

Stock Code: 000505, 200505

Stock Name: JLKG, JL-B

Announcement No. 2022-043

## HAINAN JINGLIANG HOLDINGS CO., LTD.

### FIRST QUARTERLY REPORT 2022

**Hainan Jingliang Holdings Co., Ltd. (hereinafter referred to as the “Company”) and all the members of the Company’s Board of Directors hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions.**

#### Important Notes:

1. The Board of Directors, the Supervisory Committee as well as the directors, supervisors and senior management of the Company hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions, and collectively and individually accept legal responsibility for such contents.
2. The Company’s legal representative, head for financial affairs, and head of the financial department (equivalent to financial manager) hereby guarantee that the financial statements carried in this Report are true, accurate and complete.
3. Indicate whether the financial statements in this Report have been audited by an independent auditor.

Yes  No

#### I Key Financial Information

##### (I) Key Accounting Data and Financial Indicators

Indicate whether there is any retrospectively restated datum in the table below.

Yes  No

	Q1 2022	Q1 2021	YoY change (%)
Operating revenue (RMB)	3,024,441,143.44	2,338,783,061.35	29.32%
Net profit attributable to the listed company’s shareholders (RMB)	36,992,676.25	36,585,077.36	1.11%
Net profit attributable to the listed company’s shareholders before exceptional gains and losses (RMB)	36,436,748.65	32,694,567.66	11.45%
Net cash generated from/used in operating activities (RMB)	-193,652,734.08	274,757,224.16	-170.48%
Basic earnings per share (RMB/share)	0.05	0.05	0.00%
Diluted earnings per share (RMB/share)	0.05	0.05	0.00%
Weighted average return on equity (%)	1.26%	1.34%	-0.08%
	31 March 2022	31 December 2021	Change (%)

Total assets (RMB)	6,224,379,657.33	6,046,600,058.90	2.94%
Equity attributable to the listed company's shareholders (RMB)	2,952,775,710.84	2,915,802,291.05	1.27%

**(II) Exceptional Gains and Losses**

Applicable  Not applicable

Unit: RMB

Item	Q1 2022	Note
Government grants through profit or loss (exclusive of government grants continuously given in the Company's ordinary course of business at fixed quotas or amounts as per the government's policies and standards)	393,224.15	
Gain or loss on fair-value changes on held-for-trading financial assets and liabilities & income from disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	227,979.72	
Non-operating income and expense other than the above	147,654.85	
Less: Income tax effects	192,214.68	
Non-controlling interests effects (net of tax)	20,716.44	
Total	555,927.60	--

Other items that meet the definition of exceptional gain/loss:

Applicable  Not applicable

No such cases in the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable  Not applicable

No such cases in the Reporting Period.

**(III) Changes in Key Financial Statement Line Items and Explanation of why**

Applicable  Not applicable

1. Monetary assets increased primarily driven by the maturity of some investments in wealth management products and the increased advances from customers in the current period.

2. Prepayments increased primarily driven by the increased prepayments to suppliers as a result the purchases of oils and oilseeds at the end of the current period.

3. Construction in progress increased primarily driven by the production line automation project of subsidiary in the current period.

4. Derivative financial liabilities increased primarily driven by the changes in the fair value of hedging instruments in the current period.

5. Cost of sales increased primarily driven by the increased costs of raw materials as a result of market changes in the current period.

6. Net cash generated from operating activities decreased primarily driven by the increased purchase amount of oils and oilseeds such as soybean in the current period.

7. Net cash generated from investing activities increased primarily driven by the maturity of some investments in wealth management products in the current period.

8. Net cash generated from financing activities decreased primarily driven by higher repayments of bank loans in the current period.

