

# **Chongqing Jianshe Vehicle System Co., Ltd.**

## **The First Quarterly Report 2020**

**2020-054**

**April 2020**

## 1 Important notes

The Board of Directors, the Supervisory Committee, the directors, the supervisors, and executives of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Quarterly Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Quarterly Report.

Other directors attending the Meeting for annual report deliberation except for the followed:

The name of director who did not attend the meeting in person	Title for absent director	Reasons for absent	The name of director who was authorized
Wang Jun	Independent director	Out of office	Li Dingqing

Mr. Lv Hongxian, The Company Leader, Mr.Tan Mingxian, Chief financial officer and the Ms.Niu Yanli, the person in charge of the accounting department (the person in charge of the accounting )hereby confirm the authenticity and completeness of the financial report enclosed in the report.

## II. Basic Information of the Company

### I. Main financial data and financial index

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

Yes  No

	This period	Same period of last year	Changes of this period over same period of last year (%)
Operation revenue (Yuan)	159,386,309.82	208,419,491.98	-23.53%
Net profit attributable to the shareholders of the listed company (Yuan)	-24,237,509.94	-15,704,995.56	54.33%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	-24,329,373.91	-15,991,228.39	52.14%
Net Cash flow generated by business operation (Yuan)	21,163,192.63	29,472,232.97	-28.19%
Basic earning per share(Yuan/Share)	-0.2030	-0.1316	54.26%
Diluted gains per share(Yuan/Share)(Yuan/Share)	-0.2030	-0.1316	54.26%
Net asset earning ratio (%)	-15.14%	-5.50%	-9.64%
	End of this period	End of last period	Changes of this period-end over same period-end of last year(%)
Gross assets (Yuan)	1,099,678,778.64	1,190,147,356.58	-7.60%
Net assets attributable to shareholders of the listed company (Yuan)	147,935,220.67	172,172,730.61	-14.08%

Items and amount of non-current gains and losses

Applicable  Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	13,663.97	

Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	78,200.00	
Total	91,863.97	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable  Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

## II. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

### 1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In shares

Total number of common shareholders at the period-end	7,696	Total preference shareholders with the voting power recovered at the end of the reporting period(if any)	0			
Shares held by the top 10 shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
China Military Equipment Group Co., Ltd.	State-owned legal person	71.13%	84,906,250	84,906,250		
Gu Zuocheng	Domestic natural person	1.89%	2,261,000	2,218,750		
Hengsheng Sun Group Co., Ltd.	Domestic non-state-owned legal person	1.47%	1,750,000	1,750,000	Freeze	1,750,000
Liu Dan	Domestic natural person	0.91%	1,083,251			
Xu Yuanhui	Domestic non-state-owned legal person	0.65%	777,889			
Yu Lingfeng	Overseas natural person	0.51%	612,921			
Chen Xinqiang	Domestic natural person	0.51%	612,400			
Zhang Meilan	Domestic non-state-owned legal person	0.43%	513,560			
Feng Yonghui	Domestic natural person	0.42%	500,000	500,000		
Li Jianping	Domestic non-state-owned legal person	0.36%	435,650			
Shares held by the Top 10 Shareholders of Non-restricted shares						
Shareholders' Names	Number of the non-restricted shares held	Share type				
		Share type	Quantity			

Liu Dan	1,083,251	Foreign shares placed in domestic exchange	1,083,251
Xu Yuanhui	777,889	Foreign shares placed in domestic exchange	777,889
Yu Lingfeng	612,921	Foreign shares placed in domestic exchange	612,921
Chen Xinqiang	612,400	Foreign shares placed in domestic exchange	612,400
Zhang Meilan	513,560	Foreign shares placed in domestic exchange	513,560
Li Jianping	435,650	Foreign shares placed in domestic exchange	435,650
CORE PACIFIC-YAMAICHI INTERNATIONAL (H.K.) LIMITED	434,650	Foreign shares placed in domestic exchange	434,650
Chen Houping	423,561	Foreign shares placed in domestic exchange	423,561
Liu Guosheng	345,575	Foreign shares placed in domestic exchange	345,575
Lv Gang	343,000	Foreign shares placed in domestic exchange	343,000
Explanation on associated relationship among the aforesaid shareholders	There isn't any associated relationship between the sponsoring shareholder and the other shareholders among the top-10 list. None of them are regarded as 'Acting in concert' in accordance with 'The rules of information disclosure on change of shareholding.' Foreign shareholders are unknown for their condition of 'Associated relationship' and 'Acting in concert'.		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

