

Share's name: Jiangling Motors Share's code: 000550 No.: 2019-055
Jiangling B 200550

Jiangling Motors Corporation, Ltd. 2019 Third Quarter Report

§1 Important Note

- 1.1 The Board of Directors and its members, the Supervisory Board and its members, and the senior executives are jointly and severally liable for the truthfulness, accuracy and completeness of the information disclosed in the Report, and confirm that the information disclosed herein does not contain any false statement, misrepresentation or major omission.
- 1.2 All Directors were present at the Board meeting in person.
- 1.3 Chairman Qiu Tiangao, CFO Li Weihua and Chief of Finance Department, Xie Wanzhao, confirm that the financial statements in this Quarterly Report are truthful, accurate and complete.
- 1.4 All financial data in this Quarterly Report are prepared under International Financial Reporting Standards ('IFRS') unless otherwise specified.

§2 Brief Introduction

2.1 Main accounting data and financial indicators

Unit: RMB'000

	At the end of reporting period	At the end of the previous year	Change (%)	
Total Assets	22,840,343	23,396,529	-2.38%	
Shareholder's equity Attributable to the Equity Holders of the Company	10,507,642	10,384,498	1.19%	
	Reporting period (2019 third quarter)	YoY Change (%)	Beginning of year to end of reporting period	YoY Change (%)
Revenue	6,686,321	13.28%	20,408,275	1.08%
Profit Attributable to the Equity Holders of the Company	98,811	198.65%	157,673	-27.93%
Net Cash Generated From Operating Activities	-	-	1,283,215	156.06%
Basic Earnings Per Share (RMB)	0.11	198.65%	0.18	-27.93%
Diluted Earnings Per Share (RMB)	0.11	198.65%	0.18	-27.93%
Weighted Average Return on Net Asset Ratio (%)	0.95%	Increase 1.84 percentage point	1.51%	Down 0.43 percentage points

2.2 Total number of shareholders and top ten shareholders at the end of reporting period

2.2.1 Total number of shareholders and top ten shareholders

Total shareholders	JMC had 23,713 shareholders as of September 30, 2019, including 18,476 A-share holders and 5,237 B-share holders.				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares as of September 30, 2017	Shares with Trading Restriction	Shares due to mortgage or frozen
Nanchang Jiangling Investment Co., Ltd.	State-owned legal person	41.03	354,176,000	0	0
Ford Motor Company	Foreign legal person	32.00	276,228,394	0	0
China Securities Corporation Limited	Domestic non-state-owned legal person	2.72	23,458,066	0	0
Shanghai Automotive Co., Ltd.	State-owned Legal person	1.51	13,019,610	0	0

Harvest Environmental Protection Low Carbon Stock Investment Fund	Other	0.98	8,465,988	0	0
National Social Security Fund 602 Portfolio	Other	0.91	7,851,964	0	0
Central Huijin Investment Ltd.	State-owned Legal person	0.83	7,186,600	0	0
GAOLING FUND, L.P.	Foreign legal person	0.63	5,453,086	0	0
National Social Security Fund 504 Portfolio	Other	0.61	5,250,455	0	0
JPMBSA RE FTIF TEMPLETON CHINA FUND GTI 5497	Foreign legal person	0.61	5,239,550	0	0
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	
China Securities Corporation Limited		23,458,066		A share	
Shanghai Automotive Co., Ltd.		13,019,610		A share	
Harvest Environmental Protection Low Carbon Stock Investment Fund		8,465,988		A share	
National Social Security Fund 602 Portfolio		7,851,964		A share	
Central Huijin Investment Ltd.		7,186,600		B share	
GAOLING FUND, L.P.		5,453,086		B share	
National Social Security Fund 504 Portfolio		5,250,455		B share	
JPMBSA RE FTIF TEMPLETON CHINA FUND GTI 5497		5,239,550		B share	
Notes on association among above-mentioned shareholders		None.			

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

Yes No

There was no Stock buy-back of top ten shareholders or top ten shareholders holding unlimited tradable shares in the reporting period.

2.2.2 Total number of shareholders holding preferred shares and top ten shareholders holding preferred shares

Applicable Not Applicable

§3 Major Events

3.1 Causes and explanations of major changes of financial indicators compared with those of previous reporting period

Applicable Not Applicable

In the first three quarters of 2019, JMC sold 202,201 vehicles in total, down 0.89%, compared with the same period last year; including 67,371 trucks, 40,391 pickups, 38,697 SUVs, 50,971 light buses and 4,771 CKDs. Revenue and net profit during the reporting period were RMB 20,408 million and RMB 158 million, increase 1.08% and decrease 27.93% respectively compared with the same period last year.

