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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
2022 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 results of the Company and its subsidiaries (the “**Group**”) contained in this report have been prepared under the China Accounting Standards for Business Enterprises and are unaudited. The original text of this report is in Chinese.

IMPORTANT NOTICE

- (I) The board of directors (the “**Board**”), 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 they jointly and severally accept responsibility.
- (II) All directors of the Company attended the Board meeting approving this quarterly report.
- (III) The person in charge of the Company, the person in charge of accounting function and the manager of the accounting department (Accounting Chief), hereby warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- (IV) The first quarterly report of the Company is unaudited.

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	Reporting period		Increase/decrease during the reporting period as compared with the same period of last year (%)
	As at the end of the reporting period	As at the end of last year	Increase/ decrease as at the end of the reporting period as compared with the end of last year (%)
Revenue from operations	23,145,454,186		45.67
Net profit attributable to shareholders of the listed company	3,008,640,272		27.17
Net profit attributable to shareholders of the listed company after deduction of non-recurring profit or loss	2,898,227,945		30.18
Net cash flow from operating activities	-3,202,935,526		39.00
Basic earnings per share (Yuan/share)	0.29		26.09
Diluted earnings per share (Yuan/share)	0.29		26.09
Weighted average return on equity (%)	3.21		Increased by 0.45 percentage point
Total assets	156,260,797,975	154,196,563,667	1.34
Owners' equity attributable to shareholders of the listed company	97,243,549,065	90,259,286,328	7.74

Note: The "reporting period" refers to the 3-month period from the beginning of this quarter to the end of this quarter (i.e. from January to March 2022).

(II) Non-recurring profit and loss items and amounts*Unit: Yuan Currency: RMB*

Item	Amount for the reporting period
Gains/losses on disposal of non-current assets	3,027,149
Government grants recognised in profit or loss for the current period (except for those closely related to the Company's normal operation and conferred on a recurring basis subject to certain standard amounts or quantities in compliance with government policies and regulations)	124,436,019
Gain or loss from change in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment gain from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, other than effective hedging business relating to the ordinary operations of the Company	-4,629,485
Gain or loss from external entrusted loans	2,270,047
Custody fee income from entrusted operations	0
Other non-operating income and expense save as stated above	2,508,808
Other gain or loss items within the meaning of non-recurring gain or loss	0
Less: Impact on income tax	15,208,232
Impact on minority interests (after tax)	<u>1,991,979</u>
Total	<u><u>110,412,327</u></u>

(III) Changes in major accounting data and financial indicators of the Group and the reasons thereof

Item	Percentage change (%)	Main reasons
Revenue from operations	45.67	Mainly due to the significant year-on-year increase in sales volume of self-developed brand vehicles leading to revenue growth during the reporting period, especially the sales volume of “AION” new energy vehicles increased by 1.5 times year-on-year.
Net profit attributable to shareholders of the listed company after deduction of non-recurring gain or loss	30.18	Mainly due to the growth in sales volume, the significant increase in revenue from operations and significant increase of return on investment in joint ventures and associated enterprises during the reporting period leading to year-on-year increase in net profit attributable to shareholders of the listed company.
Net cash flows from operating activities	39.00	Mainly due to the combined effect of the increase in sales volume leading to the increase in cash received from the sale of goods, etc. during the reporting period.

II. INFORMATION ON SHAREHOLDERS

(I) Table of total number of holders of ordinary shares, number of holders of preference shares with voting rights restored and shareholdings of the top ten shareholders

Unit: share

Total number of holders of ordinary shares as at the end of the reporting period ^(Note 1)		Total number of holders of preference shares with voting rights restored as at the end of the reporting period					
136,433		(if any)		0			
Particulars of shareholdings of top 10 shareholders							
Name of shareholder	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares subject to trading moratorium	Pledged, tagged or frozen		Number
					Status of shares		
Guangzhou Automobile Industry Group Co., Ltd. ^(Note 2)	State-owned legal person	5,499,940,069	52.56	0	Nil		0
HKSCC NOMINEES LIMITED ^(Note 3)	Overseas legal person	3,095,234,318	29.58	0	Unknown		-
Guangzhou Huiyin Tianyue Equity Investment Fund Management Co., Ltd.	State-owned legal person	397,227,342	3.80	0	Pledged		210,949,271
Guangzhou Industrial Investment and Capital Operation Holding Group Ltd.	State-owned legal person	152,075,600	1.45	0	Nil		0
Guangzhou Finance Holdings Assets Management Co., Ltd. – GFHAM Wealth Management Select No.3 Private Investment Fund	Other	140,738,735	1.34	0	Nil		0
Shanghai Puxing Energy Limited	Domestic non-state-owned legal person	103,635,174	0.99	0	Nil		0
Guangzhou Light Industry & Trade Group Co., Ltd.	State-owned legal person	52,737,319	0.50	0	Nil		0
Hong Kong Securities Clearing Company Limited	Overseas legal person	50,871,263	0.49	0	Nil		0
Yuan He	Domestic natural person	24,956,641	0.24	0	Nil		0
The State Social Insurance Fund Portfolio 601	Other	19,642,272	0.19	0	Nil		0

