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**GUANGZHOU AUTOMOBILE GROUP CO., LTD.**

**廣州汽車集團股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2238)**

**OVERSEAS REGULATORY ANNOUNCEMENT  
2017 FIRST QUARTERLY REPORT**

This first quarterly report is published by Guangzhou Automobile Group Co., Ltd. (the “**Company**”) pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The first quarterly result of the Company and its subsidiaries (the “**Group**”) contained in this report was prepared under the China Accounting Standards for Business Enterprises and was unaudited. The original text of this report is in Chinese.

**1. IMPORTANT NOTICE**

- 1.1 The board of directors, the supervisory committee and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents contained herein, that there are no false representations or misleading statements contained in or material omissions from this quarterly report, and jointly and severally accept responsibility.
- 1.2 All directors of the Company have attended the board meeting approving this quarterly report.
- 1.3 Zeng Qinghong, the person in charge of the Company and Feng Xingya, the General Manager of the Company, Wang Dan, the person in charge of accounting function and Li Canhui, the manager of the accounting department (Accounting Chief), warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- 1.4 The first quarterly report of the Company was unaudited.

## 2. MAJOR FINANCIAL DATA AND CHANGES OF SHAREHOLDERS OF THE COMPANY

### 2.1 Major financial data

|   |  | <i>Unit: Yuan</i>  | <i>Currency: RMB</i>  |
|---|--|--|---|
|   | <b>As at the end<br/>of the reporting<br/>period</b>                                     | <b>As at the end<br/>of last year</b>  | <b>Increase/<br/>decrease as at<br/>the end of the<br/>reporting period<br/>as compared<br/>with the end<br/>of last year (%)</b> |
| Total assets  | 84,712,233,549   | 82,092,218,864   | 3.19  |
| Net assets attributable to<br>shareholders of the Company   | 47,905,721,559   | 43,802,130,852   | 9.37  |
|   | <b>From the<br/>beginning of the<br/>year to the end<br/>of the reporting<br/>period</b> | <b>From the<br/>beginning of<br/>last year to<br/>the end of<br/>last reporting<br/>period</b> | <b>Increase/<br/>decrease as<br/>compared with<br/>the same period<br/>last year (%)</b>  |
| Net cash flow from operating activities   | 3,486,390,182  | 1,372,179,760  | 154.08  |
| Revenue from operations   | 16,884,710,478   | 10,144,337,691   | 66.44   |
| Net profit attributable to<br>shareholders of the Company   | 3,828,578,391  | 1,926,980,248  | 98.68   |
| Net profit attributable to<br>shareholders of the Company<br>after deduction of<br>non-recurring profit or loss | 3,798,378,277  | 1,885,780,117  | 101.42  |
| Return on net assets<br>(weighted average) (%)  | 8.35   | 4.85   | Increase by 3.5<br>percentage points  |
| Basic earnings per share (Yuan/share)   | 0.59   | 0.30   | 96.67   |
| Diluted earnings per share (Yuan/share)   | 0.58   | 0.29   | 100.00  |

*Non-recurring profit and loss items and amounts*

√Applicable     Not applicable

|  | <i>Unit: Yuan    Currency: RMB</i> |
|--|------------------------------------|
| <b>Item</b>  | <b>Amount for the period</b>       |
| Gains/losses on disposal of non-current assets   | -2,925,597                         |
| Government grants recognised in profit or loss for the period (except for those closely related to the Company's normal business and in compliance with national policies and regulations and conferred continuously based on standard amounts and quantities)   | 27,892,846                         |
| Profit or loss from debt restructuring   | 9,991,933                          |
| Profit and loss from changes in fair value arising from holding of trading financial assets and trading financial liabilities except for valid straddle business related to normal business of the Company, as well as investment gain realised from disposal of trading financial assets, trading financial liabilities and financial assets available for sale | 3,701,938                          |
| Profit or loss from external entrusted loans   | 5,688,520                          |
| Other non-operating income and expense save as stated above  | -8,426,791                         |
| Other profit or loss items within the definition of non-recurring profit or loss   | 0                                  |
| Impact on minority interests (after tax)   | -5,747,996                         |
| Impact on income tax   | <u>25,261</u>                      |
| Total  | <u><u>30,200,114</u></u>           |

**2.2 Table of total number of shareholders and particulars of shareholding of the top ten shareholders and the top ten circulating shareholders (or holders of tradable shares not subject to trading moratorium) as at the end of the reporting period**

*Unit: share*

Total number of shareholders

A shares: 13,338; H shares: 257

| Name of shareholder (full name)  | Shareholding of the top ten shareholders       |                | Number of shares subject to trading moratorium | Under pledge or lock-up |        | Nature of shareholder                 |
|--|--|----------------|--|-------------------------|--------|---------------------------------------|
|  | Number of shares held at the end of the period | Percentage (%) |  | Status of shares        | Number |                                       |
| Guangzhou Automobile Industry Group Co., Ltd. <sup>(Note 1)</sup>                              | 3,912,671,384                                  | 60.51          | 0  | Nil                     | 0      | State-owned legal person              |
| HKSCC Nominees Limited <sup>(Note 2)</sup>   | 2,213,300,218                                  | 34.23          | 0  | Unknown                 | –      | Foreign legal person                  |
| Shanghai Puxing Energy Limited   | 126,480,498                                    | 1.96           | 0  | Nil                     | 0      | Domestic non-state-owned legal person |
| CFM – China Zheshang Bank – CFM star of Pujiang asset management plan                          | 78,098,359                                     | 1.21           | 0  | Nil                     | 0      | Other                                 |
| CFM – China Merchants Bank – CFM Jinxing no.1 asset management plan                            | 41,445,387                                     | 0.64           | 0  | Nil                     | 0      | Other                                 |
| Changan Funds – ICBC-Changan Yuxiang No. 9 hierarchic asset management plan                    | 37,624,185                                     | 0.58           | 0  | Nil                     | 0      | Other                                 |
| Galaxy Capital – China Zheshang Bank – Galaxy Capital pride dragon no.2 asset management plan  | 32,594,187                                     | 0.50           | 0  | Nil                     | 0      | Other                                 |
| China National Machinery Industry Corporation Limited  | 25,164,404                                     | 0.39           | 0  | Nil                     | 0      | State-owned legal person              |
| Galaxy Capital – China Zheshang Bank – Galaxy Capital pride dragon no.68 asset management plan | 25,101,927                                     | 0.39           | 0  | Nil                     | 0      | Other                                 |
| Galaxy Capital – China Zheshang Bank – Galaxy Capital pride dragon no.3 asset management plan  | 17,867,872                                     | 0.28           | 0  | Nil                     | 0      | Other                                 |

