

# Summary of 2022 Annual Report of Chongqing Jianshe Vehicle System Co., Ltd

## 1. Important notes

This Summary is based on the full Annual Report of the Company, In order for a full understanding of the Company's operating results, financial position and future development plans, investors should carefully read the aforesaid full text on the media designated by the China Securities Regulatory Commission (the "CSRC"). All the directors attended the board meeting for the review of this Report.

Non-standard auditor's opinion

Applicable  Not applicable

Plans for profit distribution on ordinary shares or conversion of capital reserves into share capital proposed to the Board during the reporting period.

Applicable  Not applicable

The Company Will not distribute cash dividend or bonus shares, neither capitalizing of common reserves.

Plans for profit distribution on preference shares for the reporting period approved by the Board

Applicable  Not applicable

## II. Basic information about the company

### 1. Company profile

Stock ID	Jianshe Vehicle B	Stock Code	200054
Stock Exchange Listed	Shenzhen Stock Exchange		
Contact person and contact manner	Board secretary	Securities affairs Representative	
Name	Zhang Hushan	Li Wenling	
Address	No.1 Jianshe Road, Huaxi Industrial Zone, Ba'nán District, Chongqing	No.1 Jianshe Road, Huaxi Industrial Zone, Ba'nán District, Chongqing	
Fax.	023-66295333	023-66295333	
Tel.	023-66295333	023-66295333	
Email.	cqjismc@jianshe.com.cn	cqjismc@jianshe.com.cn	

### 2. Major operations or products during the reporting period

In 2022, according to the statistics of China Association of Automobile Manufacturers, the annual automobile production and sales in 2022 were 27.02 million and 26.86 million, with a year-on-year increase of

3.4% and 2.1% respectively, and maintained a small growth for two consecutive years. The share of new energy vehicles in the passenger car market increased from 16.39% in the previous year to 29.23%, and the share of fuel vehicles in the passenger car market decreased from 83.61% in the previous year to 70.77%. The automobile air-conditioning compressor industry closely follows the development of the automobile industry. With the expansion of the share of new energy vehicles, the market of electric compressors is driven to grow simultaneously, and the market share of air-conditioning compressors for traditional fuel vehicles is gradually squeezed. The Company's fixed displacement rotary vane compressor for automobile air conditioning mainly provides supporting facilities for fuel vehicles. In terms of the industry development trend, the rotary vane technology will face the ceiling, therefore the Company urgently needs to speed up the digestion and introduction of new technology products such as vortex motor. In 2022, the Company increased investment in science and technology, deepened market expansion, and adopted various measures to promote the completion of various key tasks. However, there is still a certain gap between the operating indicators and the budget targets. In the whole year, 924,000 sets of automobile air-conditioning compressors were produced and 1,198,000 sets were sold, with a year-on-year decrease of 49.00% and 30.81% respectively, and the business income was RMB 474 million, with a year-on-year decrease of 30.29%. (For details, please refer to the full text of the 2022 Annual Report).

### 3. Major accounting data and financial indicators

#### (1) Major accounting data and financial indicators for the last three years

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

Yes  No

In RMB

	End of 2022	End of 2021	Changed over last year (%)	End of 2020
Gross assets (Yuan)	896,911,569.17	1,041,336,478.97	-13.87%	1,186,697,453.77
Net assets attributable to shareholders of the listed company (Yuan)	111,091,284.68	149,303,592.84	-25.59%	173,588,673.06
	2022	2021	Changes of this period over same period of Last year(%)	2020
Operating income (Yuan)	474,114,098.08	680,118,967.08	-30.29%	740,851,845.25
Net profit attributable to the shareholders of the listed company (Yuan)	-39,733,094.69	-25,998,962.72	-52.83%	1,415,942.45
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	-82,240,752.84	-29,668,201.39	-177.20%	-44,041,022.22
Cash flow generated by business operation, net (Yuan)	12,409,599.09	21,432,367.47	-42.10%	165,013,126.67
Basic earning per share(Yuan/Share)	-0.33	-0.22	-50.00%	0.012

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Diluted gains per share(Yuan/Share)	-0.33	-0.22	-50.00%	0.012
Weighted average ROE(%)	-30.52%	-16.10%	-14.42%	0.82%

**(2) Main Financial Index by Quarters**

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	122,064,712.94	117,066,749.90	113,413,771.40	121,568,863.84
Net profit attributable to the shareholders of the listed company	23,445,211.84	-10,039,273.60	-20,684,911.30	-32,454,121.63
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company	-15,884,430.93	-12,295,238.80	-21,587,216.80	-32,473,866.31
Net Cash flow generated by business operation	22,875,680.64	8,513,551.90	15,072,374.40	-34,052,007.85

Indicate by tick mark whether any of the financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or semi-annual reports.