Yes  No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

2.Total number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period

Applicable  Not applicable

### III Significant Events

#### 1. Significant Issues I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

Applicable  Not applicable

During the reporting period, affected by the new coronavirus epidemic, the domestic automobile production and sales fell sharply. As an auto parts match-supply enterprise, the Company's sales of products fell 22.61% YOY, resulting in a loss for the Company's first quarter performance.

#### II. The progress of significant events and influence, as well as the analysis and explanation on resolving proposal.

Applicable  Not applicable

Progress in the implementation of share repurchase

Applicable  Not applicable

Progress in the implementation of the reduction of the repurchased shares by means of centralized bidding

Applicable  Not applicable

#### III. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period

Applicable  Not applicable

No such cases in the reporting period.

#### IV Securities investments

Applicable  Not applicable

No such cases in the Reporting Period

#### V. Entrusted Financial Management

Applicable  Not applicable

No such cases in the Reporting Period

#### VI. Investment in derivatives

Applicable  Not applicable

No such cases in the Reporting Period

**VII. Particulars about researches, visits and interviews received in this reporting period**√ Applicable  Not applicable

Reception time	Way of reception	Types of visitors	Basic index
March 20,2020	By phone	Individual	Q: Is the Company's first quarter results affected by the new coronavirus epidemic? Answer: The new coronavirus epidemic caused a decline in domestic automobile production and sales. As an auto parts match-supply enterprise, the new coronavirus epidemic has a certain impact on the Company's compressor production and sales in the first quarter, which is subject to disclosure in the Company's first quarter report.

**VIII. Illegal providing of external guarantees** Applicable  Not applicable

No illegal providing of external guarantees in the report period.

**IX. Controlling shareholder and its related parties occupying non-business capital of the listed company** Applicable  Not applicable

No such cases in the reporting period.



## IV. Financial Statement

### I. Financial statement

#### 1. Consolidated balance sheet

Prepared by: Chongqing Jianshe Vehicle System Co., Ltd.

March 31, 2020

In RMB

Items	March 31, 2020	December 31, 2019
Current asset :		
Monetary fund	97,842,931.30	154,613,734.94
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Derivative financial assets		
Notes receivable	58,604,305.96	23,412,900.18
Account receivable	180,891,913.47	231,648,218.97
Financing receivable		
Prepayments	8,910,497.59	10,076,917.93
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	5,752,335.99	3,439,028.39
Including: Interest receivable		
Dividend receivable		
Repurchasing of financial assets		
Inventories	138,459,429.34	146,318,458.60
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset	2,875,368.07	3,047,932.61
Total of current assets	493,336,781.72	572,557,191.62
Non-current assets:		
Loans and payment on other's behalf disbursed		

Creditor's Investment		
Other Creditor's Investment		
Long-term receivable		
Long term share equity investment	226,265,252.45	230,649,585.63
Other equity instruments investment		
Other non-current financial assets		
Property investment	23,936,012.87	71,928,994.28
Fixed assets	312,252,178.09	278,885,442.43
Construction in progress	9,514,417.63	3,858,269.05
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	22,658,918.53	22,823,384.71
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	6,087,000.47	6,060,931.98
Other non-current asset	5,628,216.88	3,383,556.88
Total of non-current assets	606,341,996.92	617,590,164.96
Total of assets	1,099,678,778.64	1,190,147,356.58
Current liabilities		
Short-term loans	449,990,000.00	422,280,000.00
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	228,545,000.00	330,644,075.95
Account payable	223,567,122.96	225,193,165.80
Advance receipts	2,228,822.44	1,117,423.35
Contract liabilities		
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		