Distribution costs in the first three quarters of 2019 increased by RMB 362 million, up 49.11% from the same period last year, primarily reflecting the expense increase for Territory launch.

Other income in the first three quarters of 2019 increased by RMB 56 million, up 30.02% from the same period last year, primarily reflecting the increase of government subsidy.

Profit before income tax in the first three quarters of 2019 decreased by RMB 89 million, down 47.37% from the same period last year, primarily reflecting the change of sales structure and investment on new product, technology and regulation.

Net cash inflow from operating activities in the first three quarters of 2019 increased by RMB 3,572 million, up 156.06% from the same period last year, primarily reflecting the payment to suppliers decrease.

Net cash outflow from investing activities in the first three quarters of 2019 increased by RMB 341 million, up 47.50% from the same period last year, primarily reflecting the investment increase of Fushan Plant.

Net cash outflow from financing activities in the first three quarters of 2019 decreased by RMB 2,245 million, down 98.48% from the same period last year, primarily reflecting payment of special dividend for the middle of 2017 paid in 2018.

Net increase in cash and cash equivalents at end of the first three quarters of 2019 increased by RMB 5,476 million, up 103.58% from the same period last year, primarily reflecting the net cash inflow from operating activities increase and payment of special dividend for the middle of 2017 paid in 2018.

3.2 Analysis of major events, their impacts and resolutions

Applicable Not Applicable

Progress of Share Repurchase

Applicable Not Applicable

Progress of the implementation of the centralized bidding method to reduce the share repurchases

Applicable Not Applicable

3.3 Commitments of the Company actual controlling party, the shareholders, the related parties, the acquirer, or the Company

Applicable Not Applicable

3.4 Forecast on 2019 operating performance

Warning and explanations as to the situation that accumulated net profit during the period from year beginning to the end of next reporting period may be negative or, compared with the same period last year, may have a substantial change

Applicable Not Applicable

3.5 Securities investment

Applicable Not Applicable

There was no securities investment during the reporting period.

3.6 Entrust asset management

Applicable Not Applicable

There was no entrust asset management during the reporting period.

3.7 Securities derivatives investment

Applicable Not Applicable

There was no securities derivatives investment during the reporting period.

3.8 External research and media interviews with the Company during the reporting period

Applicable Not Applicable

Date	Communication Method	Type of Object	Information Discussed and Materials offered
July 11,2019	On-the-spot research	Other	JMC Operating highlights
July 17,2019	On-the-spot research	Institution	JMC Operating highlights

3.8. Outside guarantee in breach of laws & regulations

Applicable Not Applicable

There was no outside guarantee in breach of laws & regulations during the reporting period.

3.9 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.

§4 Financial Statements

Jiangling Motors Corporation, Ltd. Consolidated Balance Sheet

(All amounts in RMB thousands unless otherwise stated)

	30 September 2019*	31 December 2018
Assets		
Non-current assets		
Property, plant and equipment	7,138,526	6,941,292
Lease prepayment	589,580	601,260
Intangible assets	309,278	246,026
Deferred income tax assets	800,631	743,096
Investments accounted for using the equity method	39,838	40,112
Total non-current assets	8,877,853	8,571,786
Current assets		
Inventories	2,096,766	2,522,354
Trade and other receivables and prepayments	3,886,791	4,678,284
Derivative financial instruments	-	979
Financial assets at fair value through other comprehensive income	155,087	6,246
Cash and cash equivalents	7,806,246	7,616,880
Restricted cash	17,600	-
Total current assets	13,962,490	14,824,743
Total assets	22,840,343	23,396,529

Jiangling Motors Corporation, Ltd.
Consolidated Balance Sheet (continued)
 (All amounts in RMB thousands unless otherwise stated)