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

Name of shareholder	Number of tradable shares	Class of shares and number	
	not subject to trading moratorium	Class of share	Number
Guangzhou Automobile Industry Group Co., Ltd. ^(Note 2)	5,499,940,069	A shares, H shares	5,499,940,069
HKSCC NOMINEES LIMITED ^(Note 3)	3,095,234,318	Overseas listed foreign shares	3,095,234,318
Guangzhou Huiyin Tianyue Equity Investment Fund Management Co., Ltd.	397,227,342	RMB ordinary shares	397,227,342
Guangzhou Industrial Investment and Capital Operation Holding Group Ltd.	152,075,600	RMB ordinary shares	152,075,600
Guangzhou Finance Holdings Assets Management Co., Ltd. – GFHAM Wealth Management Select No.3 Private Investment Fund	140,738,735	RMB ordinary shares	140,738,735
Shanghai Puxing Energy Limited	103,635,174	RMB ordinary shares	103,635,174
Guangzhou Light Industry & Trade Group Co., Ltd.	52,737,319	RMB ordinary shares	52,737,319
Hong Kong Securities Clearing Company Limited	50,871,263	RMB ordinary shares	50,871,263
Yuan He	24,956,641	RMB ordinary shares	24,956,641
The State Social Insurance Fund Portfolio 601	19,642,272	RMB ordinary shares	19,642,272
Related-party relationship or concerted party relationship among the above shareholders	Guangzhou Automobile Industry Group Co., Ltd., the largest shareholder of the Company, is not related to 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 related to each other or whether they are parties acting in concert.		
Description of involvement in securities margin financing, short selling and refinancing (if any) by top ten shareholders and top ten holders of shares not subject to trading moratorium	Shanghai Puxing Energy Limited and Yuan He hold 13,575,174 A shares and 2,747,482 A shares through credit guarantee account, respectively.		

Note 1: As at the end of the reporting period, the total number of shareholders was 136,433, of which the number of holders of A shares was 136,175 and number of holders of H shares was 258;

Note 2: Guangzhou Automobile Industry Group Co., Ltd. held 5,206,932,069 A shares of the Company in total, representing approximately 70.70% of the A shares of the Company. At the same time, it held 293,008,000 H shares of the Company through Southbound Trading of Shanghai – Hong Kong Stock Connect and its wholly-owned subsidiary in Hong Kong, Guangzhou Auto Group (Hong Kong) Limited, representing approximately 9.46% of the H shares of the Company. The total number of A and H shares of the Company held by Guangzhou Automobile Industry Group Co., Ltd. was therefore 5,499,940,069 shares, representing approximately 52.56% of the total share capital of the Company;

Note 3: H shares held by HKSCC NOMINEES LIMITED were held on behalf of a number of clients. H shares of the Company held by Guangzhou Auto Group (Hong Kong) Limited are also registered in trust with HKSCC NOMINEES LIMITED.

