehicle Trade & Service Co.,Ltd	Sales of vehicles and accessories, etc.	1,690,050	184
Magna PT Powertrain (Jiangxi) Co., Ltd	Sales of accessories	1,392,501	817,800
Jiangling Motor Electricity Vehicle Co., Ltd.	Sales of accessories	1,358,852	1,172,369
Ford Motor Sales & Service (Shanghai) Co., Ltd.	Provide services	1,267,635	-
Guizhou Wanjia Automobile Sales and Service Co., LTD	Sales of vehicles and accessories	-	7,641,217
		<u>15,914,801,677</u>	<u>12,049,225,048</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 year with the Group as the lessor:

Name of the lessee	Type of the leased asset	2025	2024
Jiangxi Zhengxing Automotive Parts Manufacturing Co., Ltd.	Equipment	1,307,009	-
Jiangling Motor Holdings Co., Ltd.	Buildings	8,935	158,956
Jiangxi ISUZU Co., Ltd.	Buildings	2,945	6,480
		<u>1,318,889</u>	<u>165,436</u>

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

Name of the lessor	Type of the leased asset	2025	2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Buildings	-	37,552,314
Ford Motor (China) Co., Ltd	Buildings	-	608,092
JMCG	Buildings	-	364,586
		<u>-</u>	<u>38,524,992</u>

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

(5) Related party transactions (Cont'd)

(b) Leases(Cont'd)

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

	Type of the leased asset	2025	2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Buildings	804,794	998,142
JMCG	Buildings	95,402	503,840
Ford Motor (China) Co., Ltd	Buildings	20,054	11,845
		<u>920,250</u>	<u>1,513,827</u>

(c) Guarantee received

Guarantor	Guaranteed amount	Starting date	Ending date	Fully performed or not
JMCF	920,551	5 March 2001	30 October 2029	Not fully performed

In 2025, JMCF provided guarantees for some bank borrowings of the Group, with a maximum guarantee limit of USD2,282,123. As at 31 December 2025, JMCF provided borrowing guarantee to the bank borrowing of USD130,968, equivalent to RMB920,551 (31 December 2024: USD196,453 equivalent to RMB1,412,180) for the Group.

(d) Purchase of assets

	Nature of related party transactions	2025	2024
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	Purchase of fixed assets	16,503,583	34,995,383
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd.	Purchase of fixed assets	4,411,457	24,446,632
Nanchang JMCG Liancheng Auto Component Co.,Ltd.	Purchase of fixed assets	3,890,000	5,003,929
Magna PT Powertrain (Jiangxi) Co., Ltd	Purchase of fixed assets	2,975,266	1,952,878
Jiangxi Jiangling Chassis Co.,Ltd.	Purchase of fixed assets	2,100,000	-
Jiangxi Lingyun Automobile Industry Technology Co.,Ltd	Purchase of fixed assets	901,500	-
JMCG Jingma Motors Co., Ltd.	Purchase of fixed assets	-	3,928,253
Jiangxi Jiangling Lear Interior System Co.,Ltd.	Purchase of fixed assets	-	2,693,550
Faurecia Emissions Control Technologies (Nanchang) Co.,Ltd.	Purchase of fixed assets	-	2,210,790
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	Purchase of fixed assets	-	135,036
		<u>30,781,806</u>	<u>75,366,451</u>

The Group's pricing on goods sold to 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)

(e) Provision of technology sharing and distribution service

	Nature of related party transactions	2025	2024
Ford Global Technologies, LLC	Technical service	384,878,125	-
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	Technical service	142,611,877	20,450,200
Ford Electric Mach Technology (Nanjing) Co., Ltd.	Technical service	116,791,318	199,272,148
Ford Motor (China) Co., Ltd.	Distribution service	14,197,227	24,096,419
Ford Trading Company LLC	Technical service	9,550,000	2,770,000
Ford Vietnam Limited	Technical service	1,452,183	22,710,000
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	Technical service	-	23,758,214
Nanchang Hengou Industry Co., Ltd.	Technical service	-	4,557,500
		<u>669,480,730</u>	<u>297,614,481</u>

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

(f) Remuneration of key management

	2025	2024
Remuneration of key management	<u>10,270,544</u>	<u>14,163,069</u>

(g) Interest income

	2025	2024
JMCF	<u>14,773,588</u>	<u>18,455,436</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 (2024: 1.35% to 2.25%).