	30 September 2019*	31 December 2018
Equity		
Share capital	863,214	863,214
Share premium	816,609	816,609
Other reserves	447,472	447,472
Retained earnings	8,380,347	8,257,203
Total equity	10,507,642	10,384,498
Liabilities		
Non-current liabilities		
Contract liabilities	59,948	38,382
Borrowings	3,474	3,595
Deferred income tax liabilities	25,506	26,024
Retirement benefit obligations	59,829	63,425
Provisions for statutory warranty	182,163	151,492
Other non-current liabilities	93,280	60,160
Total non-current liabilities	424,200	343,078
Current liabilities		
Trade and other payables	11,468,341	12,195,966
Contract liabilities	220,358	266,702
Current income tax liabilities	-	179
Borrowings	463	449
Derivative financial instruments	553	-
Retirement benefit obligations	4,595	4,595
Provisions for statutory warranty	214,191	201,062
Total current liabilities	11,908,501	12,668,953
Total liabilities	12,332,701	13,012,031
Total equity and liabilities	22,840,343	23,396,529

* Unaudited financial indexes

Jiangling Motors Corporation, Ltd. Consolidated Income Statement

(All amounts in RMB thousands unless otherwise stated)

	2019.7.1-2019.9.30*	2018.7.1-2018.9.30*	2019.1.1-2019.9.30*	2018.1.1-2018.9.30*
Revenue from contracts with customers	6,686,321	5,902,627	20,408,275	20,190,124
Taxes and surcharges	(173,476)	(151,333)	(542,451)	(520,125)
Cost of sales	(5,498,651)	(5,043,969)	(17,182,620)	(17,321,693)
Gross profit	1,014,194	707,325	2,683,204	2,348,306
Distribution costs	(393,404)	(284,296)	(1,099,279)	(737,230)
Administrative expenses	(594,892)	(619,009)	(1,869,477)	(1,757,539)
Net expected credit losses on financial assets	(725)	1,581	331	663
Net impairment losses on property, plant and equipment	-	-	(3,126)	(3,607)
Other income	8,152	(7,877)	243,757	187,483
Operating profit/(loss)	33,325	(202,276)	(44,590)	38,076
Finance income	55,591	45,499	148,356	152,153
Finance costs	(1,464)	(1,349)	(4,088)	(4,611)
Finance income -net	54,127	44,150	144,268	147,542
Share of profit of investments accounted for using the equity method	(608)	650	(274)	3,261
Profit before income tax	86,844	(157,476)	99,404	188,879
Income tax credit	11,967	57,312	58,269	29,908
Profit for the period	98,811	(100,164)	157,673	218,787
Profit attributable to:				
Shareholders of the Company	98,811	(100,164)	157,673	218,787
Total comprehensive income for the period	98,811	(100,164)	157,673	218,787
Total comprehensive income attributable to:				
Shareholders of the Company	98,811	(100,164)	157,673	218,787
Earnings per share for profit attributable to the shareholders of the Company for the period (expressed in RMB per share)				
- Basic and diluted	0.11	(0.12)	0.18	0.25

* Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated cash flow statement

(All amounts in RMB thousands unless otherwise stated)

	2019.1.1-2019.9.30*	2018.1.1-2018.9.30*
Cash flows from operating activities		
Cash generated from operations	1,283,538	(2,191,311)
Interest paid	(150)	(151)
Income tax paid	(173)	(97,410)
Net cash inflow/(outflow) from operating activities	1,283,215	(2,288,872)
Cash flows from investing activities		
Payment for property, plant and equipment ("PPE")	(1,242,287)	(869,822)
Purchase of financial assets at fair value through profit or loss	(6,500,000)	(6,703,000)
Other cash paid relating to investing activities	(10,205)	(15,447)
Proceeds from disposal of PPE	3,000	2,179
Proceeds from disposal of financial assets at fair value through profit or loss	6,500,000	6,703,000
Investment income from financial assets at fair value through profit or loss	31,185	14,195
Interest received	155,742	146,676
Other cash received from investing activities	3,463	4,169
Net cash outflow from investing activities	(1,059,102)	(718,050)
Cash flows from financing activities		
Repayments of borrowings	(220)	(207)
Dividends paid to shareholders of the Company	(34,508)	(2,278,417)
Other cash paid relating to financing activities	(19)	(1,260)
Net cash outflow from financing activities	(34,747)	(2,279,884)
Net increase/(decrease) in cash and cash equivalents	189,366	(5,286,806)
Cash and cash equivalents at beginning of year	7,616,880	11,137,723
Effects of exchange rate changes	-	-
Cash and cash equivalents at end of period	7,806,246	5,850,917

* Unaudited financial indexes

Board of Directors
 Jiangling Motors Corporation, Ltd.
 October 23, 2019