## II Shareholder Information

### (I) Numbers of Ordinary Shareholders and Preference Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders at the period-end		94,397		Number of preferred shareholders with resumed voting rights at the period-end (if any)		0	
Top 10 shareholders							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Shares in pledge, marked or frozen		
					Status	Shares	
BEIJING GRAIN GROUP CO., LTD.	State-owned legal person	39.68%	288,439,561				
BEIJING STATE-OWNED CAPITAL OPERATION AND MANAGEMENT COMPANY LIMITED	State-owned legal person	6.67%	48,510,460				
WANG YUECHENG	Domestic natural person	5.66%	41,159,887	41,159,887			
LISHERYNZHANMING	Foreign natural person	0.60%	4,341,900				
BEIJING XIHE ELITE INVESTMENT CO., LTD.-XIHE AI STRATEGY NO.1 PRIVATE SECURITIES INVESTMENT FUND	Other	0.39%	2,861,318				
MEI JIANYING	Domestic natural person	0.36%	2,604,203				
AGRICULTURAL BANK OF CHINA LIMITED-SWS MU INTELLIGENT DRIVING STOCK SECURITIES INVESTMENT FUND	Other	0.34%	2,472,800				
ZHANG XIAOXIA	Domestic natural person	0.27%	1,949,250				
WANG XIAOXING	Domestic natural person	0.23%	1,679,200				
CITIC SECURITIES COMPANY LIMITED-TIANHONG CHINA SECURITIES FOOD AND BEVERAGE EXCHANGE TRADED	Other	0.19%	1,416,800				

FUND				
Top 10 unrestricted shareholders				
Name of shareholder	Unrestricted shares held	Shares by type		
		Type	Shares	
BEIJING GRAIN GROUP CO., LTD.	288,439,561	RMB-denominated ordinary stock	288,439,561	
BEIJING STATE-OWNED CAPITAL OPERATION AND MANAGEMENT COMPANY LIMITED	48,510,460	RMB-denominated ordinary stock	48,510,460	
LISHERYNZHANMING	4,341,900	Domestically listed foreign stock	4,341,900	
BEIJING XIHE ELITE INVESTMENT CO., LTD.-XIHE AI STRATEGY NO.1 PRIVATE SECURITIES INVESTMENT FUND	2,861,318	RMB-denominated ordinary stock	2,861,318	
MEI JIANYING	2,604,203	RMB-denominated ordinary stock	2,604,203	
AGRICULTURAL BANK OF CHINA LIMITED-SWS MU INTELLIGENT DRIVING STOCK SECURITIES INVESTMENT FUND	2,472,800	RMB-denominated ordinary stock	2,472,800	
ZHANG XIAOXIA	1,949,250	Domestically listed foreign stock	1,949,250	
WANG XIAOXING	1,679,200	RMB-denominated ordinary stock	1,679,200	
CITIC SECURITIES COMPANY LIMITED-TIANHONG CHINA SECURITIES FOOD AND BEVERAGE EXCHANGE TRADED FUND	1,416,800	RMB-denominated ordinary stock	1,416,800	
SHANGHAI RED WALL TAIHE FUND MANAGEMENT CO., LTD.-JINHU INCREASING INDEX PHASE IV PRIVATE INVESTMENT FUND	1,233,600	RMB-denominated ordinary stock	1,233,600	
Related or acting-in-concert parties among the shareholders above	① Beijing State-Owned Capital Operation and Management Company Limited owns 100% of Beijing Grain Group Co., Ltd., and Beijing Grain Group Co., Ltd. is the controlling shareholder of the Company (a 39.68% holding). ② Wang Yuecheng is a Deputy General Manager of the Company. Apart from the aforesaid, the Company does not know whether there are any other related parties or acting-in-concert parties among the top 10 shareholders.			
Top 10 shareholders engaged in securities margin trading (if any)	Shareholder Wang Xiaoxing held 1,679,200 shares in the Company through his account of collateral securities for margin trading in Soochow Securities Co., Ltd.			