**Particulars of shareholding of the top ten holders of tradable shares not subject to trading moratorium**

| Name of shareholder  | Number of tradable shares not subject to trading moratorium   | Class of shares and number |               |
|--|---|----------------------------|---------------|
|  |   | Class of shares            | Number        |
| Guangzhou Automobile Industry Group Co., Ltd.  | 3,912,671,384   | A and H shares             | 3,912,671,384 |
| HKSCC Nominees Limited   | 2,213,300,218   | H shares                   | 2,213,300,218 |
| Shanghai Puxing Energy Limited   | 126,480,498   | RMB ordinary shares        | 126,480,498   |
| CFM – China Zheshang Bank – CFM star of Pujiang asset management plan                          | 78,098,359  | RMB ordinary shares        | 78,098,359    |
| CFM – China Merchants Bank – CFM Jinxing no.1 asset management plan                            | 41,445,387  | RMB ordinary shares        | 41,445,387    |
| Changan Funds – ICBC-Changan Yuxiang No. 9 hierarchic asset management plan                    | 37,624,185  | RMB ordinary shares        | 37,624,185    |
| Galaxy Capital – China Zheshang Bank – Galaxy Capital pride dragon no.2 asset management plan  | 32,594,187  | RMB ordinary shares        | 32,594,187    |
| China National Machinery Industry Corporation Limited  | 25,164,404  | RMB ordinary shares        | 25,164,404    |
| Galaxy Capital – China Zheshang Bank – Galaxy Capital pride dragon no.68 asset management plan | 25,101,927  | RMB ordinary shares        | 25,101,927    |
| Galaxy Capital – China Zheshang Bank – Galaxy Capital pride dragon no.3 asset management plan  | 17,867,872  | RMB ordinary shares        | 17,867,872    |
| Connected relationship or concerted party relationship among the above shareholders            | Guangzhou Automobile Industry Group Co., Ltd, the largest shareholder of the Company, is not connected with any of the above shareholders, nor is it a party acting in concert with any of them, and it is not known to the Company whether other shareholders are connected with each other or whether they are parties acting in concert. |                            |               |

Notes:

- Guangzhou Automobile Industry Group Co., Ltd. holds 3,705,129,384 A shares of the Company in total, representing approximately 87.12% of the A share capital of the Company. At the same time, Guangzhou Automobile Industry Group Co., Ltd. and its wholly-owned subsidiary in Hong Kong, Guangzhou Auto Group (Hong Kong) Co., Ltd., and through Southbound Transaction hold 207,542,000 H shares of the Company, representing approximately 9.38% of the H share capital of the Company. The total number of A and H shares of the Company held by Guangzhou Automobile Industry Group Co., Ltd. is 3,912,671,384 shares in total, representing approximately 60.51% of the total share capital of the Company.
- H shares held by HKSCC Nominees Limited, were held on behalf of a number of clients. H shares of the Company held by Guangzhou Automobile Industry Group Co., Ltd. through Southbound Transaction and Guangzhou Auto Group (Hong Kong) Limited are also registered in trust with HKSCC Nominees Limited.

**2.3 Table of total number of preferred shareholders and particulars of shareholding of the top ten preferred shareholders and the top ten preferred shareholders not subject to trading moratorium as at the end of the reporting period**

Applicable     Not applicable

### 3. SIGNIFICANT EVENTS

#### 3.1 Material changes in items of major accounting statements and financial indicators of the Company and the reasons thereof

Applicable  Not applicable

*Unit: RMB0'000 Currency: RMB*

| <b>Item</b>                | <b>Balance as at the end of the period or during the reporting period</b> | <b>Percentage change</b> | <b>Reasons for change</b>  |
|----------------------------|---|--------------------------|--|
| Prepayments                | 131,303.68  | 68.51%                   | Due to the increase in sales volume during the period which led to the increase in prepayments for raw materials   |
| Other current assets       | 495,395.57  | 45.34%                   | Due to the increase in purchase of principal-protected financial products during the period  |
| Long-term receivables      | 84,169.69   | 93.78%                   | Due to the increase in receivables of Guangzhou Automobile Leasing Co., Ltd. following the development of the business during the period                   |
| Construction in progress   | 86,029.13   | 43.25%                   | Due to the increase in construction in progress from the construction of plant for Guangzhou Automobile Group Motor (Hangzhou) Co., Ltd. during the period |
| Staff remuneration payable | 58,150.07   | -52.37%                  | Due to the increase in the payment of salaries and bonus during the period   |
| Taxes payable              | 162,378.64  | 43.38%                   | Due to the increase in taxes following the increase in sales volume during the period  |
| Other current liabilities  | 59,836.98   | -79.77%                  | Due to the repayment of short-term financing bonds due during the period   |
| Long-term borrowings       | 94,616.41   | 51.22%                   | Due to the increase in borrowings of Guangzhou Automobile Leasing Co., Ltd. following the development of the business during the period                    |

