

Share's name: Jiangling Motors Share's code: 000550 No.: 2020-016
Jiangling B 200550

Jiangling Motors Corporation, Ltd. 2020 First 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 to review the 2020 First Quarter Report

1.3 Chairman Qiu Tiangao, CFO Li Weihua and Chief of Finance Department, Ding Ni, confirm that the financial statements in this Quarter Report are truthful, accurate and complete.

§2 Brief Introduction

2.1 Main accounting data and financial indicators

Unit: RMB

	Reporting period (2020 first quarter)	Same Period Last Year	YoY Change (%)
Revenue	4,619,180,560.00	6,506,385,533.00	-29.01%
Profit Attributable to the Equity Holders of the Company	69,462,263.00	25,158,175.00	176.10%
Net Cash Generated From Operating Activities	-3,209,160,716.00	-191,280,537.00	-1,577.72%
Basic Earnings Per Share (RMB)	0.08	0.03	176.10%
Diluted Earnings Per Share (RMB)	0.08	0.03	176.10%
Weighted Average Return on Net Asset Ratio (%)	0.66%	0.24%	0.42
	At the end of the reporting period	At the end of the previous year	Change (%)
Total Assets	22,331,500,602.00	24,298,528,593.00	-8.10%
Shareholder's equity Attributable to the Equity Holders of the Company	10,566,026,044.00	10,496,563,781.00	0.66%

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 28,908 shareholders as of March 31, 2020, including 23,340 A-share holders and 5,568 B-share holders.				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares as of March 31, 2020	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 persons	2.72	23,458,066	0	0
Shanghai Automotive Co., Ltd.	State-owned Legal person	1.51	13,019,610	0	0

Hong Kong Securities Clearing Company Ltd. (HKSCC)	Foreign legal person	0.96	8,277,549	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
INVESCO FUNDS SICAV	Foreign legal person	0.56	4,841,889	0	0
Yang Wenting	Domestic natural person	0.44	3,827,921	0	0
LSV EMERGING MARKETS EQUITY FUND, L.P.	Foreign legal person	0.35	2,996,400	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	
Hong Kong Securities Clearing Company Ltd. (HKSCC)		8,277,549		B share	
Central Huijin Investment Ltd.		7,186,600		A share	
GAOLING FUND, L.P.		5,453,086		B share	
INVESCO FUNDS SICAV		4,841,889		B share	
Yang Wenting		3,827,921		A share	
LSV EMERGING MARKETS EQUITY FUND, L.P.		2,996,400		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 on major changes of financial indicators of the reporting period

Applicable Not Applicable

In the first quarter of 2020, JMC sold 44,965 vehicles in total, decreased by 30.93% compared with the same period last year, including 16,828 JMC-brand light trucks, 7,841 JMC-brand pickups, 4,998 JMC-brand light buses, 4,530 SUVs, 10,464 Ford-brand commercial vehicles, and 304 heavy trucks. Revenue and net profit during the reporting period were RMB 4,619 million and RMB 69 million, decreased 29.01% and increased 176.10% respectively compared with the same period last year.

As of the end of the first quarter of 2020, compared with the end of the previous year, receivables financing decreased by RMB 91 million, down 31.49%, mainly reflecting the use of notes receivables to pay for goods and the decrease of notes receivables.

As of the end of the first quarter of 2020, compared with the end of the previous year, notes payable increased by RMB 62 million, up 196.23%, mainly reflecting the increase of payment for goods by using notes payable.

As of the end of the first quarter of 2020, compared with the end of the previous year, contract liabilities decreased by RMB 94 million, down 34.87%, mainly reflecting that the Company pre-charges the payment for vehicles, components and service, part of which has been categorized to operating revenue of the period.

As of the end of the first quarter of 2020, compared with the end of the previous year, tax payable decreased by RMB 181 million, down 91.27%, mainly reflecting the decrease of tax payable at the end of the period.

In the first quarter of 2020, compared with the same period last year, operating revenue decreased by RMB 1,887 million, down 29.01%; operating costs decreased by RMB 1,686 million, down 30.09%; tax and surcharges decreased by RMB 61 million, down 33.76%, mainly due to the decline of sales volume affected by the COVID-19 epidemic.

In the first quarter of 2020, compared with the same period last year,, selling expenses decreased by RMB 93 million, down 29.46%, mainly reflecting the decrease of sales expenses caused by the decrease of sales volume.