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

(5) Related party transactions (Cont'd)

(h) Interest expenses

	2025	2024
Ford Motor (China) Co., Ltd.	5,309,687	-
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	120,000	120,000
Nanchang JMCG Shishun Logistics Co., Ltd.	30,000	30,000
	<u>5,459,687</u>	<u>150,000</u>

(i) Funds borrowed in

	2025	2024
Ford Motor (China) Co., Ltd.	<u>85,750,000</u>	<u>85,750,000</u>

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

(6) Receivables from and payables to related parties

Accounts receivable

	31 December 2025		31 December 2024	
	Amount	Provision for bad debts	Amount	Provision for bad debts
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	4,616,206,969	9,532,031	2,984,138,301	6,078,032
JMCG Jingma Motors Co., Ltd.	47,279,252	151,735	33,013,773	99,416
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	16,607,018	49,821	19,871,496	59,614
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd.	15,544,213	46,633	5,182,808	15,548
Jiangxi ISUZU Co., Ltd.	7,866,057	23,598	3,720,130	11,160
Jiangxi Jiangling Lear Interior System Co.,Ltd.	6,755,350	20,266	4,753,891	14,262
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	4,907,660	1,814	55,452,936	17,776
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	3,731,251	739	6,455,121	1,920
Nanchang JMCG Liancheng Auto Component Co.,Ltd.	3,065,801	9,197	3,764,288	11,293
Jiangxi ISUZU Engine Co.,Ltd.	2,549,343	7,648	7,314,839	21,945
Ford Trading Company LLC	1,820,000	5,460	-	-
Jiangxi JMCG Industry Co.,Ltd.	1,083,907	3,252	631,675	1,895
Ford Electric Mach Technology (Nanjing) Co., Ltd.	158,571	476	7,673,176	23,020
Ford Motor (China) Co., Ltd.	-	-	6,304,028	18,912
Ford Vietnam Limited	-	-	3,850,000	11,550
	<u>4,727,575,392</u>	<u>9,852,670</u>	<u>3,142,126,462</u>	<u>6,386,343</u>

Other receivables

	31 December 2025		31 December 2024	
	Amount	Provision for bad debts	Amount	Provision for bad debts
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	8,678,667	25,931	4,959,843	24,439
Ford Motor (China) Co., Ltd.	1,885,311	5,656	-	-
Ford Motor Sales & Service (Shanghai) Co., Ltd.	1,343,694	4,031	-	-
	<u>11,907,672</u>	<u>35,618</u>	<u>4,959,843</u>	<u>24,439</u>

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

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

Advances to suppliers

	31 December 2025	31 December 2024
Nanchang Baojiang Steel Processing Distribution Co., Ltd.	91,759,002	82,972,689

Financing receivables

	31 December 2025	31 December 2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	147,945,413	-
JMCG Jingma Motors Co., Ltd.	2,468,962	8,972,230
Jiangxi ISUZU Engine Co.,Ltd.	712,751	5,496,370
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	6,000	48,401,766
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	-	2,079,413
Jiangxi ISUZU Co., Ltd.	-	110,000
	<u>151,133,126</u>	<u>65,059,779</u>