| <b>Item</b>                   | <b>Balance as at the end of the period or during the reporting period</b> | <b>Percentage change</b> | <b>Reasons for change</b>  |
|-------------------------------|---|--------------------------|--|
| Total revenue from operations | 1,688,471.05  | 66.44%                   | Mainly due to increase in the total revenue brought by the growth of the sales volume of self-developed brand and the development in parts and components in the up-stream and down-stream industries, commercial services and insurance financial business of the Group during the period |
| Total cost of operations      | 1,502,689.70  | 59.25%                   | Increased correspondingly to the increase in sales volume of self-developed brand and the development of relevant businesses during the period   |
| Business tax and surcharge    | 64,607.82   | 111.22%                  | Increased correspondingly to the increase in sales volume of self-developed brand and the development of relevant businesses during the period   |
| Selling expenses              | 89,707.99   | 93.40%                   | Increased correspondingly to the increase in sales volume of self-developed brand and the development of relevant businesses during the period   |
| Management expenses           | 57,223.64   | 21.59%                   | Increased correspondingly to the increase in sales volume of self-developed brand and the development of relevant businesses during the period   |
| Investment income             | 232,118.97  | 74.80%                   | The increase in sales volume of key joint ventures during the period was higher than the average of the industry so income also increased significantly as compared with last year   |
| Income tax expenses           | 37,300.18   | 91.64%                   | Due to the increase in total profit during the period  |

| <b>Item</b>   | <b>Balance as at<br/>the end<br/>of the period<br/>or during the<br/>reporting period</b> | <b>Percentage<br/>change</b> | <b>Reasons for change</b>   |
|---|---|------------------------------|---|
| Net profit attributable to the owners of the parent company | 382,857.84  | 98.68%                       | Due to the aforesaid reasons, the net profit attributable to the owners of the parent company increased during the period |
| Cash received from sales of goods and rendering services    | 1,863,668.45  | 54.57%                       | Increased correspondingly to the increase in sales volume during the period   |
| Other cash received from activities relating to operation   | 117,969.10  | 134.13%                      | Due to the increase in government grants received during the period   |
| Cash paid for goods and services                            | 1,267,098.73  | 56.25%                       | Increased correspondingly to the increase in sales volume during the period   |
| Tax payments  | 154,499.29  | 89.36%                       | Increased correspondingly to the increase in sales volume during the period   |
| Cash received from borrowings                               | 38,895.15   | -87.21%                      | Due to the issuance of short-term financing bonds during the same period of last year                                     |
| Cash received from issuing bonds                            | –   | -100.00%                     | Due to the issuance of convertible corporate bonds during the same period of last year                                    |
| Cash repayments of borrowings                               | 250,327.97  | 109.09%                      | Due to the repayment of short-term financing bonds due during the year  |



**3.2 Analysis and explanation of progress and impact of significant events and their solutions**

Applicable     Not applicable

**3.3 Undertakings which have not yet been performed during the reporting period**

Applicable     Not applicable

**3.4 Warning and explanation in the forecast of any possible loss in accumulated net profit from the beginning of the year to the end of the next reporting period or any material changes compared to the corresponding period of last year**

Applicable     Not applicable

**Guangzhou Automobile Group Co., Ltd.**

Legal representative: **Zeng Qinghong**

28 April 2017

Guangzhou, the PRC, 28 April 2017

*As at the date of this announcement, the executive directors of the Company are ZENG Qinghong, FENG Xingya, YUAN Zhongrong and WU Song, the non-executive directors of the Company are YAO Yiming, CHEN Maoshan, LI Pingyi and DING Hongxiang and the independent non-executive directors of the Company are FU Yuwu, LAN Hailin, LI Fangjin, LEUNG Lincheong and WANG Susheng.*

## 4. APPENDICES

### 4.1 Financial Statements

#### Consolidated Balance Sheet

31 March 2017

Prepared by: Guangzhou Automobile Group Co., Ltd.

*Unit: Yuan Currency: RMB Type of audit: unaudited*

| <b>Item</b>   | <b>Amount as at the<br/>end of the period</b> | <b>Amount as at<br/>the beginning<br/>of the year</b> |
|---|---|---|
| <b>Current assets:</b>                                |   |   |
| Monetary fund   | 19,015,960,495                                | 21,317,030,881  |
| Financial assets at fair value through profit or loss | 518,550,048                                   | 604,550,792   |
| Derivative financial assets                           | 0   | 0   |
| Bills receivable                                      | 1,718,098,027                                 | 2,066,254,209   |
| Trade receivables                                     | 1,204,581,469                                 | 1,154,746,159   |
| Prepayments   | 1,313,036,849                                 | 779,221,209   |
| Interests receivable                                  | 93,116,821                                    | 88,849,819  |
| Dividends receivable                                  | 2,030,311,352                                 | 1,820,194,209   |
| Other receivables                                     | 709,897,926                                   | 581,977,177   |
| Inventories   | 2,284,598,157                                 | 2,493,564,358   |
| Assets classified as available-for-sale               | 0   | 0   |
| Non-current assets due within one year                | 392,419,282                                   | 656,322,222   |
| Other current assets                                  | 4,953,955,704                                 | 3,408,467,775   |
| <b>Total current assets</b>                           | <b><u>34,234,526,130</u></b>                  | <b><u>34,971,178,810</u></b>                          |