## (II) Number of Preference Shareholders and Shareholdings of Top 10 of Them

Applicable  Not applicable

## III Other Significant Events

Applicable  Not applicable

1. On 14 January 2022, the Company received the CSRC's Notice on the First Feedback for Review of Administrative Permission Projects (No. 213494) issued by China Securities Regulatory Commission (hereinafter

referred to as “CSRC”). The Company actively and carefully checked the problems stipulated in the feedback and implemented them one by one with the relevant intermediary. On 12 February 2022, the Company disclosed the *Reply on the Feedback for the Application of Private Placement of Stocks by Hainan Jingliang Holdings Co., Ltd.*

2. In order to implement relevant work requirements of governing enterprises based on laws and further improve the Company’s legal construction level, the Company revised the relevant contents of the *Articles of Association* based on the actual legal work and the Company’s compliance management requirements. For more details, please refer to the *Announcement on Revising the Articles of Association by Hainan Jingliang Holdings Co., Ltd.* (No.: 2022-009) disclosed by the Company on 24 February 2022.

3. On 22 March 2022, the Company and Beijing Capital Agribusiness & Foods Group Co., Ltd. signed the *Supplementary Agreement of the Conditional Subscription Agreement*. Agreed by both parties, the number of this private placement of stocks was changed from not exceeding 105,633,802 shares to not exceeding 92,195,422 shares (inclusive) and the intended total raised fund through this private placement of stocks (including issuance expenses) was changed from RMB600 million to not exceeding RMB523.67 million (inclusive). The Company revised documents related to this private placement of stocks in accordance with the adjusted total amount of funds raised, the number of issues and other content. The private placement of stocks and related-party transactions are still subject to the approval of CSRC.

4. In order to build and improve the Company’s long-term incentive mechanism, attract and retain outstanding talents and fully mobilize the enthusiasm of core backbones, the Company disclosed the *Restricted Stock Incentive Plan in 2022 (Draft) and its Abstract by Hainan Jingliang Holdings Co., Ltd.* on 23 March 2022. The number of incentive objects to be granted for the first time is not more than 45, and the number of restricted shares to be granted is 7.21 million shares, accounting for about 0.99% of the Company’s total share capital. The plan still needs to be approved by the Company’s general meeting of shareholders. For more details, please refer to relevant announcements disclosed by the Company on 23 March 2022.

## IV Quarterly Financial Statements

### (I) Financial Statements

#### 1. Consolidated Balance Sheet

Prepared by Hainan Jingliang Holdings Co., Ltd.

31 March 2022

Unit: RMB

Item	31 March 2022	31 December 2021
Current assets:		
Monetary assets	721,400,323.02	507,144,668.45
Settlement reserve		
Loans to other banks and financial institutions		
Held-for-trading financial assets	20,000,000.00	40,377,048.08
Derivative financial assets		
Notes receivable		

Accounts receivable	70,691,097.80	82,694,094.62
Receivables financing		
Prepayments	287,678,238.76	87,803,762.15
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	291,315,569.58	284,756,636.27
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	1,745,367,023.26	1,903,372,572.18
Contract assets		
Assets held for sale		
Current portion of non-current assets	156,139,100.00	156,139,100.00
Other current assets	800,188,506.14	820,500,621.47
Total current assets	4,092,779,858.56	3,882,788,503.22
Non-current assets:		
Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	235,595,387.41	230,799,437.53
Investments in other equity instruments	20,000,000.00	20,000,000.00
Other non-current financial assets		
Investment property	20,911,592.77	20,925,683.56
Fixed assets	1,094,746,606.76	1,120,758,409.49
Construction in progress	15,075,786.27	11,220,840.10
Productive living assets		
Oil and gas assets		
Right-of-use assets	7,651,044.48	8,045,406.28
Intangible assets	336,733,564.12	339,970,477.87
Development costs		
Goodwill	191,394,422.51	191,394,422.51
Long-term prepaid expense	17,487,016.89	17,383,818.41
Deferred income tax assets	2,262,380.82	13,571,063.19
Other non-current assets	189,741,996.74	189,741,996.74
Total non-current assets	2,131,599,798.77	2,163,811,555.68
Total assets	6,224,379,657.33	6,046,600,058.90
Current liabilities:		
Short-term borrowings	1,009,268,752.12	1,521,669,601.35
Borrowings from the central bank		
Loans from other banks and financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities	115,457,898.63	70,305,871.37
Notes payable	487,228,166.27	0.00
Accounts payable	147,990,738.95	186,748,746.42