Cash at bank

	31 December 2025	31 December 2024
JMCF	<u>1,592,494,805</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)

Accounts payable

	31 December 2025	31 December 2024
Jiangxi Jiangling Lear Interior System Co.,Ltd.	419,610,763	360,356,137
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd.	339,272,999	636,898,853
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	298,526,234	327,079,328
Jiangxi Jiangling Chassis Co.,Ltd.	281,190,452	255,072,881
Nanchang Huaxiang Automotive Interior & Exterior Components Co., Ltd.	264,555,517	-
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	258,868,938	178,167,668
Magna PT Powertrain (Jiangxi) Co., Ltd	230,896,819	213,711,414
Nanchang JMCG Liancheng Auto Component Co.,Ltd.	127,011,360	185,528,237
Nanchang JMCG Shishun Logistics Co., Ltd.	102,537,845	63,592,060
Ford	101,603,052	250,461,509
Faurecia Emissions Control Technologies (Nanchang) Co.,Ltd.	90,135,188	66,628,906
Dibao transportation equipment (Nanchang) Co., Ltd	87,101,643	55,834,503
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	79,587,095	41,835,249
Bosch Electric Drive Systems (Nanchang) Co., Ltd.	50,329,567	-
Nanchang Yinlun Heat-exchanger Co.,Ltd.	49,496,828	37,417,773
Nanchang JMCG SMR Huaxiang Mirror Co., Ltd.	44,866,960	43,878,807
Jiangxi Jingwei Hirain Technologies Co., Inc.	37,415,298	40,491,776
Jiangxi Lingyun Automobile Industry Technology Co.,Ltd	37,021,732	48,459,492
Hanon Systems	34,015,272	50,706,474
Nanchang Unistar Electric & Electronics Co.,Ltd.	30,110,251	30,195,971
Jiangxi Jiangling Group Special Vehicle Co.,Ltd.	23,989,369	19,674,440
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	20,129,520	26,610,602
Nanchang Lianda Machinery Co.,Ltd.	18,239,104	10,731,546
Jiangxi JMCG Boya brake system Co., Ltd.	17,024,842	9,558,647
Jiangxi Mingfang Auto Parts Industry Co., Ltd	13,960,106	8,944,064
Changan Ford Automobile Co.,Ltd.	11,170,263	23,802,841
Jiangxi Lingge Non-ferrous Metal Die-casting Co.,Ltd.	9,958,459	28,707,639
Jiangling Aowei Aotomobile Spare Part Co.,Ltd.	7,000,633	6,042,853
Jiangxi ISUZU Engine Co.,Ltd.	5,714,745	2,758,942
Jiangxi Zhengxing Automotive Parts Manufacturing Co., Ltd.	5,306,616	-
Jiangxi Jiangling group Fuxin Auto Parts Co., Ltd	4,913,122	3,726,062
Jiangxi JMCG Shangrao Industrial Co.,Ltd.	4,470,727	7,115,719
Jiangling Motor Group (Nanchang) Fushan Energy Co., LTD	3,838,607	2,922,507
Nanchang JMCG Xinchen Auto Component Co.,Ltd.	3,463,250	2,979,179
JMCG	3,005,892	39,486,926
JMCG Jingma Motors Co., Ltd.	2,650,990	2,606,028
Nanchang JMCG Frame Co.,Ltd.	456,998	1,091,724
Jiangxi Lingrui Recycling Resources Development Corporation	-	11,463,008
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	-	11,243,955
Ford Motor Co. Thailand Ltd.	-	6,940,038
	<u>3,119,447,056</u>	<u>3,112,723,758</u>