| Item  | Amount as at the end of the period | Amount as at the beginning of the year |
|---|------------------------------------|--|
| <b>Non-current assets:</b>  |                                    |  |
| Available-for-sale financial assets   | 1,982,938,834                      | 2,024,359,295                          |
| Held-to-maturity investments  | 0                                  | 0                                      |
| Long-term receivables   | 841,696,906                        | 434,353,249                            |
| Long-term equity investments  | 25,282,473,263                     | 22,635,697,718                         |
| Investment properties   | 1,331,543,516                      | 1,311,432,541                          |
| Fixed assets  | 10,807,747,017                     | 11,018,084,207                         |
| Construction in progress  | 860,291,335                        | 600,572,967                            |
| Construction materials  | 0                                  | 0                                      |
| Disposals of fixed assets   | 33,752,593                         | 0                                      |
| Biological assets for production  | 0                                  | 0                                      |
| Fuel assets   | 0                                  | 0                                      |
| Intangible assets   | 4,791,824,381                      | 4,951,865,322                          |
| Development expenses  | 2,737,781,021                      | 2,341,205,007                          |
| Goodwill  | 305,841,729                        | 305,841,729                            |
| Long-term deferred expenditures   | 314,389,238                        | 290,135,098                            |
| Deferred income tax assets  | 855,969,149                        | 789,875,469                            |
| Other non-current assets  | 331,458,437                        | 417,617,452                            |
|   | <u>50,477,707,419</u>              | <u>47,121,040,054</u>                  |
| <b>Total non-current assets</b>   |                                    |  |
|   | <u>50,477,707,419</u>              | <u>47,121,040,054</u>                  |
| <b>Total assets</b>   | <u>84,712,233,549</u>              | <u>82,092,218,864</u>                  |
| <b>Current liabilities:</b>   |                                    |  |
| Short-term borrowings   | 1,403,057,437                      | 1,216,108,718                          |
| Financial liabilities measured at fair value and their changes are recorded in current profit or loss | 0                                  | 0                                      |
| Derivative financial liabilities  | 0                                  | 0                                      |
| Bills payable   | 342,362,152                        | 385,064,846                            |
| Trade payables  | 10,428,091,315                     | 8,999,168,326                          |
| Receipts in advance   | 1,106,040,401                      | 1,328,170,019                          |
| Staff remuneration payable  | 581,500,656                        | 1,220,771,322                          |
| Taxes payable   | 1,623,786,434                      | 1,132,530,216                          |
| Interests payable   | 86,869,042                         | 328,585,201                            |
| Dividends payable   | 9,375,743                          | 0                                      |
| Other payables  | 5,299,359,178                      | 5,732,046,962                          |
| Liabilities classified as available-for-sale  | 0                                  | 0                                      |
| Non-current liabilities due within one year   | 893,090,460                        | 1,021,885,174                          |
| Other current liabilities   | 598,369,775                        | 2,957,385,956                          |
|   | <u>22,371,902,593</u>              | <u>24,321,716,740</u>                  |
| <b>Total current liabilities</b>  |                                    |  |
|   | <u>22,371,902,593</u>              | <u>24,321,716,740</u>                  |

| Item   | Amount as at the<br>end of the period | Amount as at<br>the beginning<br>of the year |
|--|---------------------------------------|--|
| <b>Non-current liabilities:</b>                            |                                       |  |
| Long-term borrowings                                       | 946,164,085                           | 625,674,517                                  |
| Debentures payable   | 9,502,926,155                         | 9,720,787,240                                |
| Including: preference shares                               | 0                                     | 0  |
| perpetual bonds  | 0                                     | 0  |
| Long-term payables   | 30,399,890                            | 109,812                                      |
| Long-term staff remuneration payable                       | 0                                     | 0  |
| Special payables   | 0                                     | 0  |
| Estimated liabilities                                      | 374,272,414                           | 371,641,028                                  |
| Deferred income  | 2,405,827,493                         | 2,110,207,623                                |
| Deferred income tax liabilities                            | 101,099,521                           | 71,951,592                                   |
| Other non-current liabilities                              | 30,254,237                            | 30,691,662                                   |
|  | <u>13,390,943,795</u>                 | <u>12,931,063,474</u>                        |
| <b>Total non-current liabilities</b>                       | <b>13,390,943,795</b>                 | <b>12,931,063,474</b>                        |
|  | <u>35,762,846,388</u>                 | <u>37,252,780,214</u>                        |
| <b>Total liabilities</b>                                   | <b>35,762,846,388</b>                 | <b>37,252,780,214</b>                        |
| <b>Owners' equity:</b>                                     |                                       |  |
| Share capital  | 6,466,062,369                         | 6,453,360,605                                |
| Other equity instrument                                    | 359,921,788                           | 384,242,321                                  |
| Including: preference shares                               | 0                                     | 0  |
| perpetual bonds  | 0                                     | 0  |
| Capital reserve  | 9,029,593,703                         | 8,773,298,562                                |
| Less: treasury stock                                       | 0                                     | 0  |
| Other comprehensive income                                 | 45,892,582                            | 44,154,663                                   |
| Special reserve  | 13,587,908                            | 10,803,632                                   |
| Surplus reserve  | 2,605,811,769                         | 2,605,811,769                                |
| Undistributed profit                                       | 29,384,851,440                        | 25,530,459,300                               |
| Total owners' equity attributable to the parent<br>company | 47,905,721,559                        | 43,802,130,852                               |
| Minority interests   | 1,043,665,602                         | 1,037,307,798                                |
|  | <u>48,949,387,161</u>                 | <u>44,839,438,650</u>                        |
| <b>Total owners' equity</b>                                | <b>48,949,387,161</b>                 | <b>44,839,438,650</b>                        |
|  | <u>84,712,233,549</u>                 | <u>82,092,218,864</u>                        |
| <b>Total liabilities and owners' equity</b>                | <b>84,712,233,549</b>                 | <b>82,092,218,864</b>                        |

Legal representative:  
ZENG Qinghong

Principal accounting  
responsible person:  
WANG Dan

Manager of the accounting  
department:  
LI Canhui

## Balance Sheet of the Parent Company

31 March 2017

Prepared by: Guangzhou Automobile Group Co., Ltd.