Yes  No

**4.Share capital and shareholders****(1) Number of holders of ordinary shares and preference shares with restored voting right and Top 10 shareholders**

In shares

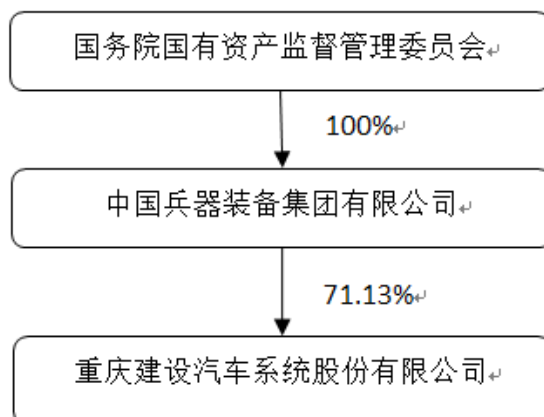
Total number of common shareholders at the end of the reporting period	7,029	Total shareholders at the end of the month from the date of disclosing the annual report	6,991	The total number of preferred shareholders voting rights restored at period-end	0	Total preferred shareholders at the end of the month from the date of disclosing the annual report	0
Shareholdings of Top 10 shareholders							
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period -end	Amount of restricted shares held	Number or share pledged/frozen		
					State of share	Amount	
China Military Equipment Group Co., Ltd.	State-owned legal person	71.13%	84,906,250	84,906,250.00			
Gu Zuocheng	Domestic natural person	1.89%	2,261,000	2,218,750.00			
Anhui Hengsheng Investment Development Co., Ltd.	Domestic non-state-owned legal person	1.47%	1,750,000	1,750,000.00			
Xu Yuanhui	Domestic natural person	0.81%	967,999	0			
Liu Dan	Domestic natural person	0.74%	880,376	0			
Chen Xinqiang	Domestic natural person	0.51%	612,400	0			
CORE PACIFIC-YAMAICHI	Overseas legal	0.51%	605,650	0			

INTERNATIONAL (H.K.) LIMITED	person					
Zhang Meilan	Domestic natural person	0.43%	513,560	0		
Feng Yonghui	Domestic natural person	0.42%	500,000	500,000		
Chen Houping	Domestic natural person	0.36%	423,800	0		
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'.					
Notes to the shareholders involved in financing securities (if any)	Not applicable					

**(2) Total preference shareholders and the shares held by the Top 10 Preference shareholders**

Applicable  Not applicable

The Company has no preferred shareholders during the reporting period.

**(3) Block diagram of the ownership and control relations between the Company and the actual controller****5. Bonds in existence as of the approval date of the annual report**

Applicable  Not applicable

**III. Significant events**

1. Explanation of the Company's uncovered losses amounting to one-third of the total paid-in share capital

As audited by Da Hua Certified Public Accountants (LLP), as of December 31, 2022, the cumulative amount of undistributed profit in the Company's consolidated statement was -1,095,779,478.64 yuan, the Company's uncovered loss was -1,095,779,478.64 yuan, the Company's total paid-in capital was 119,375,000.00 yuan, and the Company's uncovered loss exceeded one-third of the total paid-in capital. For details of the specific situation, please refer to the "XVI. Explanation of Other Major Matters" in Section VI Important Matters in the full annual report.

2. Major matters already disclosed in the current year

On February 15, 2022, the Company signed the Asset Transaction Contract with Construction Industry, and transferred the its 106 workshops, the corresponding land use rights and related ancillary machinery and equipment to Construction Industry at a price of 152.88 million yuan listed on the Chongqing United Assets and Equity Exchange. On April 25, 2022, the Company completed the delivery of all transferred assets. (See details in the company's announcement published on securities times, Hongkong Commercial daily and <http://www.cninfo.com.cn> on May 11, 2022 (Announcement No.: 2022-050). After the completion of the transaction, the income from asset disposal increased by RMB 39.02 million this year (belonging to non-recurring profit and loss items).