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

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

Other payables

	31 December 2025	31 December 2024
Ford	135,932,978	81,659,263
Ford Global Technologies, LLC	104,008,803	45,777,385
Ford Motor Research & Engineering (Nanjing) Co., Ltd.	101,729,209	61,846,021
Ford Motor (China) Co., Ltd.	77,322,435	144,907,458
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	71,280,639	51,837,372
Nanchang JMCG Shishun Logistics Co., Ltd.	65,385,503	26,831,215
Nanchang Jiangling Hua Xiang Auto Components Co.,Ltd	32,534,219	35,565,451
JMCG Property Management Co.	22,149,851	8,466,756
Ford Motor Sales & Service (Shanghai) Co., Ltd.	21,704,280	-
Jiangxi Jingwei Hirain Technologies Co., Inc.	13,318,646	911,550
JMCG Jiangxi Engineering Construction Co., Ltd.	12,843,807	25,905,249
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	9,893,430	27,838,079
Chongqing Anfu Vehicle Marketing Co., Ltd.	8,611,595	165,753
JMCG	8,449,024	7,636,166
Jiangxi JMCG Specialty Vehicles Sales Corporation, Ltd.	8,199,190	8,431,243
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	7,271,904	5,703,062
Jiangxi Jiangling Chassis Co.,Ltd.	6,101,537	1,681,716
Jiangxi JMCG Specialty Vehicles Corporation, Ltd.	5,979,373	5,772,611
Chengdu Wanxing Vehicle Sales & Service Co., Ltd.	3,358,444	401,182
Jiangxi JMCG Industry Co.,Ltd.	3,230,883	3,000,344
Chongqing Changan Automobile Co.,Ltd	2,691,958	2,574,845
Jiangxi Jiangling Lear Interior System Co.,Ltd.	2,366,149	1,518,633
Guizhou Wanfu Vehicle Sales & Service Co., Ltd.	2,365,316	2,937,977
Nanchang JMCG Liancheng Auto Component Co.,Ltd.	1,890,523	1,908,156
Jiangxi JMCG Boya brake system Co., Ltd.	1,646,490	39,921
Jiangxi Jiangling Group Special Vehicle Co.,Ltd.	1,547,766	653,129
Bosch Electric Drive Systems (Nanchang) Co., Ltd.	1,365,331	-
Magna PT Powertrain (Jiangxi) Co., Ltd	1,311,073	1,488,027
Nanchang Unistar Electric & Electronics Co.,Ltd.	1,246,983	270,888
China Changan Group Tianjin Sales Co.,Ltd	1,158,724	216,345
	<u>736,896,063</u>	<u>555,945,797</u>

Contract liabilities

	31 December 2025	31 December 2024
Ford Global Technologies, LLC	148,989,875	-
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	21,463,072	3,930,000
Ford Electric Mach Technology (Nanjing) Co., Ltd.	8,568,735	62,310,452
Ford Vietnam Limited	2,377,817	-
Jiangxi Jiangling Group Special Vehicle Co.,Ltd.	1,810,239	1,436,028
Jiangxi Jiangling Special Purpose Vehicle Co.,Ltd.	872,161	1,506,350
Nanchang Hengou Industry Co., Ltd.	281,807	1,860,835
Guizhou Wanjia Automobile Sales and Service Co. LTD	-	1,318,467
	<u>184,363,706</u>	<u>72,362,132</u>

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

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

Lease liabilities

	31 December 2025	31 December 2024
Jiangxi Jiangling Motors Imp. & Exp. Co., Ltd.	17,991,177	30,593,850
Ford Motor (China) Co., Ltd.	429,403	589,853
JMCG	-	5,862,186
	<u>18,420,580</u>	<u>37,045,889</u>

Notes Payable

	31 December 2025	31 December 2024
Jiangxi Zhonglian Intelligent Logistics Co., Ltd.	51,987,191	-
Jiangxi Jiangling Lear Interior System Co.,Ltd.	43,447,910	-
Jiangxi Jingwei Hirain Technologies Co., Inc.	21,148,158	-
Jiangxi Lingge Non-ferrous Metal Die-casting Co.,Ltd.	20,028,725	-
Dibao transportation equipment (Nanchang) Co., Ltd	5,987,652	-
	<u>142,599,636</u>	<u>-</u>

(7) Commitments in relation to related parties

Capital commitments

	31 December 2025	31 December 2024
JMCG Jiangxi Engineering Construction Co., Ltd.	<u>50,047,100</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 31 December 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:

	31 December 2025	31 December 2024
Buildings, machinery and equipment	<u>447,365,000</u>	<u>477,562,000</u>

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11 Subsequent events

(1) Profit distribution

According to the resolution of the meeting of Board of Directors on 27 March 2025, the Board of Directors proposed to distribute cash dividends of RMB0.55581 per share to all shareholders, calculated on the basis of 854,581,922 issued shares minus the number of shares held in the company's dedicated repurchase securities account, for a total of RMB474,985,178.