*Unit: Yuan Currency: RMB Type of audit: unaudited*

| <b>Item</b>   | <b>Amount as at the<br/>end of the period</b> | <b>Amount as at<br/>the beginning<br/>of the year</b> |
|---|---|---|
| <b>Current assets:</b>                                |   |   |
| Monetary fund   | 9,016,247,180                                 | 13,293,924,296  |
| Financial assets at fair value through profit or loss | 0   | 0   |
| Derivative financial assets                           | 0   | 0   |
| Bills receivable                                      | 950,000                                       | 0   |
| Trade receivables                                     | 1,123,003,043                                 | 1,112,344,065   |
| Prepayments   | 42,441,916                                    | 39,378,683  |
| Interests receivable                                  | 27,487,980                                    | 36,414,237  |
| Dividends receivable                                  | 1,801,265,040                                 | 1,801,265,040   |
| Other receivables                                     | 582,946,264                                   | 568,645,951   |
| Inventories   | 51,089,685                                    | 60,748,125  |
| Assets classified as available-for-sale               | 0   | 0   |
| Non-current assets due within one year                | 0   | 0   |
| Other current assets                                  | 5,668,035,299                                 | 4,199,651,719   |
| <b>Total current assets</b>                           | <b><u>18,313,466,407</u></b>                  | <b><u>21,112,372,116</u></b>                          |

| <b>Item</b>                         | <b>Amount as at the<br/>end of the period</b> | <b>Amount as at<br/>the beginning<br/>of the year</b> |
|-------------------------------------|---|---|
| <b>Non-current assets:</b>          |   |   |
| Available-for-sale financial assets | 587,300,000                                   | 587,300,000   |
| Held-to-maturity investments        | 0   | 0   |
| Long-term receivables               | 0   | 0   |
| Long-term equity investments        | 44,224,007,578                                | 40,876,155,048  |
| Investment properties               | 550,350,846                                   | 554,326,898   |
| Fixed assets                        | 2,208,273,685                                 | 2,229,905,026   |
| Construction in progress            | 3,094,005                                     | 339,631   |
| Construction materials              | 0   | 0   |
| Disposals of fixed assets           | 423,560                                       | 0   |
| Biological assets for production    | 0   | 0   |
| Fuel assets                         | 0   | 0   |
| Intangible assets                   | 1,406,108,706                                 | 1,505,548,800   |
| Development expenses                | 1,350,773,680                                 | 1,057,450,329   |
| Goodwill                            | 0   | 0   |
| Long-term deferred expenditures     | 812,554                                       | 866,724   |
| Deferred income tax assets          | 0   | 0   |
| Other non-current assets            | 13,988,978                                    | 13,939,626  |
|                                     | <hr/>   | <hr/>   |
| <b>Total non-current assets</b>     | <b>50,345,133,592</b>                         | <b>46,825,832,082</b>                                 |
|                                     | <hr/>   | <hr/>   |
| <b>Total assets</b>                 | <b>68,658,599,999</b>                         | <b>67,938,204,198</b>                                 |

| Item   | Amount as at the<br>end of the period | Amount as at<br>the beginning<br>of the year |
|--|---------------------------------------|--|
| <b>Current liabilities:</b>  |                                       |  |
| Short-term borrowings  | 0                                     | 0  |
| Financial liabilities measured at fair value and<br>their changes are recorded in current profit or loss | 0                                     | 0  |
| Derivative financial liabilities   | 0                                     | 0  |
| Bills payable  | 0                                     | 0  |
| Trade payables   | 149,478,950                           | 150,117,267                                  |
| Receipts in advance  | 1,480,306                             | 1,350,943                                    |
| Staff remuneration payable   | 149,333,381                           | 345,661,331                                  |
| Taxes payable  | 21,989,139                            | 10,506,627                                   |
| Interests payable  | 108,190,221                           | 356,728,750                                  |
| Dividends payable  | 0                                     | 0  |
| Other payables   | 13,568,360,884                        | 11,895,601,569                               |
| Liabilities classified as available-for-sale   | 0                                     | 0  |
| Non-current liabilities due within one year  | 619,971,642                           | 627,204,248                                  |
| Other current liabilities  | 0                                     | 2,299,177,183                                |
|  | <hr/>                                 | <hr/>  |
| <b>Total current liabilities</b>   | <b>14,618,804,523</b>                 | <b>15,686,347,918</b>                        |

| Item  | Amount as at the<br>end of the period | Amount as at<br>the beginning<br>of the year |
|---|---------------------------------------|--|
| <b>Non-current liabilities:</b>             |                                       |  |
| Long-term borrowings                        | 0                                     | 0  |
| Debentures payable                          | 9,502,926,155                         | 9,720,787,240                                |
| Including: preference shares                | 0                                     | 0  |
| perpetual bonds                             | 0                                     | 0  |
| Long-term payables                          | 0                                     | 0  |
| Long-term staff remuneration payable        | 0                                     | 0  |
| Special payables                            | 0                                     | 0  |
| Estimated liabilities                       | 0                                     | 0  |
| Deferred income                             | 481,925,383                           | 481,440,383                                  |
| Deferred income tax liabilities             | 0                                     | 0  |
| Other non-current liabilities               | 0                                     | 0  |
|   | <hr/>                                 | <hr/>  |
| <b>Total non-current liabilities</b>        | <b>9,984,851,538</b>                  | <b>10,202,227,623</b>                        |
|   | <hr/>                                 | <hr/>  |
| <b>Total liabilities</b>                    | <b>24,603,656,061</b>                 | <b>25,888,575,541</b>                        |
|   | <hr/>                                 | <hr/>  |
| <b>Owners' equity:</b>                      |                                       |  |
| Share capital                               | 6,466,062,369                         | 6,453,360,605                                |
| Other equity instrument                     | 359,921,788                           | 384,242,321                                  |
| Including: preference shares                | 0                                     | 0  |
| perpetual bonds                             | 0                                     | 0  |
| Capital reserve                             | 18,001,050,916                        | 17,744,755,775                               |
| Less: treasury stock                        | 0                                     | 0  |
| Other comprehensive income                  | 32,300,000                            | 32,300,000                                   |
| Special reserve                             | 0                                     | 0  |
| Surplus reserve                             | 2,605,811,769                         | 2,605,811,769                                |
| Undistributed profit                        | 16,589,797,096                        | 14,829,158,187                               |
|   | <hr/>                                 | <hr/>  |
| <b>Total owners' equity</b>                 | <b>44,054,943,938</b>                 | <b>42,049,628,657</b>                        |
|   | <hr/>                                 | <hr/>  |
| <b>Total liabilities and owners' equity</b> | <b>68,658,599,999</b>                 | <b>67,938,204,198</b>                        |
|   | <hr/> <hr/>                           | <hr/> <hr/>                                  |

