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北京汽车
BAIC MOTOR

北京汽车股份有限公司

BAIC MOTOR CORPORATION LIMITED*

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

(Stock Code: 1958)

ANNOUNCEMENT

THE OPERATING RESULTS OF THE COMPANY FOR THE FIRST QUARTER ENDED MARCH 31, 2021

This announcement is made pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Pursuant to the relevant laws and regulations of the People's Republic of China (the “**PRC**”), the operating results attached hereto are the unaudited operating results (“**the Operating Results for the first quarter**”) of BAIC Motor Corporation Limited (the “**Company**”, and its subsidiaries, collectively the “**Group**”) for the three months ended March 31, 2021 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, which have been publicly disclosed on the designated media and/or stock exchanges or otherwise in the PRC.

In April 2020, the Company purchased 100% equity interest in BAIC International Development Co., Ltd. (“**BAIC International**”) and 24.78% equity interest in BAIC Yunnan Ruili Motor Co., Ltd. (“**BAIC Ruili**”) from Beijing Automotive Group Co., Ltd. (“**BAIC Group**”, the controlling shareholder of the Company) respectively. Given the Company, BAIC International and BAIC Ruili are under common control of BAIC Group before the business combination, the acquisitions are business combinations under common control, thus the Company applies the merger accounting principle in preparing the the Operating Results for the first quarter, and BAIC International and BAIC Ruili are deemed to have been included in the consolidated scope of the Company since they were under common control of BAIC Group together with the Company. The consolidated scope of the Operating Results for the first quarter of 2021 includes the balance sheets, income statement and cash flow statements of BAIC International and BAIC Ruili. Comparative figures of the income statement and cash flow statements as of March 31, 2020 have also been restated following this principle.

CONSOLIDATED BALANCE SHEET

Unit: RMB Yuan

Assets	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Current assets:		
Monetary assets	52,326,474,262.77	49,351,828,556.49
Notes receivables	57,140,000.00	65,140,000.00
Trade receivables	18,466,719,565.99	17,383,901,483.52
Receivables financing	800,973,875.57	3,104,008,874.42
Prepayments	323,956,762.90	340,313,470.64
Other receivables	1,065,960,302.81	1,353,178,574.90
Inventories	18,084,282,223.94	20,341,990,064.92
Other current assets	3,082,513,374.72	3,058,871,030.73
Total current assets	94,208,020,368.70	94,999,232,055.62
Non-current assets:		
Long-term equity investments	14,149,128,558.96	14,296,378,860.55
Investment in other equity instruments	1,850,945,443.06	1,896,816,429.23
Fixed assets	38,234,625,668.77	38,267,351,040.24
Construction in progress	11,896,088,051.83	11,932,204,978.70
Right-of-use assets	177,165,580.55	194,602,210.31
Intangible assets	15,027,969,292.76	14,941,175,687.61
Development expenditures	3,418,456,557.51	3,774,502,749.71
Goodwill	901,945,451.41	901,945,451.41
Long-term deferred expenses	82,216,706.06	92,027,339.02
Deferred income tax assets	9,581,084,020.98	9,763,971,030.38
Other non-current assets	2,528,742,956.36	2,642,873,188.48
Total non-current assets	97,848,368,288.25	98,703,848,965.64
Total assets	192,056,388,656.95	193,703,081,021.26

CONSOLIDATED BALANCE SHEET (Continued)