12 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 31 December 2025, the Group's borrowings denominated in foreign currencies were USD130,968, equivalent to RMB920,551. The Group's other accounts payable denominated in foreign currencies was USD33,867,645, equivalent to RMB238,048,904. The Group signed forward exchange contracts to mitigate the foreign exchange risk(Note 5(3), Note 5(31)).

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12 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 31 December 2025 and 31 December 2024 as follows:

	31 December 2025 USD	31 December 2024 USD
Financial assets denominated in foreign currency -		
Derivative financial asset	-	12,612,380
Financial liabilities denominated in foreign currency -		
Derivative financial liability	695,349	-
Current portion of long-term borrowings	460,275	470,727
Long-term borrowings	460,276	941,453
Other payables	238,048,904	78,220,386
	<u>239,664,804</u>	<u>79,632,566</u>

As at 31 December 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 RMB23,966,480 (31 December 2024: approximately RMB6,702,019)

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12 Financial instrument and risk (Cont'd)

(1) Market risk (Cont'd)

(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 31 December 2025, the Group's short-term borrowings of RMB1,950,000,000 (31 December 2024: RMB1,500,000,000) were fixed-rate borrowings, and long-term borrowings of USD130,968 (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 2025 and 2024, the Group did not enter into any interest rate swap agreements.

As at 31 December 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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12 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 31 December 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:

	31 December 2025				Total
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Derivative financial liability	695,349	-	-	-	695,349
Short-term borrowings	1,950,000,000	-	-	-	1,950,000,000
Notes payable	427,292,904	-	-	-	427,292,904
Accounts payable	11,397,760,484	-	-	-	11,397,760,484
Other payables	5,803,694,871	-	-	-	5,803,694,871
Lease liabilities	94,181,823	19,112,654	27,987,771	-	141,282,248
Long-term borrowings	472,357	465,454	-	-	937,811
	<u>19,674,097,788</u>	<u>19,578,108</u>	<u>27,987,771</u>	<u>-</u>	<u>19,721,663,667</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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12 Financial instrument and risk (Cont'd)

(3) Liquidity risk (Cont'd)

- (i) As at 31 December 2025, the Group did not have lease contracts that had been signed but had not yet been performed.

13 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 31 December 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				
Financial assets held for trading -				
Structured deposit	-	801,902,466	-	801,902,466
Financing receivables -				
Notes receivable	-	205,851,591	-	205,851,591
	<u>-</u>	<u>1,007,754,057</u>	<u>-</u>	<u>1,007,754,057</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>

As at 31 December 2025, the liabilities measured at fair value on a recurring basis by the above three levels were analysed below:

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13 Fair value estimates(Cont'd)

	Level 1	Level 2	Level 3	Total
Financial liabilities				
Derivative financial liabilities -				
Forward foreign exchange contracts	-	695,349	-	695,349

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

As at 31 December 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 in 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 31 December 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.

14 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 31 December 2025 and 31 December 2024, the Group's equity ratio was as follows:

	31 December 2025	31 December 2024
Total borrowings	1,950,920,551	1,501,412,180
Total shareholders' equity	11,392,038,408	10,595,344,521
Equity ratio	17%	14%

JIANGLING MOTORS CORPORATION, LTD.