Legal representative:  
ZENG Qinghong

Principal accounting  
responsible person:  
WANG Dan

Manager of the accounting  
department:  
LI Canhui



## Consolidated Income Statement

From January to March 2017

Prepared by: Guangzhou Automobile Group Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: unaudited

| Item  | Amount for<br>the period | Amount for<br>the previous<br>period |
|---|--------------------------|--------------------------------------|
| <b>I. Total revenue from operations</b>   | 16,884,710,478           | 10,144,337,691                       |
| Including: Revenue from operations  | 16,884,710,478           | 10,144,337,691                       |
| <b>II. Total cost of operations</b>   | 15,026,896,998           | 9,436,239,360                        |
| Including: Cost of operations   | 12,862,270,132           | 8,060,075,230                        |
| Taxes and surcharges  | 646,078,157              | 305,885,605                          |
| Selling expenses  | 897,079,851              | 463,851,257                          |
| Management expenses   | 572,236,420              | 470,644,306                          |
| Finance costs   | 36,593,789               | 125,049,539                          |
| Impairments loss of assets  | 12,638,649               | 10,733,423                           |
| Add: Gains on change in fair value<br>(loss is represented by “-”)              | -992,656                 | -1,087,937                           |
| Gains on investment<br>(loss is represented by “-”)                             | 2,321,189,715            | 1,327,881,196                        |
| Including: Gains on investment<br>in associated companies<br>and joint ventures | 2,294,954,209            | 1,301,645,690                        |
| Gains on exchange<br>(loss is represented by “-”)                               | 0                        | 0                                    |
| <b>III. Operating profit (loss is represented by “-”)</b>                       | 4,178,010,539            | 2,034,891,590                        |
| Add: Non-operating income   | 44,208,748               | 43,591,523                           |
| Including: Gains on disposal<br>of non-current assets                           | 1,554,656                | 6,249,955                            |
| Less: Non-operating expense   | 17,091,670               | 1,569,695                            |
| Including: Loss on disposal<br>of non-current assets                            | 4,480,253                | 659,025                              |
| <b>IV. Total profit (total loss is represented by “-”)</b>                      | 4,205,127,617            | 2,076,913,418                        |
| Less: Income tax expense  | 373,001,751              | 194,639,060                          |
| <b>V. Net profit (net loss is represented by “-”)</b>                           | 3,832,125,866            | 1,882,274,358                        |
| Net profit attributable to the owners<br>of the parent company                  | 3,828,578,391            | 1,926,980,248                        |
| Minority interests  | 3,547,475                | -44,705,890                          |

| Item   | Amount for<br>the period | Amount for<br>the previous<br>period |
|--|--------------------------|--------------------------------------|
| <b>VI. Other comprehensive income (net of tax)</b>   | 5,852,632                | -23,219,567                          |
| Other comprehensive income (net of tax)<br>attributable to the owners of the<br>parent company   | 1,737,919                | -14,421,987                          |
| (1) Other comprehensive income not to be<br>reclassified into profit or<br>loss subsequently   | 0                        | 0                                    |
| 1. Changes arising from re-measurement<br>of net liabilities or net assets of<br>defined benefit plans                                 | 0                        | 0                                    |
| 2. Share of investees' other comprehensive<br>income not to be reclassified into profit<br>or loss subsequently using<br>equity method | 0                        | 0                                    |
| (2) Other comprehensive income to be<br>reclassified into profit or loss subsequently  | 1,737,919                | -14,421,987                          |
| 1. Share of investees' other comprehensive<br>income to be reclassified into profit<br>or loss subsequently using<br>equity method     | 0                        | 0                                    |
| 2. Gains or losses arising from changes<br>in fair value of available-for-sale<br>financial assets                                     | 1,737,919                | -14,421,987                          |
| 3. Gains or losses from reclassifying<br>held-to-maturity investments to<br>available-for-sale financial assets                        | 0                        | 0                                    |
| 4. Effective portion of cash flow adjusted<br>for hedging gains or losses  | 0                        | 0                                    |
| 5. Exchange differences on foreign currency<br>financial statements translation  | 0                        | 0                                    |
| 6. Others  | 0                        | 0                                    |
| Other comprehensive income (net of tax)<br>attributable to minority interests  | 4,114,713                | -8,797,580                           |
| <b>VII. Total comprehensive income</b>   | 3,837,978,498            | 1,859,054,791                        |
| Total comprehensive income attributable to<br>the owners of the parent company   | 3,830,316,310            | 1,912,558,261                        |
| Total comprehensive income attributable<br>to minority interests   | 7,662,188                | -53,503,470                          |
| <b>VIII. Earnings per share:</b>   |                          |                                      |
| (1) Basic earnings per share (Yuan/share)  | 0.59                     | 0.30                                 |
| (2) Diluted earnings per share (Yuan/share)  | 0.58                     | 0.29                                 |

Legal representative:  
ZENG Qinghong

Principal accounting  
responsible person:  
WANG Dan

Manager of the accounting  
department:  
LI Canhui

## Income Statement of the Parent Company

From January to March 2017

Prepared by: Guangzhou Automobile Group Co., Ltd.