Employees' wage payable	16,922,121.94	14,879,129.15
Tax payable	17,338,173.15	17,773,372.17
Other account payable	13,152,317.48	6,087,459.55
Including: Interest payable		
Dividend payable		
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year		
Other current liability		
Total of current liability	951,743,557.97	1,017,974,625.97
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities		
Total of liability	951,743,557.97	1,017,974,625.97
Owners' equity		
Share capital	119,375,000.00	119,375,000.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	958,575,094.29	958,575,094.29
Less: Shares in stock		

Other comprehensive income		
Special reserve		
Surplus reserves	125,686,000.00	125,686,000.00
Common risk provision		
Retained profit	-1,055,700,873.62	-1,031,463,363.68
Total of owner's equity belong to the parent company	147,935,220.67	172,172,730.61
Minority shareholders' equity		
Total of owners' equity	147,935,220.67	172,172,730.61
Total of liabilities and owners' equity	1,099,678,778.64	1,190,147,356.58

Legal Representative: Lv Hongxian    Person in charge of accounting: Tan Mingxian Accounting Dept Leader: Niu Yanli

## 2.Parent Company Balance Sheet

In RMB

Items	March 31, 2020	December 31, 2019
Current asset :		
Monetary fund	1,271,772.98	4,448,232.99
Transactional financial assets		
Derivative financial assets		
Notes receivable	10,000,000.00	16,320,000.00
Account receivable	1,270,592.91	1,184,945.81
Financing receivable		
Prepayments	5,238,954.02	5,428,338.82
Other account receivable	5,264,791.71	2,376,451.69
Including: Interest receivable		
Dividend receivable		
Inventories	1,759,665.31	1,446,434.47
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset		3,047,932.61
Total of current assets	24,805,776.93	34,252,336.39
Non-current assets:		
Creditor's right investment		

Other Creditor's right investment		
Long-term receivable		
Long term share equity investment	386,265,252.46	390,649,585.63
Other equity instruments investment		
Other non-current financial assets		
Property investment	23,936,012.87	71,928,994.28
Fixed assets	123,019,467.78	77,199,380.23
Construction in progress	166,386.41	166,386.41
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	14,485,072.96	14,589,584.29
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset		
Other non-current asset		
Total of non-current assets	547,872,192.48	554,533,930.84
Total of assets	572,677,969.41	588,786,267.23
Current liabilities		
Short-term loans		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	182,747,158.56	191,919,884.09
Advance receipts	343,572.38	200,823.38
Contract Liabilities		
Employees' wage payable	13,166,800.04	12,275,806.23
Tax payable	14,195,394.02	15,169,059.96
Other account payable	301,888,328.82	293,722,742.58
Including: Interest payable		
Dividend payable		
Liabilities held for sales		
Non-current liability due within 1 year		

Other current liability		
Total of current liability	512,341,253.82	513,288,316.24
Non-current liabilities:		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities		
Total of liability	512,341,253.82	513,288,316.24
Owners' equity		
Share capital	119,375,000.00	119,375,000.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	958,575,094.29	958,575,094.29
Less: Shares in stock		
Other comprehensive income		
Special reserve		
Surplus reserves	125,686,000.00	125,686,000.00
Retained profit	-1,143,299,378.70	-1,128,138,143.30
Total of owners' equity	60,336,715.59	75,497,950.99
Total of liabilities and owners' equity	572,677,969.41	588,786,267.23

### 3.Consolidated Income statement

In RMB

Items	Report period	Same period of the previous year
I. Income from the key business	159,386,309.82	208,419,491.98