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

15 Notes to the Company's financial statements

(1) Accounts receivable

	31 December 2025	31 December 2024
Accounts receivable	6,815,674,720	5,595,070,789
Less: Provision for bad debts	<u>(551,092,111)</u>	<u>(74,023,216)</u>
	<u>6,264,582,609</u>	<u>5,521,047,573</u>

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

	31 December 2025	31 December 2024
Within 1 year	6,034,988,177	5,415,107,619
Over 1 year	<u>780,686,543</u>	<u>179,963,170</u>
	<u>6,815,674,720</u>	<u>5,595,070,789</u>

As of 31 December 2025, accounts receivable with significant individual amounts and aging exceeding three years was analysed as follows:

	Balance	Reason and collection risk
Company1	64,924,598	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.
Company2	64,698,887	Accounts receivable from related parties within the group, expected to be fully recovered, without provision for bad debts

(b) As at 31 December 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>6,590,634,356</u>	<u>549,857,303</u>	<u>96.70%</u>

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15 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:

	31 December 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	1,986,944,666	29.00%	540,672,868	27.21%
Provision for bad debts on the grouping basis (ii)	4,828,730,054	71.00%	10,419,243	0.22%
	<u>6,815,674,720</u>	<u>100.00%</u>	<u>551,092,111</u>	<u>8.09%</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:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Provision for bad debts
Receivables from related parties within the Group i)	1,922,020,068	25%	475,748,270
Receivables for automobiles ii)	64,924,598	100%	64,924,598
	<u>1,986,944,666</u>		<u>540,672,868</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 31 December 2025, the Company's accounts receivable from subsidiary JMC & Ford (Shanghai), SZFJ and GZFJ were RMB529,737,786, RMB1,385,321,982 and RMB6,960,300 (31 December 2024: RMB1,453,456,415, RMB767,264,410, and RMB6,960,300). The Company has individually assessed the receivable from JMC & Ford (Shanghai), a subsidiary, and recognized an impairment loss of RMB475,748,270 based on its evaluation of credit risk.

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15 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 31 December 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 RMB64,924,598 (31 December 2024: RMB66,796,993), which was included in the reversal of profit or loss of RMB1,872,395 (2024: Return to RMB5,433,007).

(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:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	114,439,713	0.02%	22,651
Overdue for 1 to 30 days	-	-	-
Overdue for 31 to 60 days	2,549,619	2.18%	55,521
Overdue for 61 to 90 days	-	-	-
Overdue over 90 days	2,058,700	9.18%	188,989
	<u>119,048,032</u>		<u>267,161</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:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	4,538,555,702	0.20%	9,077,111

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15 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:

	31 December 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:

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL (%)	Amount
Not overdue	160,521,184	0.30%	481,564
Overdue for 1 to 30 days	5,892,457	0.30%	17,677
Overdue for 31 to 60 days	1,349,957	0.50%	6,750
Overdue for 61 to 90 days	481,041	0.60%	2,886
Overdue over 90 days	2,319,001	5.00%	115,950
	<u>170,563,640</u>		<u>624,827</u>

	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
	<u>228,390,512</u>		<u>767,010</u>

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

(1) Accounts receivable (Cont'd)

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

(iii) The provision for bad debts was RMB477,068,895 this year.

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

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

(2) Other receivables

	31 December 2025	31 December 2024
Receivables from land acquisition and storage	79,807,336	-
Gas and electricity bills	21,112,025	18,531,901
Receivables from JMCH	14,767,717	14,542,410
Import working capital	5,000,000	3,900,523
Receivables from Jiangling Ford (Shanghai)	-	89,250,000
Others	14,363,159	18,612,697
	<u>135,050,237</u>	<u>144,837,531</u>
Less: Provision for bad debts	<u>(143,653)</u>	<u>(220,324)</u>
	<u>134,906,584</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:

	31 December 2025	31 December 2024
Within 1 year	125,074,373	131,654,349
Over 1 year	9,975,864	13,183,182
	<u>135,050,237</u>	<u>144,837,531</u>

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(All amounts in RMB Yuan unless otherwise stated)
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15 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:

	31 December 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Provision ratio
Provision for bad debts on the individual basis (i)	94,575,053	70%	-	0.00%
Provision for bad debts on the grouping basis (ii)	40,475,184	30%	143,653	0.35%
	<u>135,050,237</u>	<u>100%</u>	<u>143,653</u>	<u>0.11%</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)	105,089,777	73%	-	-
Provision for bad debts on the grouping basis (ii)	39,747,754	27%	220,324	0.55%
	<u>144,837,531</u>	<u>100%</u>	<u>220,324</u>	<u>0.15%</u>

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15 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				Total
	12-month ECL (grouping)		12-month ECL (individual)		
	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/(decrease) in the current year	727,430	-	(10,514,724)	-	-
Bad debt provision increased in the current year	-	(76,671)	-	-	(76,671)
31 December 2025	40,475,184	143,653	94,575,053	-	143,653

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

	31 December 2025			31 December 2024		
	Book balance	12-month ECL rates	Provision for bad debts	Book balance	12-month ECL rates	Provision for bad debts
Stage 1						
Receivables from land acquisition and storage	79,807,336	-	-	-	-	-
Receivables from JMCH	14,767,717	-	-	14,542,410	-	-
Receivables from Jiangling Ford (Shanghai)	-	-	-	89,250,000	-	-
Receivables from refund of social insurance	-	-	-	1,297,367	-	-
	94,575,053	-	-	105,089,777	-	-

The Company assessed the receivables from refund of social insurance individually and based on the judgment of credit risk, the receivables were not subject to significant credit risk and were not overdue and impaired.

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15 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 31 December 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 31 December 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	21,112,025	0.30%	63,082	ECL
Import working capital	5,000,000	0.30%	14,940	ECL
Others	<u>14,363,159</u>	0.46%	<u>65,631</u>	ECL
	<u>40,475,184</u>		<u>143,653</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	<u>17,315,330</u>	0.63%	<u>109,791</u>	ECL
	<u>39,747,754</u>		<u>220,324</u>	

(c) The reversed provision for bad debts in the current year amounted to RMB76,671.

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

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

(2) Other receivables (Cont'd)

(e) As at 31 December 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	land compensation and reserve fund	79,807,336	within 1 year	59%	-
Company 2	Electricity bills	16,993,000	within 1 year	13%	50,774
Company 3	Accounts receivable from subsidiaries	14,767,717	More than 1 year	11%	-
Company 4	Import working capital etc.	8,678,667	within 1 year	6%	25,931
Company 5	Gas bills	4,119,025	within 1 year	3%	12,307
		<u>124,365,745</u>		<u>92%</u>	<u>89,012</u>

(3) Long-term equity investments

	31 December 2025	31 December 2024
Subsidiaries (a)	3,646,975,223	2,858,943,493
Associates (b)	198,792,911	214,449,021
	<u>3,845,768,134</u>	<u>3,073,392,514</u>
Less: Provision for impairment of long-term equity investments for subsidiaries	(3,191,472,283)	(2,301,440,553)
Provision for impairment of long-term equity investments for associates	-	-
	<u>(3,191,472,283)</u>	<u>(2,301,440,553)</u>
	<u>654,295,851</u>	<u>771,951,961</u>

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

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

(a) Subsidiaries

	Movements for the current year		31 December 2025	Ending balance of provision for impairment	Cash dividends declared this year	31 December 2025 Carrying amount
	31 December 2024	Additional investments				
	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
GZPJ	10,000,000	-	10,000,000	-	-	10,000,000
Jiangling Ford (Shanghai)	102,000,000	788,031,730	890,031,730	(890,031,730)	-	-
	<u>2,858,943,493</u>	<u>788,031,730</u>	<u>3,646,975,223</u>	<u>(3,191,472,283)</u>	<u>-</u>	<u>455,502,940</u>