Advances from customers	1,376,416.48	996,173.41
Contract liabilities	615,316,089.75	520,816,995.93
Financial assets sold under repurchase agreements		
Customer deposits and deposits from other banks and financial institutions		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	18,724,912.42	42,130,650.49
Taxes and levies payable	48,218,431.20	104,347,852.69
Other payables	99,739,929.37	73,985,586.39
Including: Interest payable	21,082,795.47	21,082,795.47
Dividends payable	3,213,302.88	3,213,302.88
Fees and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	1,242,398.95	1,582,978.69
Other current liabilities	66,507,093.43	22,994,553.60
Total current liabilities	2,611,070,827.57	2,545,579,010.34
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	71,000,000.00	71,000,000.00
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	1,756,141.24	1,694,702.62
Long-term payables		
Long-term employee benefits payable	5,677,134.00	5,677,134.00
Provisions		
Deferred income	64,785,936.58	65,244,499.48
Deferred income tax liabilities	115,371,757.01	45,250,919.91
Other non-current liabilities		
Total non-current liabilities	258,590,968.83	188,867,256.01
Total liabilities	2,869,661,796.40	2,734,446,266.35
Owners' equity:		
Share capital	726,950,251.00	726,950,251.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	1,675,918,350.95	1,675,918,350.95
Less: Treasury stock		
Other comprehensive income	-701,538.68	-682,282.22
Specific reserve		
Surplus reserves	122,122,436.98	122,122,436.98
General reserve		
Retained earnings	428,486,210.59	391,493,534.34
Total equity attributable to owners of the Company as the parent	2,952,775,710.84	2,915,802,291.05
Non-controlling interests	401,942,150.09	396,351,501.50

Total owners' equity	3,354,717,860.93	3,312,153,792.55
Total liabilities and owners' equity	6,224,379,657.33	6,046,600,058.90

Legal representative: Wang Chunli

Head for financial affairs: Guan Ying

Head of the financial department: Liu Quanli

## 2. Consolidated Income Statement

Unit: RMB

Item	Q1 2022	Q1 2021
1. Revenues	3,024,441,143.44	2,338,783,061.35
Including: Operating revenue	3,024,441,143.44	2,338,783,061.35
Interest income		
Insurance premium income		
Fee and commission income		
2. Costs and expenses	3,012,615,529.48	2,333,218,041.73
Including: Cost of sales	2,914,408,603.03	2,226,013,163.78
Interest expense		
Fee and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and levies	6,413,981.99	5,955,781.15
Selling expense	37,678,412.70	48,411,864.19
Administrative expense	44,323,382.26	44,040,201.27
R&D expense	2,267,459.83	2,417,187.46
Finance costs	7,523,689.67	6,379,843.88
Including: Interest expense	8,818,262.01	8,671,148.55
Interest income	3,429,892.14	2,685,086.53
Add: Other income	2,423,270.98	3,012,534.83
Return on investment ("-" for loss)	5,018,549.94	4,619,547.66
Including: Share of profit or loss of joint ventures and associates	4,795,949.88	0.00
Income from the derecognition of financial assets at amortized cost ("-" for loss)		
Exchange gain ("-" for loss)		
Net gain on exposure hedges ("-" for loss)		
Gain on changes in fair value ("-" for loss)	41,070,955.32	47,688,252.08
Credit impairment loss ("-" for loss)	-600.00	0.00
Asset impairment loss ("-" for loss)		
Asset disposal income ("-" for loss)	0.00	-24,042.07
3. Operating profit ("-" for loss)	60,337,790.20	60,861,312.12
Add: Non-operating income	332,367.28	489,618.17
Less: Non-operating expense	184,982.43	151,256.17
4. Gross profit ("-" for loss)	60,485,175.05	61,199,674.12