Unit: RMB Yuan

Liabilities	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Current liabilities:		
Short-term borrowings	8,928,213,217.00	8,985,831,260.95
Notes payables	2,450,379,452.93	2,920,292,913.75
Trade payables	39,239,650,869.95	45,096,831,797.35
Contract liabilities	1,368,229,760.17	1,291,796,552.29
Payroll payables	823,623,123.66	1,548,073,711.21
Tax payables	3,582,311,636.29	4,667,156,139.87
Other payables	35,662,013,214.41	35,406,408,885.72
Non-current liabilities due within one year	6,134,144,799.61	5,292,480,056.36
Other current liabilities	2,447,938,932.20	64,096,956.28
Total current liabilities	100,636,505,006.22	105,272,968,273.78
Non-current liabilities:		
Long-term borrowings	2,709,015,188.30	2,523,923,204.49
Bonds payables	5,986,285,218.64	6,197,226,474.70
Lease liabilities	49,187,454.87	59,220,020.79
Accrued liabilities	2,543,151,412.55	2,352,623,600.63
Deferred income	2,814,413,028.61	2,802,841,822.64
Deferred income tax liabilities	26,422,696.27	26,422,696.27
Other non-current liabilities	768,042,631.04	873,913,794.28
Total non-current liabilities	14,896,517,630.28	14,836,171,613.80
Total liabilities	115,533,022,636.50	120,109,139,887.58
Shareholders' equity:		
Share capital	8,015,338,182.00	8,015,338,182.00
Other equity instruments	–	1,998,160,377.36
Capital reserves	18,452,791,829.43	18,454,631,452.07
Other comprehensive income	67,535,914.31	200,465,424.92
Surplus reserves	4,376,970,816.43	4,376,970,816.43
Unallocated profits	19,802,400,228.78	18,041,933,785.17
Total equity attributable to shareholders of the parent	50,715,036,970.95	51,087,500,037.95
Minority interests	25,808,329,049.50	22,506,441,095.73
Total shareholders' equity	76,523,366,020.45	73,593,941,133.68
Total liabilities and shareholders' equity	192,056,388,656.95	193,703,081,021.26

CONSOLIDATED INCOME STATEMENT

Unit: RMB Yuan

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited, restated)	January to March in 2020 (Unaudited) (Extracted from the announcement on the operating results for the first quarter of 2020)
I. Total operating income	49,810,571,821.92	33,109,142,345.78	32,983,418,864.49
II. Total operating costs	42,862,780,779.92	29,575,974,834.96	29,422,275,062.09
Including: Operating costs	35,571,822,351.50	24,768,309,349.78	24,665,714,770.12
Business tax and surcharges	2,548,634,038.50	1,693,813,746.92	1,693,812,447.47
Selling expense	3,734,313,770.86	2,394,294,698.63	2,367,756,817.89
Administrative expense	988,536,616.67	763,671,580.81	737,125,865.95
Research and development costs	217,212,761.67	123,871,991.32	123,871,991.32
Financial expenses	(197,738,759.28)	(167,986,532.50)	(166,066,830.66)
Add: Other gains	1,092,387,292.23	83,828,897.91	83,828,897.91
Investment gain/(loss)	(227,237,293.58)	(331,102,476.99)	(329,008,616.51)
Including: loss from investment in associated companies and joint ventures	(227,237,293.58)	(330,393,911.50)	(329,008,616.51)
Loss from changes in fair value	(44,469,899.43)	(243,489,240.12)	(243,489,240.12)
Credit impairment losses	-	(90,651,740.87)	(90,651,740.87)
Impairment losses of assets	(318,309,370.96)	-	-
Loss on disposal of assets	(3,946,070.29)	1,789,530.17	1,789,530.17
III. Operating profit	7,446,215,699.97	2,953,542,480.92	2,983,612,632.98
Add: Non-operating income	1,128,727.17	6,404,259.19	5,225,422.54
Less: Non-operating expenses	82,540.90	8,377,750.79	8,334,183.79
IV. Total profit	7,447,261,886.24	2,951,568,989.32	2,980,503,871.73
Less: Income tax expenses	2,312,549,695.88	1,185,889,787.43	1,185,889,787.43
V. Net profit	5,134,712,190.36	1,765,679,201.89	1,794,614,084.30
Net profit attributable to owners of the parent	1,760,466,443.61	33,669,935.78	60,849,766.74
*Minority interests	3,374,245,746.75	1,732,009,266.11	1,733,764,317.56

CONSOLIDATED INCOME STATEMENT (Continued)

Unit: RMB Yuan

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited, restated)	January to March in 2020 (Unaudited) (Extracted from the announcement on the operating results for the first quarter of 2020)
VI. Net amount of other comprehensive income after tax	(205,287,303.59)	(226,182,925.63)	(54,789,666.51)
Net amount of other comprehensive income after tax attributable to shareholders of the parent	(132,929,510.61)	(136,442,045.79)	(61,467,640.81)
(I) Other comprehensive income/(loss) not to be reclassified into profit or loss	(45,870,986.17)	33,920,377.37	32,764,990.12
Changes in fair value of investment in other equity instruments	(45,870,986.17)	33,920,377.37	32,764,990.12
(II) Other comprehensive income/(loss) to be reclassified into profit or loss	(87,058,524.44)	(170,362,423.16)	(94,232,630.93)
Other comprehensive income/(loss) that can be transferred to profit or loss under equity method	-	-	-
Effective part of profits or losses on cash flows hedges	(65,245,318.94)	(66,690,268.41)	8,305,459.60
Foreign currency financial statement translation differences	(21,813,205.50)	(103,672,154.75)	(102,538,090.53)
Net amount of other comprehensive income/(loss) after tax attributable to minority shareholders	(72,357,792.98)	(89,740,879.84)	6,677,974.30
VII. Total comprehensive income	4,929,424,886.77	1,539,496,276.26	1,739,824,417.79
Total comprehensive income attributable to shareholders of the parent	1,627,536,933.00	(102,772,110.01)	(617,874.07)
Total comprehensive income attributable to minority shareholders	3,301,887,953.77	1,642,268,386.27	1,740,442,291.86