In the first quarter of 2020, compared with the same period last year, net profit increased by RMB 44 million, up 176.10%, mainly reflecting the continuous

promotion of cost reduction and efficiency improvement, and strict control of expenditure.

In the first quarter of 2020, compared with the same period last year, income tax expense increased by RMB 12 million, up 69%, mainly due to the profit increase of this period.

In the first quarter of 2020, compared with the same period last year, net cash flows from operating activities decreased by RMB 3,018 million, down 1577.72%, mainly due to the decrease in cash received from sales of goods due to the decrease in sales volume affected by the COVID-19 epidemic.

In the first quarter of 2020, compared with the same period last year, net cash flows from investing activities increased by RMB 374 million, up 38.16%, mainly due to the decrease in cash paid for the purchase and construction of fixed assets in the current period.

In the first quarter of 2020, compared with the same period last year, net cash flows from financing activities increased by RMB 1,291 million, mainly due to the new short-term borrowings.

In the first quarter of 2020, compared with the same period last year, the net increase in cash and cash equivalents decreased by RMB 1,353 million, down 115.35%, mainly reflecting the decrease of net cash flows from operating activities.

The Company plans to relocate the Plant located in Qingyunpu District, Nanchang City in 2020 and 2021, in which the light truck vehicle capacity will be relocated to the Company's Fushan factory, and the spare parts capacity will be relocated to the Company's Xiaolan factory. The relocation of the Qingyupu Plant will not have a substantial impact on the Company's operations in the short term. In the long term, the relocation of the Qingyupu Plant will enable the Company to achieve capacity optimization, efficiency improvement and technological upgrading of process equipments.

3.2 Analysis of major events, their impacts and resolutions

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 2020 first half-year 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 Entrusting financial management

Applicable Not Applicable

There was no entrusting financial 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

There was no external research or media interview with the Company during the reporting period.

3.9. Outside guarantee in breach of laws & regulations

Applicable Not Applicable

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

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

Applicable Not Applicable

§4 Financial Statements
Jiangling Motors Corporation, Ltd.

1. Consolidated Balance Sheet
March 31, 2020

(All amounts in RMB yuan unless otherwise stated)

Assets	31 March 2020 Consolidated*	31 December 2019 Consolidated
Current assets:		
Cash at bank and on hand	6,433,871,604.00	8,937,936,658.00
Transactional financial assets	500,263,889.00	0.00
Notes receivables	28,647,953.00	85,816,311.00
Accounts receivables	2,353,753,391.00	2,208,236,620.00
Receivables financing	198,031,412.00	289,044,373.00
Advances to suppliers	571,786,163.00	517,122,502.00
Other receivables	113,941,582.00	115,983,137.00
Inventories	1,950,239,266.00	1,946,869,092.00
Other current assets	1,113,395,586.00	973,426,066.00
Total current assets	13,263,930,846.00	15,074,434,759.00
Non-current assets:		
Long-term equity investments	38,350,022.00	40,934,557.00
Fixed assets	5,488,267,958.00	5,714,489,577.00
Construction in progress	1,504,856,501.00	1,498,124,778.00
Right-of-use asset	32,426,977.00	36,039,891.00
Intangible assets	924,201,291.00	948,755,845.00
Development costs	213,608,493.00	125,142,080.00
Deferred tax assets	865,858,514.00	860,607,106.00
Total non-current assets	9,067,569,756.00	9,224,093,834.00
Total assets	22,331,500,602.00	24,298,528,593.00
Current liabilities:		
Short-term borrowings	1,300,000,000.00	0.00
Derivative financial liabilities	1,143,139.00	545,632.00
Notes payables	93,017,506.00	31,400,000.00
Accounts payables	5,333,204,665.00	8,116,169,589.00
Contract liabilities	174,646,652.00	268,170,154.00
Employee benefits payable	372,805,571.00	385,547,290.00
Taxes payable	17,351,605.00	198,777,104.00
Other payables	3,826,280,059.00	4,145,266,838.00
Current portion of non-current liabilities	11,477,841.00	13,843,406.00
Other current liabilities	254,484,337.00	264,558,923.00
Total current liabilities	11,384,411,375.00	13,424,278,936.00
Non-current liabilities:		
Long-term borrowings	3,247,733.00	3,197,814.00