Less: Income tax expense	17,901,850.21	19,094,319.28
5. Net profit (“-” for net loss)	42,583,324.84	42,105,354.84
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	42,583,324.84	42,105,354.84
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	36,992,676.25	36,585,077.36
5.2.1 Net profit attributable to non-controlling interests	5,590,648.59	5,520,277.48
6. Other comprehensive income, net of tax	-19,256.46	60,282.38
Attributable to owners of the Company as the parent	-19,256.46	60,282.38
6.1 Items that will not be reclassified to profit or loss		
6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments		
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss	-19,256.46	60,282.38
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Changes in the fair value of other debt investments		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for other debt investments		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	-19,256.46	60,282.38
6.2.7 Other		
Attributable to non-controlling interests		
7. Total comprehensive income	42,564,068.38	42,165,637.22
Attributable to owners of the Company as the parent	36,973,419.79	36,645,359.74
Attributable to non-controlling interests	5,590,648.59	5,520,277.48
8. Earnings per share		
8.1 Basic earnings per share	0.05	0.05
8.2 Diluted earnings per share	0.05	0.05

Where business combinations under common control occurred in the current period, the net profit achieved by the acquirees before the combinations was RMBXXX, with the amount for the same period of last year being RMBXXX.

Legal representative: Wang Chunli

Head for financial affairs: Guan Ying

Head of the financial department: Liu Quanli

### 3. Consolidated Cash Flow Statement

Unit: RMB

Item	Q1 2022	Q1 2021
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1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	3,490,873,470.89	2,723,222,764.35
Net increase in customer deposits and deposits from other banks and financial institutions		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, fees and commissions received		
Net increase in loans from other banks and financial institutions		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax and levy rebates	1,867,024.15	2,397,841.07
Cash generated from other operating activities	469,056,216.14	500,143,601.78
Subtotal of cash generated from operating activities	3,961,796,711.18	3,225,764,207.20
Payments for commodities and services	3,086,121,372.97	2,302,395,084.62
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and other banks and financial institutions		
Payments for claims on original insurance contracts		
Net increase in loans to other banks and financial institutions		
Interest, fees and commissions paid		
Policy dividends paid		
Cash paid to and for employees	98,831,197.02	92,696,571.12
Taxes and levies paid	75,217,482.59	68,496,499.66
Cash used in other operating activities	895,279,392.68	487,418,827.64
Subtotal of cash used in operating activities	4,155,449,445.26	2,951,006,983.04
Net cash generated from/used in operating activities	-193,652,734.08	274,757,224.16
2. Cash flows from investing activities:		
Proceeds from disinvestment	788,813,406.52	553,344,218.29
Return on investment	287,632.12	4,786,581.45
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	85,920.00	85,994.78
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	789,186,958.64	558,216,794.52
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	7,527,581.75	16,999,069.25
Payments for investments	325,100,000.00	510,000,000.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	332,627,581.75	526,999,069.25
Net cash generated from/used in investing activities	456,559,376.89	31,217,725.27
3. Cash flows from financing activities:		

Capital contributions received		
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings raised	1,703,236,552.54	921,639,571.50
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	1,703,236,552.54	921,639,571.50
Repayment of borrowings	1,736,260,054.46	908,547,195.60
Interest and dividends paid	15,417,654.47	16,299,326.30
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities		
Subtotal of cash used in financing activities	1,751,677,708.93	924,846,521.90
Net cash generated from/used in financing activities	-48,441,156.39	-3,206,950.40
4. Effect of foreign exchange rates changes on cash and cash equivalents	-41,138.79	38,441.99
5. Net increase in cash and cash equivalents	214,424,347.63	302,806,441.02
Add: Cash and cash equivalents, beginning of the period	506,928,810.69	334,389,017.41
6. Cash and cash equivalents, end of the period	721,353,158.32	637,195,458.43

## (II) Independent Auditor's Report

Indicate by tick mark whether the financial statements above have been audited by an independent auditor.

Yes  No

These financial statements have not been audited by such an auditor.

Hainan Jingliang Holdings Co., Ltd.

27 April 2022