CONSOLIDATED CASH FLOWS STATEMENT

Unit: RMB Yuan

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited, restated)	January to March in 2020 (Unaudited) (Extracted from the announcement on the operating results for the first quarter of 2020)
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of labor services	56,048,201,026.70	35,405,341,076.99	35,293,433,792.64
Tax refunds received	12,456,038.37	36,168,667.11	237,905.14
Cash received relating to other operating activities	2,514,813,907.54	1,375,486,512.69	1,331,623,681.44
Sub-total of cash inflows from operating activities	58,575,470,972.61	36,816,996,256.79	36,625,295,379.22
Cash paid for purchase of goods and engagement of labor services	37,367,477,639.80	28,905,121,808.59	28,670,505,445.98
Cash paid to and on behalf of employees	1,288,525,419.29	1,147,920,421.50	1,097,937,682.17
Payments of all types of taxes	10,223,992,083.31	10,689,606,576.17	10,689,326,941.94
Cash paid relating to other operating activities	5,443,948,621.70	3,922,147,815.40	3,826,463,402.27
Sub-total of cash outflows from operating activities	54,323,943,764.10	44,664,796,621.66	44,284,233,472.36
Net cash flows from operating activities	4,251,527,208.51	(7,847,800,364.87)	(7,658,938,093.14)
II. Cash flows from investing activities:			
Cash receipts from investment income	12,300,000.00	-	-
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	540,869.52	789,597.05	789,597.05
Cash received relating to other investing activities	1,876,500.00	423,103.06	423,103.06
Sub-total of cash inflows from investing activities	14,717,369.52	1,212,700.11	1,212,700.11
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	2,236,202,071.35	2,427,683,991.39	2,329,107,624.03
Cash paid for investment	-	500,000,000.00	500,000,000.00
Cash payments related to other investing activities	516,712.51	-	-
Sub-total of cash outflows from investing activities	2,236,718,783.86	2,927,683,991.39	2,829,107,624.03
Net cash flows used in investing activities	(2,222,001,414.34)	(2,926,471,291.28)	(2,827,894,923.92)

CONSOLIDATED CASH FLOWS STATEMENT (Continued)

Unit: RMB Yuan

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited, restated)	January to March in 2020 (Unaudited) (Extracted from the announcement on the operating results for the first quarter of 2020)
III. Cash flows from financing activities:			
Cash received from borrowings	9,526,203,934.53	7,654,072,018.58	7,590,000,000.00
Cash receipts related to other financing activities	483,680.90	-	-
Sub-total of cash inflows from financing activities	9,526,687,615.43	7,654,072,018.58	7,590,000,000.00
Cash paid for repayment of debts	8,733,280,532.51	6,429,644,166.67	6,429,000,000.00
Cash paid for distribution of dividends, profits or payment of interests	183,371,548.98	345,244,549.49	344,897,470.76
Cash paid relating to other financing activities	1,699,628.78	130,000.00	130,000.00
Sub-total of cash outflows from financing activities	8,918,351,710.27	6,775,018,716.16	6,774,027,470.76
Net cash flows from/(used in) financing activities	608,335,905.16	879,053,302.42	815,972,529.24
IV. Effect of changes in exchange rate on cash and cash equivalents	(56,562,952.05)	(33,417,241.33)	7,181,336.18
V. Net increase/(decrease) in cash and cash equivalents	2,581,298,747.28	(9,928,635,595.06)	(9,663,679,151.64)
Add: Balance of cash and cash equivalents at the beginning of the period	48,146,250,403.43	50,192,354,391.94	49,322,498,591.05
VI. Balance of cash and cash equivalents at the end of the period	50,727,549,150.71	40,263,718,796.88	39,658,819,439.41