*Unit: Yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>   | <b>Amount for<br/>the period</b> | <b>Amount for<br/>the previous<br/>period</b> |
|---|----------------------------------|---|
| <b>I. Revenue from operations</b>   | 56,946,860                       | 66,888,378                                    |
| Less: Cost of operations  | 48,019,762                       | 40,569,264                                    |
| Taxes and surcharges  | 4,319,257                        | 4,965,427                                     |
| Selling expenses  | 0                                | 0   |
| Management expenses   | 271,610,337                      | 270,664,330                                   |
| Finance costs   | 39,698,692                       | 82,943,456                                    |
| Impairments loss of assets  | 0                                | 0   |
| Add: Gains on change in fair value<br>(loss is represented by “-”)              | 0                                | 0   |
| Gains on investment<br>(loss is represented by “-”)                             | 2,068,461,049                    | 1,139,573,242                                 |
| Including: Gains on investment<br>in associated companies<br>and joint ventures | 2,064,796,537                    | 1,132,368,857                                 |
| <b>II. Operating profit (loss is represented by “-”)</b>                        | 1,761,759,861                    | 807,319,143                                   |
| Add: Non-operating income   | 7,291,407                        | 14,132,692                                    |
| Including: Gains on disposal of<br>non-current assets                           | 0                                | 0   |
| Less: Non-operating expense   | 8,412,358                        | 287,864                                       |
| Including: Loss on disposal of<br>non-current assets                            | 541,459                          | 7,864   |
| <b>III. Total profit (total loss is represented by “-”)</b>                     | 1,760,638,910                    | 821,163,971                                   |
| Less: Income tax expense  | 0                                | 0   |

| Item   | Amount for<br>the period | Amount for<br>the previous<br>period |
|--|--------------------------|--------------------------------------|
| <b>IV. Net profit (net loss is represented by “-”)</b>   | 1,760,638,910            | 821,163,971                          |
| <b>V. Other comprehensive income (net of tax)</b>  | 0                        | 0                                    |
| (1) Other comprehensive income not<br>to be reclassified into profit or<br>loss subsequently   | 0                        | 0                                    |
| 1. Changes arising from<br>re-measurement of net<br>liabilities or net assets of<br>defined benefit plans                              | 0                        | 0                                    |
| 2. Share of investees’ other<br>comprehensive income not to<br>be reclassified into profit or loss<br>subsequently using equity method | 0                        | 0                                    |
| (2) Other comprehensive income to<br>be reclassified into profit or<br>loss subsequently   | 0                        | 0                                    |
| 1. Share of investees’ other<br>comprehensive income to<br>be reclassified into profit or loss<br>subsequently using<br>equity method  | 0                        | 0                                    |
| 2. Gains or losses arising from<br>changes in fair value of<br>available-for-sale<br>financial assets                                  | 0                        | 0                                    |
| 3. Gains or losses from reclassifying<br>held-to-maturity investments to<br>available-for-sale financial assets                        | 0                        | 0                                    |
| 4. Effective portion of cash flow<br>adjusted for hedging gains or losses  | 0                        | 0                                    |
| 5. Exchange differences on foreign<br>currency financial statements<br>translation   | 0                        | 0                                    |
| 6. Others  | 0                        | 0                                    |
| <b>VI. Total comprehensive income</b>  | 1,760,638,910            | 821,163,971                          |

Legal representative:  
ZENG Qinghong

Principal accounting  
responsible person:  
WANG Dan

Manager of the accounting  
department:  
LI Canhui

## Consolidated Cash Flow Statement

From January to March 2017

Prepared by: Guangzhou Automobile Group Co., Ltd.

*Unit: Yuan Currency: RMB Type of audit: unaudited*

| <b>Item</b>  | <b>Amount for<br/>the period</b> | <b>Amount for<br/>the previous<br/>period</b> |
|--|----------------------------------|---|
| <b>I. Cash flow generated from operating activities:</b>           |                                  |   |
| Cash received from sales of goods and rendering<br>labour services | 18,636,684,503                   | 12,057,272,866                                |
| Tax rebates  | 883,765                          | 2,355,456                                     |
| Other cash received from activities relating<br>to operation       | 1,179,690,989                    | 503,867,032                                   |
| Sub-total of cash inflows from operating activities                | 19,817,259,257                   | 12,563,495,354                                |
| Cash paid for goods and labour services                            | 12,670,987,268                   | 8,109,222,002                                 |
| Cash paid to and on behalf of employees                            | 1,422,018,396                    | 1,035,066,979                                 |
| Tax payments   | 1,544,992,862                    | 815,908,313                                   |
| Other cash payments relating to operating activities               | 692,870,549                      | 1,231,118,300                                 |
| Sub-total of cash outflows from operating<br>activities            | 16,330,869,075                   | 11,191,315,594                                |
| Net cash flow from operating activities                            | 3,486,390,182                    | 1,372,179,760                                 |