(b) Associates

	Movements for the current year					31 December 2025	Shareholding (%)	Voting rights (%)	Impairment provision	
	31 December 2024	Increase in the current year	Share of net profit/(loss) under equity method	Cash dividends declared	Provision for impairment				31 December 2025	31 December 2024
The Power Company Hanon Systems	189,544,236	-	(17,376,724)	-	-	172,167,512	40.00%	40.00%	-	-
	<u>24,904,785</u>	<u>-</u>	<u>1,720,614</u>	<u>-</u>	<u>-</u>	<u>26,625,399</u>	<u>19.15%</u>	<u>33.33%</u>	<u>-</u>	<u>-</u>
Total	<u>214,449,021</u>	<u>-</u>	<u>(15,656,110)</u>	<u>-</u>	<u>-</u>	<u>198,792,911</u>			<u>-</u>	<u>-</u>

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

(4) Revenue and cost of sales

(a) Revenue and cost of sales

	2025		2024	
	revenue	cost	revenue	cost
Main operations	36,764,702,071	32,649,840,174	36,161,828,891	31,639,833,312
Other operations	1,094,182,455	657,139,123	1,775,252,124	826,412,561
	<u>37,858,884,526</u>	<u>33,306,979,297</u>	<u>37,937,081,015</u>	<u>32,466,245,873</u>

(b) The breakdown of revenue

	2025			
	Automobiles	Materials and parts	Automobile maintenance services, etc.	Total
Recognised at a time point	35,216,528,393	1,889,083,506	-	37,105,611,899
Recognised within a certain period	-	-	753,272,627	753,272,627
	<u>35,216,528,393</u>	<u>1,889,083,506</u>	<u>753,272,627</u>	<u>37,858,884,526</u>
	2024			
	Automobiles	Materials and parts	Automobile maintenance services, etc.	Total
Recognised at a time point	34,578,883,303	2,287,309,696	-	36,866,192,999
Recognised within a certain period	-	-	1,070,888,016	1,070,888,016
	<u>34,578,883,303</u>	<u>2,287,309,696</u>	<u>1,070,888,016</u>	<u>37,937,081,015</u>

As of 31 December 2025, the revenue corresponding to the performance obligations that the company has signed but has not yet fulfilled or completed is RMB202,425,00, and is expected to recognize it as operating income in 2026.

(5) Investment income

	2025	2024
Investment gain from forward exchange settlement	10,128,966	5,237,734
Losses on discount of financing receivables eligible for derecognition	(2,378,058)	(110,250)
Losses on long-term equity investments under equity method	(15,656,110)	(10,363,917)
	<u>(7,905,202)</u>	<u>(5,236,433)</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
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(All amounts in RMB Yuan unless otherwise stated)
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1 Statement of non-recurring profit or loss for 2025

	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	464,318,284	184,409,745
Gains or losses on disposal of non-current assets	59,557,455	665,549
Fund occupation fees received from non-financial institutions	2,474,558	4,766,151
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	2,982,859	22,603,584
Net amount of other non-operating income and expenses	1,793,470	(2,284,867)
Reversal of impairment charges for receivables that are tested separately for impairment	1,872,395	5,433,007
One-off expenses incurred due to discontinuation of related business activities	(9,707,120)	(2,060,316)
	<u>523,291,901</u>	<u>213,532,853</u>
Effect of income tax	(79,541,777)	(33,377,674)
Effect of gains or losses on minority interests (net of tax)	2,870,761	654,760
	<u>446,620,885</u>	<u>180,809,939</u>

(1) Basis for preparation of statement of non-recurring profit or loss for 2025

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
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(All amounts in RMB Yuan unless otherwise stated)

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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	
	2025	2024	2025	2024	2025	2024
Net profit attributable to ordinary shareholders of the Company	10.34%	14.20%	1.38	1.78	1.38	1.78
Net profit attributable to ordinary shareholders of the Company, net of non-recurring profit or loss	6.45%	12.53%	0.86	1.57	0.86	1.57