Lease liabilities	21,500,076.00	22,592,252.00
Long-term employee benefits payable	62,430,938.00	63,685,000.00
Provisions	165,436,773.00	166,687,460.00
Deferred income	35,169,460.00	34,389,578.00
Deferred tax liabilities	25,174,747.00	25,339,981.00
Other non-current liabilities	68,103,456.00	61,793,791.00
Total non-current liabilities	381,063,183.00	377,685,876.00
Total liabilities	11,765,474,558.00	13,801,964,812.00
Owners' equity:		
Share capital	863,214,000.00	863,214,000.00
Capital surplus	839,442,490.00	839,442,490.00
Other comprehensive income	-11,395,500.00	-11,395,500.00
Surplus reserve	431,607,000.00	431,607,000.00
Undistributed profits	8,443,158,054.00	8,373,695,791.00
Total equity attributable to equity owners of the Company	10,566,026,044.00	10,496,563,781.00
Minority interests	0.00	0.00
Total owners' equity	10,566,026,044.00	10,496,563,781.00
Total Liabilities and owners' equity	22,331,500,602.00	24,298,528,593.00

* Unaudited financial indexes

2. Balance Sheet

March 31, 2020

(All amounts in RMB yuan unless otherwise stated)

Assets	31 March 2020*	31 December 2019
Current assets:		
Cash at bank and on hand	6,022,967,158.00	8,677,928,946.00
Transactional financial assets	500,263,889.00	0.00
Notes receivables	439,553.00	20,792,000.00
Accounts receivables	744,624,899.00	865,928,297.00
Receivables financing	502,005,048.00	52,811,157.00
Advances to suppliers	559,018,837.00	504,562,617.00
Other receivables	3,261,772,220.00	3,118,317,705.00
Inventories	1,512,294,906.00	1,471,931,881.00
Other current assets	913,899,805.00	821,783,113.00
Total current assets	14,017,286,315.00	15,534,055,716.00
Non-current assets:		
Long-term equity investments	378,350,022.00	380,934,557.00
Fixed assets	4,267,303,111.00	4,462,909,152.00
Construction in progress	1,262,734,584.00	1,244,963,653.00
Right-of-use asset	30,250,876.00	33,138,423.00
Intangible assets	491,688,554.00	513,529,416.00
Development costs	188,085,970.00	100,271,663.00
Deferred tax assets	168,963,261.00	182,248,610.00
Total non-current assets	6,787,376,378.00	6,917,995,474.00
Total assets	20,804,662,693.00	22,452,051,190.00
Current liabilities:		
Short-term borrowings	1,300,000,000.00	0.00
Derivative financial liabilities	1,143,139.00	545,632.00
Notes payables	0.00	0.00
Accounts payables	5,214,005,826.00	7,908,815,398.00
Contract liabilities	639,942,602.00	77,585,490.00
Employee benefits payable	314,282,880.00	312,170,895.00
Taxes payable	14,865,281.00	119,431,418.00
Other payables	1,231,483,561.00	2,227,351,456.00
Current portion of non-current liabilities	10,304,104.00	11,500,358.00
Other current liabilities	88,451,094.00	13,333,551.00
Total current liabilities	8,814,478,487.00	10,670,734,198.00
Non-current liabilities:		
Long-term borrowings	3,247,733.00	3,197,814.00
Lease liabilities	21,500,076.00	22,592,252.00

Long-term employee benefits payable	62,130,938.00	63,385,000.00
Provisions	0.00	0.00
Deferred income	35,169,460.00	34,389,578.00
Deferred tax liabilities	0.00	0.00
Other non-current liabilities	57,254,542.00	50,930,075.00
Total non-current liabilities	179,302,749.00	174,494,719.00
Total liabilities	8,993,781,236.00	10,845,228,917.00
Owners' equity:		
Share capital	863,214,000.00	863,214,000.00
Capital surplus	839,442,490.00	839,442,490.00
Other comprehensive income	-11,616,750.00	-11,616,750.00
Surplus reserve	431,607,000.00	431,607,000.00
Undistributed profits	9,688,234,717.00	9,484,175,533.00
Total owners' equity	11,810,881,457.00	11,606,822,273.00
Total Liabilities and owners' equity	20,804,662,693.00	22,452,051,190.00

* Unaudited financial indexes

3. Consolidated Income Statement 2020 First Quarter

(All amounts in RMB yuan unless otherwise stated)