III. OTHER REMINDERS

Other important information about the Company's operations during the reporting period that should be brought to the attention of investors

Applicable Not applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

Applicable Not applicable

(II) Financial Statements

Consolidated Balance Sheet

31 March 2022

Prepared by: Guangzhou Automobile Group Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: unaudited

Item	31 March 2022	31 December 2021
Current assets:		
Monetary fund	20,379,429,518	24,035,913,502
Trading financial assets	3,190,910,173	3,225,635,698
Bills receivables	91,985,414	1,771,431,273
Trade receivables	8,123,101,303	7,222,247,535
Financing receivables	88,364,029	709,064,394
Prepayments	752,928,833	759,965,260
Other receivables	5,821,591,601	5,174,430,955
Including: Interests receivable	0	0
Dividends receivable	4,391,364,752	4,209,208,270
Inventories	8,883,712,223	8,110,960,354
Contractual assets	0	0
Non-current assets due within one year	3,284,402,626	3,342,200,292
Other current assets	<u>7,775,257,512</u>	<u>6,839,797,824</u>
Total current assets	<u>58,391,683,232</u>	<u>61,191,647,087</u>

Item	31 March 2022	31 December 2021
Non-current assets:		
Loans and advances granted	2,312,413,614	1,119,741,616
Debt investments	492,567,449	315,274,484
Other debt investments	741,564,686	875,723,067
Long-term receivables	5,052,659,641	5,675,876,885
Long-term equity investments	40,948,552,866	36,904,565,728
Other investments in equity instruments	621,962,144	721,978,862
Other non-current financial assets	1,974,445,531	1,945,626,523
Investment properties	1,775,232,292	1,871,623,541
Fixed assets	17,165,047,087	17,507,186,749
Construction in progress	1,951,722,551	1,730,356,640
Right-of-use assets	1,350,042,433	1,392,978,041
Intangible assets	14,954,423,999	15,382,790,763
Development expenses	4,119,840,259	3,489,342,308
Goodwill	104,504,775	104,504,775
Long-term deferred expenditures	406,496,660	389,012,744
Deferred income tax assets	3,079,925,544	2,833,924,651
Other non-current assets	817,713,212	744,409,203
	<u>97,869,114,743</u>	<u>93,004,916,580</u>
Total non-current assets		
	<u>156,260,797,975</u>	<u>154,196,563,667</u>
Total assets		

Item	31 March 2022	31 December 2021
Current liabilities:		
Short-term borrowings	2,519,297,283	2,296,428,613
Bills payables	780,349,000	866,552,787
Trade payables	15,053,858,309	15,079,091,493
Receipts in advance	0	0
Contractual liabilities	3,280,874,428	2,626,901,731
Deposit taking and deposit in interbank market	3,455,512,894	4,936,488,258
Staff remuneration payable	2,008,971,392	2,882,607,943
Taxes payable	561,085,291	918,079,961
Other payables	8,554,496,029	9,269,390,117
Including: Interests payable	0	0
Dividends payable	32,758,937	0
Non-current liabilities due within one year	8,011,262,893	8,019,035,993
Other current liabilities	<u>2,009,961,490</u>	<u>1,911,681,649</u>
 Total current liabilities	 <u>46,235,669,009</u>	 <u>48,806,258,545</u>

Item	31 March 2022	31 December 2021
Non-current liabilities:		
Long-term borrowings	2,239,633,074	2,702,120,983
Debentures payable	0	2,995,121,451
Including: Preference shares	0	0
Perpetual bonds	0	0
Lease liabilities	1,433,468,361	1,270,196,146
Long-term payables	0	0
Long-term staff remuneration payable	89,537,785	82,090,000
Estimated liabilities	934,344,834	559,341,053
Deferred income	2,445,731,445	2,521,818,036
Deferred income tax liabilities	116,709,490	144,418,263
Other non-current liabilities	<u>2,035,917,637</u>	<u>2,520,439,184</u>
Total non-current liabilities	<u>9,295,342,626</u>	<u>12,795,545,116</u>
Total liabilities	<u>55,531,011,635</u>	<u>61,601,803,661</u>

Item	31 March 2022	31 December 2021
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	10,463,957,657	10,370,592,825
Other equity instruments	0	223,865,674
Including: Preference shares	0	0
Perpetual bonds	0	0
Capital reserve	28,216,163,449	24,002,631,254
Less: Treasury stock	509,485,637	509,485,637
Other comprehensive income	-87,955,138	41,988,644
Special reserve	67,538,862	45,003,968
Surplus reserve	5,498,401,539	5,498,401,539
General risk provision	413,798,316	413,798,316
Undistributed profit	53,181,130,017	50,172,489,745
Total owners' equity (or shareholders' equity)		
attributable to the parent company	97,243,549,065	90,259,286,328
Minority interests	<u>3,486,237,275</u>	<u>2,335,473,678</u>
Total owners' equity (or shareholders' equity)	<u>100,729,786,340</u>	<u>92,594,760,006</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>156,260,797,975</u>	<u>154,196,563,667</u>
Person in charge of the Company: ZENG Qinghong	Principal accounting responsible person: WANG Dan	Manager of the accounting department: ZHENG Chao