BALANCE SHEET

Unit: RMB Yuan

Assets	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Current assets:		
Monetary assets	1,659,115,661.78	2,694,820,733.70
Notes receivables	822,856.35	–
Trade receivables	17,632,015,343.46	18,180,130,355.89
Receivables financing	750,867,419.56	744,459,609.81
Prepayments	105,489,658.84	75,645,744.75
Other receivables	16,349,570,508.34	16,429,303,175.13
Inventories	2,323,355,774.89	2,321,209,397.35
Other current assets	984,128,499.05	998,888,646.60
Total current assets	39,805,365,722.27	41,444,457,663.23
Non-current assets:		
Long-term equity investments	30,844,748,830.38	30,523,728,657.43
Investment in other equity instruments	3,000,000.00	3,000,000.00
Fixed assets	5,006,457,572.69	4,863,203,362.50
Construction in progress	29,831,589.67	221,096,599.47
Right-of-use assets	66,362,991.38	85,255,228.74
Intangible assets	5,859,538,449.64	5,986,915,194.91
Development expenditures	2,988,982,228.99	3,074,939,852.73
Long-term deferred expenses	37,618,393.00	35,117,328.43
Other non-current assets	1,924,597,778.95	1,925,978,885.92
Total non-current assets	46,761,137,834.70	46,719,235,110.13
Total assets	86,566,503,556.97	88,163,692,773.36

BALANCE SHEET (Continued)*Unit: RMB Yuan*

Liabilities	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Current liabilities:		
Short-term borrowings	8,310,000,000.00	5,860,000,000.00
Notes payables	2,125,095,444.90	2,307,618,284.61
Trade payables	8,225,142,761.95	9,881,393,315.23
Contract liabilities	941,750.22	–
Payroll payables	52,314,158.76	79,014,223.02
Tax payables	7,669,954.23	46,469,871.80
Other payables	3,814,978,281.99	5,128,894,639.49
Non-current liabilities due within one year	3,577,897,972.01	1,112,190,217.94
Other current liabilities	1,998,993,424.66	–
Total current liabilities	28,113,033,748.72	24,415,580,552.09
Non-current liabilities:		
Long-term borrowings	2,374,010,000.00	2,376,010,000.00
Bonds payables	2,898,498,446.74	5,397,500,620.20
Lease liabilities	–	–
Accrued liabilities	36,412,364.07	30,983,928.10
Deferred income	379,949,820.31	381,844,003.78
Total non-current liabilities	5,688,870,631.12	8,186,338,552.08
Total liabilities	33,801,904,379.84	32,601,919,104.17
Shareholders' equity:		
Paid-in capital (share capital)	8,015,338,182.00	8,015,338,182.00
Other equity instruments	–	1,998,160,377.36
Capital reserves	21,578,553,963.21	21,580,393,585.85
Other comprehensive income	1,012,093.49	1,012,093.49
Surplus reserves	3,693,389,846.49	3,693,389,846.49
Unallocated profits	19,476,305,091.94	20,273,479,584.00
Total shareholders' equity	52,764,599,177.13	55,561,773,669.19
Total liabilities and shareholders' equity	86,566,503,556.97	88,163,692,773.36

INCOME STATEMENT

Unit: RMB Yuan

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited)
I. Total operating income	450,979,986.33	884,822,953.45
II. Total operating costs	1,493,097,074.89	2,034,653,797.99
Including: Operating costs	1,132,288,911.42	1,557,892,802.40
Business tax and surcharges	16,373,666.85	29,134,605.62
Selling expense	70,030,639.24	272,380,139.80
Administrative expense	177,635,736.54	71,912,099.93
Research and development costs	3,550,998.18	–
Financial expenses	93,217,122.66	103,334,150.24
Add: Other gains	4,250,745.94	9,523,756.76
Investment gain	240,426,550.13	96,909,544.92
Including: gain from investment in associated companies and joint ventures	240,426,550.13	96,909,544.92
Gain from changes in fair value	–	–
Credit impairment losses	–	–
Impairment losses of assets	–	–
Gain/(loss) on disposal of assets	(15,895.40)	1,473,240.16
III. Operating profit	(797,455,687.89)	(1,041,924,302.70)
Add: Non-operating income	324,308.11	3,316,143.75
Less: Non-operating expenses	43,112.28	6,869,263.88