Including: Business income	159,386,309.82	208,419,491.98
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	179,331,350.56	222,452,818.78
Including: Business cost	145,336,603.62	187,696,471.26
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net amount of withdrawal of insurance contract reserve		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	2,201,784.04	2,536,742.68
Sales expense	4,133,596.78	4,459,442.04
Administrative expense	17,510,484.48	20,307,711.48
R & D costs	3,114,978.09	3,296,251.21
Financial expenses	7,033,903.55	4,156,200.11
Including: Interest expense		5,151,406.45
Interest income		957,214.94
Add: Other income	78,200.00	
Investment gain ( "-"for loss )	-4,384,333.17	-1,752,567.83
Including: investment gains from affiliates	-4,384,333.17	-1,752,567.83
Termination of recognition of gains on financial assets at amortized cost		-1,752,567.83
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value		
Loss of credit impairment		
Impairment losses on assets		
Income on disposal of assets	13,663.97	
III. Operational profit ( "-"for loss )	-24,237,509.94	-15,785,894.63
Add : Non-operational income		286,232.83
Less: Non-operating expense		

IV. Total profit("-"for loss)	-24,237,509.94	-15,499,661.80
Less: Income tax expenses		205,333.76
V. Net profit	-24,237,509.94	-15,704,995.56
(I) Classification by business continuity		
1.Net continuing operating profit		
2.Termination of operating net profit		
(II) Classification by ownership		
Net profit attributable to the owners of parent company	-24,237,509.94	-15,704,995.56
Minority shareholders' equity		
VI. Net after-tax of other comprehensive income		
Net of profit of other comprehensive income attributable to owners of the parent company.		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company's credit risks		
5.Other		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		



6. Translation differences in currency financial statements		
7. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	-24,237,509.94	-15,704,995.56
Total comprehensive income attributable to the owner of the parent company	-24,237,509.94	-15,704,995.56
Total comprehensive income attributable minority shareholders		
VIII. Earnings per share		
(I) Basic earnings per share	-0.2030	-0.1316
(II) Diluted earnings per share	-0.2030	-0.1316

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0.00, last period the combined party realized RMB0.00.

Legal Representative: Lv Hongxian    Person in charge of accounting: Tan Mingxian Accounting Dept Leader: Niu Yanli

#### 4. Income statement of the Parent Company

In RMB

Items	Report period	Same period of the previous year
I. Revenue	114,032,194.70	154,431,343.28
Including: Business cost	109,931,765.56	155,625,182.84
Business tax and surcharge	942,790.56	1,108,561.97
Sales expense	384,759.27	234,066.25
Administrative expense	11,180,548.85	10,887,375.39
R & D costs	366,902.34	299,740.72
Financial expenses	2,015,994.32	1,469,083.00
Including: Interest expenses		1,592,445.56
Interest income		3,933.11
Add: Other income		
Investment gain ( "-"for loss )	-4,384,333.17	-1,752,567.83
Including: investment gains from affiliates	-4,384,333.17	-1,752,567.83
Termination of recognition of gains on financial assets at amortized cost		
Net exposure hedging income		

Changing income of fair value		
Credit impairment loss		
Asset impairment loss		
Income on disposal of assets	13,663.97	
II. Operational profit (“-”for loss)	-15,161,235.40	-16,945,234.72
Add : Non-operational income		76,681.23
Less: Non -operational expenses		
III. Total profit (“-”for loss)	-15,161,235.40	-16,868,553.49
Less: Income tax expenses		
IV. Net profit	-15,161,235.40	-16,868,553.49
1.Net continuing operating profit		
2.Termination of operating net profit		
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company’s credit risks		
5.Other		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		

6. Translation differences in currency financial statements		
7. Other		
VI. Total comprehensive income	-15,161,235.40	-16,868,553.49
VII. Earnings per share		
(I) Basic earnings per share	-0.1270	-0.1413
(II) Diluted earnings per share	-0.1270	-0.1413

## 5. Consolidated Cash flow statement

In RMB

Items	Report period	Same period of the previous year
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	100,524,193.14	88,800,738.74
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	658,274.94	5,164,177.22
Other cash received from business operation	1,465,816.94	2,101,284.84
Sub-total of cash inflow	102,648,285.02	96,066,200.80
Cash paid for purchasing of merchandise and services	50,687,714.14	31,521,904.01
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		

Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	25,071,964.19	26,906,538.41
Taxes paid	1,008,486.56	2,858,709.62
Other cash paid for business activities	4,716,927.50	5,306,815.79
Sub-total of cash outflow from business activities	81,485,092.39	66,593,967.83
Net cash generated from /used in operating activities	21,163,192.63	29,472,232.97
<b>II. Cash flow generated by investing</b>		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		20,447.77
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		20,447.77
Cash paid for construction of fixed assets, intangible assets and other long-term assets	648,200.00	2,804,989.02
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	648,200.00	2,804,989.02
Net cash flow generated by investment	-648,200.00	-2,784,541.25
<b>III. Cash flow generated by financing</b>		
Cash received as investment		
Including: Cash received as investment from minor shareholders		
Cash received as loans	187,710,000.00	20,000,000.00
Other financing –related cash received	70,351,349.97	226,006,425.05
Sub-total of cash inflow from financing activities	258,061,349.97	246,006,425.05
Cash to repay debts	160,000,000.00	30,950,645.83
Cash paid as dividend, profit, or interests	5,881,093.59	5,107,223.98

Including: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	112,741,868.71	223,192,941.23
Sub-total of cash outflow due to financing activities	278,622,962.30	259,250,811.04
Net cash flow generated by financing	-20,561,612.33	-13,244,385.99
IV. Influence of exchange rate alternation on cash and cash equivalents		
V. Net increase of cash and cash equivalents	-46,619.70	13,443,305.73
Add: balance of cash and cash equivalents at the beginning of term	9,312,375.75	72,551,130.34
VI .Balance of cash and cash equivalents at the end of term	9,265,756.05	85,994,436.07

## 6. Cash Flow Statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	21,309,472.84	26,033,156.46
Tax returned		
Other cash received from business operation	79,963.67	63,963.21
Sub-total of cash inflow	21,389,436.51	26,097,119.67
Cash paid for purchasing of merchandise and services	15,082,651.24	12,755,825.18
Cash paid to staffs or paid for staffs	13,240,422.84	12,994,998.68
Taxes paid	93,956.01	72,338.50
Other cash paid for business activities	447,571.49	454,815.54
Sub-total of cash outflow from business activities	28,864,601.58	26,277,977.90
Net cash generated from /used in operating activities	-7,475,165.07	-180,858.23
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		20,447.77
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		

Sub-total of cash inflow due to investment activities		20,447.77
Cash paid for construction of fixed assets, intangible assets and other long-term assets	648,200.00	2,799,028.48
Cash paid as investment		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	648,200.00	2,799,028.48
Net cash flow generated by investment	-648,200.00	-2,778,580.71
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		
Other financing –related cash received	97,710,000.00	82,360,000.00
Sub-total of cash inflow from financing activities	97,710,000.00	82,360,000.00
Cash to repay debts	0.00	0.00
Cash paid as dividend, profit, or interests	423,583.32	3,119,273.98
Other cash paid for financing activities	92,260,000.00	76,792,003.63
Sub-total of cash outflow due to financing activities	92,683,583.32	79,911,277.61
Net cash flow generated by financing	5,026,416.68	2,448,722.39
IV. Influence of exchange rate alternation on cash and cash equivalents		
V. Net increase of cash and cash equivalents	-3,096,948.39	-510,716.55
Add: balance of cash and cash equivalents at the beginning of term	4,368,716.37	66,377,117.54
VI ..Balance of cash and cash equivalents at the end of term	1,271,767.98	65,866,400.99

## II Adjustments to the Financial Statements

1. Adjustment of the relevant items of the financial statements at the current year beginning according to the new standards for financial instruments, the new standards for revenues and the new standards for lease implemented commencing from year 2020