Consolidated Income Statement

From January to March 2022

Prepared by: Guangzhou Automobile Group Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: unaudited

Item	First quarter of 2022	First quarter of 2021
I. Total revenue from operations	23,267,750,729	16,023,651,985
Including: Revenue from operations	23,145,454,186	15,889,501,168
Interest income	122,296,543	134,150,817
II. Total cost of operations	24,596,790,850	17,255,911,794
Including: Cost of operations	21,729,162,174	15,007,868,369
Interest expenses	25,035,165	28,794,880
Taxes and surcharges	488,752,887	386,755,496
Selling expenses	1,153,358,082	833,698,229
Management expenses	956,549,058	683,824,199
Research and development expenses	240,721,595	260,308,231
Financial expenses	3,211,889	54,662,390
Including: Interests expenses	77,300,223	117,814,163
Interest income	80,630,232	54,623,638
Add: Other income	123,983,244	154,502,294
Gains on investment (loss is represented by "-")	4,226,763,308	3,442,570,034
Including: Gains from investment in associated companies and joint ventures	4,141,526,904	3,331,513,658
Income from derecognition of financial assets at amortised cost	0	0
Foreign exchange gains (loss is represented by "-")	0	0
Net gains from hedging exposure (loss is represented by "-")	0	0
Gains on change in fair value (loss is represented by "-")	-110,673,386	-69,676,489
Impairment loss of credit (loss is represented by "-")	-55,463,111	-10,066,487
Impairment loss of assets (loss is represented by "-")	-4,877,275	-8,565,761
Gains on disposal of assets (loss is represented by "-")	3,057,364	2,234,210

Item	First quarter of 2022	First quarter of 2021
III. Operating profit (loss is represented by “-”)	2,853,750,023	2,278,737,992
Add: Non-operating income	3,850,352	5,628,283
Less: Non-operating expenses	918,984	1,031,108
IV. Total profit (total loss is represented by “-”)	2,856,681,391	2,283,335,167
Less: Income tax expenses	-137,953,095	-65,961,577
V. Net profit (net loss is represented by “-”)	2,994,634,486	2,349,296,744
(I) Classified by continuity of operations		
1. Net profit from continuing operations (net loss is represented by “-”)	2,994,634,486	2,349,296,744
2. Net profit from discontinued operations (net loss is represented by “-”)	0	0
(II) Classified by ownership of the equity		
1. Net profit attributable to shareholders of the parent company (net loss is represented by “-”)	3,008,640,272	2,365,891,862
2. Minority interests (net loss is represented by “-”)	-14,005,786	-16,595,118
VI. Other comprehensive income (net of tax)	-130,602,596	-5,835,470
(I) Other comprehensive income (net of tax) attributable to owners of the parent company	-129,943,782	-5,835,470
1. Other comprehensive income not to be reclassified into profit or loss	-129,911,967	0
(1) Changes arising from the remeasurement of defined benefit plans	0	0
(2) Other comprehensive income not to be reclassified to profit or loss under the equity method	0	0
(3) Changes in fair value arising from other equity instruments investments	-129,911,967	0
(4) Changes in fair value arising from corporate credit risk	0	0
2. Other comprehensive income to be reclassified into profit or loss	-31,815	-5,835,470
(1) Other comprehensive income to be reclassified into profit or loss under the equity method	0	0
(2) Change in fair value of other debt investments	-759,625	0
(3) Financial assets reclassified into other comprehensive income	0	0
(4) Credit impairment provision for other debt instruments	0	0
(5) Reserve for cash flow hedging	0	0
(6) Exchange differences on foreign currency financial statements translation	727,810	-5,835,470
(7) Others	0	0
(II) Other comprehensive income (net of tax) attributable to minority interests	-658,814	0
VII. Total comprehensive income	2,864,031,890	2,343,461,274
(I) Total comprehensive income attributable to the owners of the parent company	2,878,696,490	2,360,056,392
(II) Total comprehensive income attributable to minority interests	-14,664,600	-16,595,118
VIII. Earnings per share:		
(I) Basic earnings per share (Yuan/share)	0.29	0.23
(II) Diluted earnings per share (Yuan/share)	0.29	0.23