INCOME STATEMENT (Continued)*Unit: RMB Yuan*

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited)
IV. Total profit	(797,174,492.06)	(1,045,477,422.83)
Less: Income tax expenses	–	–
V. Net profit	(797,174,492.06)	(1,045,477,422.83)
Classified by continuity of operations:		
Net profit from continuing operations	(797,174,492.06)	(1,045,477,422.83)
VI. Net amount of other comprehensive income after tax	–	–
(I) Other comprehensive income not to be reclassified into profit or loss	–	–
Changes in fair value of investment in other equity instruments	–	–
(II) Other comprehensive income to be reclassified into profit or loss	–	–
Other comprehensive income that can be transferred to profit or loss under equity method	–	–
Reserves from cash flows hedges	–	–
Foreign currency financial statement translation differences	–	–
VII. Total comprehensive income	(797,174,492.06)	(1,045,477,422.83)

CASH FLOWS STATEMENT

Unit: RMB Yuan

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited)
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of labor services	821,276,299.82	652,546,373.99
Cash received relating to other operating activities	1,531,000,096.18	910,764,978.17
Sub-total of cash inflows from operating activities	2,352,276,396.00	1,563,311,352.16
Cash paid for purchase of goods and engagement of labor services	2,696,922,368.98	2,730,599,934.18
Cash paid to and on behalf of employees	310,348,547.14	223,860,151.13
Payments of all types of taxes	40,457,386.16	62,214,671.66
Cash paid relating to other operating activities	2,427,966,968.78	386,803,321.53
Sub-total of cash outflows from operating activities	5,475,695,271.06	3,403,478,078.50
Net cash flows used in operating activities	(3,123,418,875.06)	(1,840,166,726.34)
II. Cash flows from investing activities:		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	540,869.52	667,765.05
Cash received relating to other investing activities	-	1,115,863,902.28
Sub-total of cash inflows from investing activities	540,869.52	1,116,531,667.33
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	167,138,910.67	411,843,535.97
Sub-total of cash outflows from investing activities	167,138,910.67	411,843,535.97
Net cash flows from investing activities	(166,598,041.15)	704,688,131.36
III. Cash flows from financing activities:		
Cash received from borrowings	7,000,000,000.00	7,550,000,000.00
Sub-total of cash inflows from financing activities	7,000,000,000.00	7,550,000,000.00
Cash paid for repayment of debts	4,662,000,000.00	6,429,000,000.00
Cash paid for distribution of dividends or profits or payment of interests	87,927,396.10	256,807,583.67
Cash paid relating to other financing activities	50,000.00	81,630,000.00
Sub-total of cash outflows from financing activities	4,749,977,396.10	6,767,437,583.67
Net cash flows from/(used in) financing activities	2,250,022,603.90	782,562,416.33

CASH FLOWS STATEMENT (Continued)

Unit: RMB Yuan

Items	January to March in 2021 (Unaudited)	January to March in 2020 (Unaudited)
IV. Effect of changes in exchange rate on cash and cash equivalents	45,270.18	8,176.28
V. Net increase in cash and cash equivalents	(1,039,949,042.13)	(352,908,002.37)
Add: Balance of cash and cash equivalents at the beginning of the period	2,164,483,331.08	3,648,830,915.84
VI. Balance of cash and cash equivalents at the end of the period	1,124,534,288.95	3,295,922,913.47

Note: The financial information contained in this operating results update is prepared in accordance with the Accounting Standards for Business Enterprises of the PRC and has not been audited.

By order of the Board
BAIC Motor Corporation Limited
Wang Jianhui
Secretary to the Board and Company Secretary

Beijing, the PRC, April 28, 2021

As at the date of this announcement, the Board comprises Mr. Jiang Deyi, as Chairman of the Board and non-executive Director; Mr. Liao Zhenbo, Mr. Chen Hongliang and Mr. Hu Hanjun as non-executive Directors; Mr. Huang Wenbing, as executive Director; Mr. Ye Qian, Mr. Hubertus Troska, Mr. Harald Emil Wilhelm, Mr. Jin Wei and Mr. Sun Li, as non-executive Directors; and Mr. Ge Songlin, Ms. Yin Yuanping, Mr. Xu Xiangyang, Mr. Tang Jun and Mr. Edmund Sit, as independent non-executive Directors.

* *For identification purpose only*