| Item  | Amount for<br>the period | Amount for<br>the previous<br>period |
|---|--------------------------|--------------------------------------|
| <b>II. Cash flow generated from investing activities:</b>   |                          |                                      |
| Cash received from disposal of investments  | 7,576,972,592            | 6,274,271,688                        |
| Cash received from gains on investment  | 93,819,982               | 38,562,752                           |
| Net cash received from disposal of fixed assets,<br>intangible assets and other long term assets            | 39,482,432               | 52,944,859                           |
| Net cash received from disposal of subsidiaries and<br>other operating entities                             | 0                        | 0                                    |
| Other cash received from activities related<br>to investing activities                                      | 1,000,148,980            | 311,464,020                          |
| Sub-total of cash inflows from<br>investing activities  | 8,710,423,986            | 6,677,243,319                        |
| Cash paid for purchase and construction of fixed<br>assets, intangible assets and other long<br>term assets | 1,376,675,509            | 1,250,184,140                        |
| Cash paid for investment  | 9,379,825,987            | 9,933,722,998                        |
| Net cash paid for acquiring subsidiaries and<br>other operating entities                                    | 0                        | 0                                    |
| Other cash paid for activities related to investing<br>activities   | 76,031,291               | 25,875,698                           |
| Sub-total of cash outflows from investing<br>activities   | 10,832,532,787           | 11,209,782,836                       |
| Net cash flow from investing activities   | <u>-2,122,108,801</u>    | <u>-4,532,539,517</u>                |



## Cash Flow Statement of the Parent Company

From January to March 2017

Prepared by: Guangzhou Automobile Group Co., Ltd.

*Unit: Yuan Currency: RMB Type of audit: unaudited*

| <b>Item</b>  | <b>Amount for<br/>the period</b> | <b>Amount for<br/>the previous<br/>period</b> |
|--|----------------------------------|---|
| <b>I. Cash flow generated from operating activities:</b>           |                                  |   |
| Cash received from sales of goods and rendering<br>labour services | 100,718,935                      | 44,671,945                                    |
| Tax rebates  | 0                                | 184,886                                       |
| Other cash received from activities relating to operation          | 15,112,069,288                   | 14,431,165,304                                |
| Sub-total of cash inflows from operating activities                | 15,212,788,223                   | 14,476,022,135                                |
| Cash paid for goods and labour services                            | 2,541,171                        | 166,621                                       |
| Cash paid to and on behalf of employees                            | 201,237,323                      | 199,757,170                                   |
| Tax payments   | 23,927,756                       | 8,909,193                                     |
| Other cash payments relating to operating activities               | 13,367,207,165                   | 13,995,078,612                                |
| Sub-total of cash outflows from operating activities               | 13,594,913,415                   | 14,203,911,596                                |
| Net cash flow from operating activities                            | 1,617,874,808                    | 272,110,539                                   |



| Item  | Amount for<br>the period     | Amount for<br>the previous<br>period |
|---|------------------------------|--------------------------------------|
| <b>II. Cash flow generated from investing activities:</b>   |                              |                                      |
| Cash received from disposal of investments  | 6,880,000,000                | 5,050,000,000                        |
| Cash received from gains on investment  | 3,884,384                    | 7,204,384                            |
| Net cash received from disposal of fixed assets,<br>intangible assets and other long term assets            | 0                            | 0                                    |
| Net cash received from disposal of subsidiaries and<br>other operating entities                             | 0                            | 0                                    |
| Other cash received from activities related<br>to investing activities                                      | 0                            | 300,870,000                          |
| Sub-total of cash inflows from investing activities   | 6,883,884,384                | 5,358,074,384                        |
| Cash paid for purchase and construction of<br>fixed assets, intangible assets and other<br>long term assets | 504,229,172                  | 358,188,419                          |
| Cash paid for investment  | 9,608,055,994                | 9,792,539,300                        |
| Net cash paid for acquiring subsidiaries and<br>other operating entities                                    | 0                            | 0                                    |
| Other cash paid for activities related to investing<br>activities   | 3,368,000                    | 0                                    |
| Sub-total of cash outflows from investing activities  | 10,115,653,166               | 10,150,727,719                       |
| Net cash flow from investing activities   | <u><u>-3,231,768,782</u></u> | <u><u>-4,792,653,335</u></u>         |

| Item  | Amount for<br>the period                                | Amount for<br>the previous<br>period                  |
|---|---|---|
| <b>III. Net cash flow generated from financing activities:</b>                  |   |   |
| Cash received from capital contributions  | 6,137,352   | 0   |
| Cash received from borrowings   | 0   | 2,300,000,000   |
| Cash received from issuing bonds  | 0   | 4,064,524,200   |
| Other cash received from activities related<br>to financing activities          | 0   | 0   |
| Sub-total of cash inflows from financing<br>activities                          | 6,137,352   | 6,364,524,200   |
| Cash repayments of borrowings   | 2,300,000,000   | 0   |
| Dividends paid, profit distributed or interest paid                             | 369,620,494   | 314,630,229   |
| Other cash paid for activities related to<br>financing activities               | 300,000   | 3,780,000   |
|   | <u>2,669,920,494</u>                                    | <u>318,410,229</u>                                    |
| Sub-total of cash outflows from financing activities                            |   |   |
|   | <u>2,669,920,494</u>                                    | <u>318,410,229</u>                                    |
| Net cash flow from financing activities   | <u><u>-2,663,783,142</u></u>                            | <u><u>6,046,113,971</u></u>                           |
| <b>IV. Effects of changes in exchange rate on cash and<br/>cash equivalents</b> |   |   |
|   | 0   | 0   |
| <b>V. Net increase in cash and cash equivalents</b>                             | -4,277,677,116  | 1,525,571,175   |
| Add: Cash and cash equivalents at the beginning<br>of the period                | 13,293,924,296  | 11,586,018,153  |
| <b>VI. Cash and cash equivalents at the end of the period</b>                   | 9,016,247,180   | 13,111,589,328  |
| Legal representative:<br>ZENG Qinghong  | Principal accounting<br>responsible person:<br>WANG Dan | Manager of the accounting<br>department:<br>LI Canhui |

## 4.2 Audit report

Applicable     Not applicable