Item	2020 First Quarter*	2019 First Quarter*
Gross revenue	4,619,180,560.00	6,506,385,533.00
Revenue	4,619,180,560.00	6,506,385,533.00
Total operating costs	4,733,559,021.00	6,613,067,438.00
Less: Cost of sales	3,916,066,861.00	5,601,573,530.00
Taxes and surcharges	119,070,398.00	179,764,943.00
Selling expenses	222,716,861.00	315,747,801.00
General and administrative expenses	206,161,298.00	195,174,150.00
Research and development expenses	302,062,331.00	359,954,694.00
Financial expenses	-32,518,728.00	-39,147,680.00
Including: Interest expenses	7,794,430.00	53,320.00
Interest income	44,097,975.00	30,792,516.00
Add: Other income	164,739,694.00	12,152,205.00
Investment income	14,432,960.00	1,685,201.00
Including: Share of profit of associates and joint ventures	-2,584,535.00	-59,981.00
Profit arising from changes in fair value	-333,618.00	-4,118,513.00
Credit impairment losses	1,170,214.00	696,662.00
Gains on disposals of assets	0.00	-168,326.00
Operating profit	65,630,789.00	-96,434,676.00
Add: Non-operating income	1,293,229.00	106,321,760.00
Less: Non-operating expenses	2,951,304.00	2,434,977.00
Total profit	63,972,714.00	7,452,107.00
Less: Income tax expenses	-5,489,549.00	-17,706,068.00
Net profit	69,462,263.00	25,158,175.00
Classified by continuity of operations		
Net profit from continuing operations	69,462,263.00	25,158,175.00
Net profit from discontinued operations	0.00	0.00
Classified by ownership of the equity		
Minority interests	0.00	0.00
Attributable to equity owners of the Company	69,462,263.00	25,158,175.00
Other comprehensive income, net of tax		
Attributable to equity owners of the Company		
Other comprehensive income that will not be reclassified to profit or loss		
Changes arising from remeasurement of net liability or net asset of defined benefit plan	0.00	0.00
Attributable to minority interests		
Total comprehensive income	69,462,263.00	25,158,175.00
Attributable to equity owners of the Company	69,462,263.00	25,158,175.00

Attributable to minority interests	0.00	0.00
Earnings per share:		
Basic earnings per share(RMB Yuan)	0.08	0.03
Diluted earnings per share(RMB Yuan)	0.08	0.03

*: Unaudited financial indexes

4. Income Statement 2020 First Quarter

(All amounts in RMB yuan unless otherwise stated)

Item	2020 First Quarter*	2019 First Quarter*
Revenue	4,333,342,232.00	6,118,634,036.00
Less: Cost of sales	3,704,459,354.00	5,392,813,061.00
Taxes and surcharges	115,847,718.00	170,418,716.00
Selling expenses	50,117,476.00	51,967,675.00
General and administrative expenses	157,935,401.00	172,130,185.00
Research and development expenses	285,055,315.00	326,489,952.00
Financial expenses	-40,519,132.00	-49,720,573.00
Including: Interest expenses	6,283,846.00	53,320.00
Interest income	49,953,979.00	40,459,850.00
Add: Other income	144,689,694.00	12,152,205.00
Investment income	14,432,960.00	1,685,201.00
Including: Share of profit of associates and joint ventures	-2,584,535.00	-59,981.00
Profit arising from changes in fair value	-333,618.00	-4,118,513.00
Credit impairment losses	-44,746.00	766,306.00
Gains on disposals of assets	0.00	-168,326.00
Operating profit	219,190,390.00	64,851,893.00
Add: Non-operating income	1,050,062.00	106,288,499.00
Less: Non-operating expenses	2,951,304.00	2,077,131.00
Total profit	217,289,148.00	169,063,261.00
Less: Income tax expenses	13,229,964.00	1,378,988.00
Net profit	204,059,184.00	167,684,273.00
Net profit from continuing operations	204,059,184.00	167,684,273.00
Net profit from discontinued operations	0.00	0.00
Other comprehensive income, net of tax		
Other comprehensive income that will not be reclassified to profit or loss		
Changes arising from remeasurement of net liability or net asset of defined benefit plan		
Total comprehensive income	204,059,184.00	167,684,273.00
Earnings per share		
Basic earnings per share(RMB Yuan)	-	-
Diluted earnings per share(RMB Yuan)	-	-

*: Unaudited financial indexes

5. Consolidated Cash Flow Statement 2020 First Quarter

(All amounts in RMB yuan unless otherwise stated)