Applicable  Not applicable

## Consolidated balance sheet

In RMB

Items	December 31, 2019	January 1, 2020	Adjustment
Current asset :			
Monetary fund	154,613,734.94	154,613,734.94	
Notes receivable	23,412,900.18	23,412,900.18	
Account receivable	231,648,218.97	231,648,218.97	
Prepayments	10,076,917.93	10,076,917.93	
Other account receivable	3,439,028.39	3,439,028.39	
Inventories	146,318,458.60	146,318,458.60	
Other current assets	3,047,932.61	3,047,932.61	
Total of current assets	572,557,191.62	572,557,191.62	
Non-current assets:			
Long term share equity investment	230,649,585.63	230,649,585.63	
Property investment	71,928,994.28	71,928,994.28	
Fixed assets	278,885,442.43	278,885,442.43	
Construction in process	3,858,269.05	3,858,269.05	
Intangible assets	22,823,384.71	22,823,384.71	
Deferred tax assets	6,060,931.98	6,060,931.98	
Other non-current asset	3,383,556.88	3,383,556.88	
Total of non-current assets	617,590,164.96	617,590,164.96	
Total of assets	1,190,147,356.58	1,190,147,356.58	
Current liabilities			
Short-term loans	422,280,000.00	422,280,000.00	
Notes payable	330,644,075.95	330,644,075.95	
Account payable	225,193,165.80	225,193,165.80	
Advance payment	1,117,423.35	1,117,423.35	
Employees' wage payable	14,879,129.15	14,879,129.15	
Tax payable	17,773,372.17	17,773,372.17	
Other account payable	6,087,459.55	6,087,459.55	
Total of current liability	1,017,974,625.97	1,017,974,625.97	
Non-current liabilities:			
Total of liability	1,017,974,625.97	1,017,974,625.97	
Owners' equity			

Share capital	119,375,000.00	119,375,000.00	
Capital reserves	958,575,094.29	958,575,094.29	
Surplus reserves	125,686,000.00	125,686,000.00	
Retained profit	-1,031,463,363.68	-1,031,463,363.68	
Total of owner's equity belong to the parent company	172,172,730.61	172,172,730.61	
Total of owners' equity	172,172,730.61	172,172,730.61	
Total of liabilities and owners' equity	1,190,147,356.58	1,190,147,356.58	

## Adjustment statement

## Parent Company Balance Sheet

In RMB

Items	December 31, 2019	January 1, 2020	Adjustment
Current asset :			
Monetary fund	4,448,232.99	4,448,232.99	
Notes receivable	16,320,000.00	16,320,000.00	
Account receivable	1,184,945.81	1,184,945.81	
Prepayments	5,428,338.82	5,428,338.82	
Other account receivable	2,376,451.69	2,376,451.69	
inventories	1,446,434.47	1,446,434.47	
Other current assets	3,047,932.61	3,047,932.61	
Total of current assets	34,252,336.39	34,252,336.39	
Non-current assets:			
Long term share equity investment	390,649,585.63	390,649,585.63	
Property investment	71,928,994.28	71,928,994.28	
Fixed assets	77,199,380.23	77,199,380.23	
Construction in process	166,386.41	166,386.41	
Intangible assets	14,589,584.29	14,589,584.29	
Total of non-current assets	554,533,930.84	554,533,930.84	
Total of assets	588,786,267.23	588,786,267.23	
Current liabilities			
Account payable	191,919,884.09	191,919,884.09	
Advance payment	200,823.38	200,823.38	
Employees' wage payable	12,275,806.23	12,275,806.23	



Tax payable	15,169,059.96	15,169,059.96	
Other account payable	293,722,742.58	293,722,742.58	
Total of current liability	513,288,316.24	513,288,316.24	
Non-current liabilities:			
Total of liability	513,288,316.24	513,288,316.24	
Owners' equity			
Share capital	119,375,000.00	119,375,000.00	
Capital reserves	958,575,094.29	958,575,094.29	
Surplus reserves	125,686,000.00	125,686,000.00	
Retained profit	-1,128,138,143.30	-1,128,138,143.30	
Total of owners' equity	75,497,950.99	75,497,950.99	
Total of liabilities and owners' equity	588,786,267.23	588,786,267.23	

## Adjustment statement

2. Note to the retroactive adjustment of the previous comparative data according to the new standards for financial instruments and the new standards for lease implemented commencing from year 2020

Applicable Not applicable

In 2020, the company implements the new income standard, and the income method is the same as before.

**III. Auditors' Report**

Is the Third Quarterly Report be audited?

Yes No

The First Quarterly report is not audited.

Chongqing Jianshe Vehicle System Co., Ltd.

Chairman of the Board: Lv Hongxian

April 24,2020