Item	2020 First Quarter*	2019 First Quarter*
Cash flows from operating activities		
Cash received from sales of goods or rendering of services	4,817,652,267.00	7,191,549,667.00
Cash received relating to other operating activities	184,047,095.00	141,826,664.00
Sub-total of cash inflows	5,001,699,362.00	7,333,376,331.00
Cash paid for goods and services	6,499,939,751.00	5,817,453,366.00
Cash paid to and on behalf of employees	562,630,851.00	632,414,595.00
Payments of taxes and surcharges	499,921,086.00	417,049,821.00
Cash paid relating to other operating activities	648,368,390.00	657,739,086.00
Sub-total of cash outflows	8,210,860,078.00	7,524,656,868.00
Net cash flows from operating activities	-3,209,160,716.00	-191,280,537.00
Cash flows from investing activities:		
Cash received from disposal of investments	2,495,000,000.00	3,300,000,000.00
Cash received from returns on investments	17,810,966.00	5,739,140.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	29,348.00	232,000.00
Cash received relating to other investing activities	57,061,634.00	24,258,591.00
Sub-total of cash inflows	2,569,901,948.00	3,330,229,731.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	180,512,371.00	406,146,314.00
Cash paid to acquire investments	2,995,000,000.00	3,900,000,000.00
Cash paid relating to other investing activities	1,194,271.00	5,298,068.00
Sub-total of cash outflows	3,176,706,642.00	4,311,444,382.00
Net cash flows from investing activities	-606,804,694.00	-981,214,651.00
Cash flows from financing activities:		
Cash received from borrowings	1,300,000,000.00	0.00
Sub-total of cash inflows	1,300,000,000.00	0.00
Cash payments for distribution of dividends, profits or interest expenses	7,228,323.00	120,000.00

Cash payments relating to other financing activities	1,987,321.00	0.00
Sub-total of cash outflows	9,215,644.00	120,000.00
Net cash flows from financing activities	1,290,784,356.00	-120,000.00
Effect of foreign exchange rate changes on cash and cash equivalents	0.00	0.00
Net increase in cash and cash equivalents	-2,525,181,054.00	-1,172,615,188.00
Add: Cash and cash equivalents at beginning of year	8,937,936,658.00	7,616,879,976.00
Cash and cash equivalents at end of period	6,412,755,604.00	6,444,264,788.00

* Unaudited financial indexes

6. Cash Flow Statement 2020 First Quarter

(All amounts in RMB yuan unless otherwise stated)

Item	2020 First Quarter*	2019 First Quarter*
Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	4,179,929,582.00	7,110,414,995.00
Cash received relating to other operating	154,864,705.00	134,836,625.00
Sub-total of cash inflows	4,334,794,287.00	7,245,251,620.00
Cash paid for goods and services	6,315,563,976.00	5,609,177,481.00
Cash paid to and on behalf of employees	492,904,237.00	550,535,294.00
Payments of taxes and surcharges	370,835,212.00	331,586,876.00
Cash paid relating to other operating activities	443,825,017.00	376,500,710.00
Sub-total of cash outflows	7,623,128,442.00	6,867,800,361.00
Net cash flows from operating activities	-3,288,334,155.00	377,451,259.00
Cash flows from investing activities:		
Cash received from disposal of investments	5,262,976,131.00	5,164,000,000.00
Cash received from returns on investments	17,810,966.00	5,739,140.00
Net cash received from disposal of fixed assets,	29,348.00	232,000.00
Cash received relating to other investing	131,041,185.00	77,394,341.00
Sub-total of cash inflows	5,411,857,630.00	5,247,365,481.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	175,210,700.00	385,263,733.00
Cash paid to acquire investments	5,894,976,131.00	5,909,000,000.00
Cash paid relating to other investing activities	1,194,272.00	5,298,068.00
Sub-total of cash outflows	6,071,381,103.00	6,299,561,801.00
Net cash flows from investing activities	-659,523,473.00	-1,052,196,320.00
Cash flows from financing activities:		
Cash received from borrowings	1,300,000,000.00	0.00
Sub-total of cash inflows	1,300,000,000.00	0.00
Cash payments for distribution of dividends, profits or interest expenses	5,745,081.00	120,000.00
Cash payments relating to other financing	1,359,079.00	0.00
Sub-total of cash outflows	7,104,160.00	120,000.00
Net cash flows from financing activities	1,292,895,840.00	-120,000.00
Effect of foreign exchange rate changes on cash and cash equivalents	0.00	0.00

Net increase in cash and cash equivalents	-2,654,961,788.00	-674,865,061.00
Add: Cash and cash equivalents at beginning of	8,677,928,946.00	6,244,682,576.00
Cash and cash equivalents at end of period	6,022,967,158.00	5,569,817,515.00

*: Unaudited financial indexes

Board of Directors
Jiangling Motors Corporation, Ltd.
April 27, 2020