Person in charge of the
Company:
ZENG Qinghong

Principal accounting
responsible person:
WANG Dan

Manager of the accounting
department:
ZHENG Chao

Consolidated Cash Flow Statement

From January to March 2022

Prepared by: Guangzhou Automobile Group Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: unaudited

Item	First quarter of 2022	First quarter of 2021
I. Cash flow generated from operating activities:		
Cash received from sales of goods and rendering labour services	30,481,871,849	18,250,903,698
Net increase in deposits from customer and other banks	-1,540,685,572	-2,584,766,879
Net increase in borrowings from PBOC	-144,868,862	218,472,430
Cash received from interest, handling fees and commissions	130,696,709	138,004,022
Tax rebates	22,257,858	12,543,729
Other cash received from activities related to operation	<u>1,221,058,588</u>	<u>2,252,344,392</u>
Sub-total of cash inflows from operating activities	<u>30,170,330,570</u>	<u>18,287,501,392</u>
Cash paid for goods and labour services	24,837,696,463	17,919,913,406
Net increase in customer loans and advances	2,133,282,731	403,030,329
Net increase in deposit in PBOC and interbank deposits	-416,200,000	-289,908,362
Cash paid for interest, handling fees and commissions	20,662,447	22,865,768
Cash paid to and on behalf of employees	2,585,097,395	2,184,865,223
Tax payments	1,155,640,824	1,036,429,086
Other cash payments related to operating activities	<u>3,057,086,236</u>	<u>2,261,365,301</u>
Sub-total of cash outflows from operating activities	<u>33,373,266,096</u>	<u>23,538,560,751</u>
Net cash flow from operating activities	<u><u>-3,202,935,526</u></u>	<u><u>-5,251,059,359</u></u>

Item	First quarter of 2022	First quarter of 2021
II. Cash flow generated from investing activities:		
Cash received from redemption of investments	664,760,474	1,249,763,530
Cash received from gains on investment	124,200,109	57,968,486
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	21,013,639	33,989,492
Net cash received from disposal of subsidiaries and other operating entities	0	0
Other cash received from activities related to investment	<u>0</u>	<u>21,326,964</u>
 Sub-total of cash inflows from investing activities	 <u>809,974,222</u>	 <u>1,363,048,472</u>
 Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	 1,722,307,666	 1,680,211,233
Cash paid for investment	1,032,662,680	2,211,585,906
Net cash paid for acquiring subsidiaries and other operating entities	36,481,250	0
Other cash paid for activities related to investment	<u>65,001,736</u>	<u>575,100</u>
 Sub-total of cash outflows from investing activities	 <u>2,856,453,332</u>	 <u>3,892,372,239</u>
 Net cash flow generated from investing activities	 <u><u>-2,046,479,110</u></u>	 <u><u>-2,529,323,767</u></u>

Item	First quarter of 2022	First quarter of 2021
III. Cash flow generated from financing activities:		
Cash received from capital contributions	2,566,069,153	14,889,434
Including: Cash received by subsidiaries from minority shareholders' investment	2,566,069,153	750,000
Cash received from borrowings	2,053,889,802	2,528,708,095
Other cash received from activities related to financing activities	<u>2,375,075,623</u>	<u>182,511,514</u>
Sub-total of cash inflows from financing activities	<u>6,995,034,578</u>	<u>2,726,109,043</u>
Cash repayments of borrowings	3,356,447,023	1,883,629,266
Cash paid for distribution of dividends, profits or repayment of interest	353,438,905	281,943,741
Including: Dividends and profit paid by subsidiaries to minority shareholders	2,459,155	0
Other cash paid for activities related to financing activities	<u>1,291,142,313</u>	<u>126,167,554</u>
Sub-total of cash outflows from financing activities	<u>5,001,028,241</u>	<u>2,291,740,561</u>
Net cash flow generated from financing activities	<u><u>1,994,006,337</u></u>	<u><u>434,368,482</u></u>
IV. Effects of changes in exchange rate on cash and cash equivalents		
	-2,774,588	-27,308,056
V. Net increase in cash and cash equivalents		
Add: Cash and cash equivalents at the beginning of the period	22,339,527,812	26,291,285,566
VI. Cash and cash equivalents at the end of the period		
	19,081,344,925	18,917,962,866

Person in charge of the
Company:
ZENG Qinghong

Principal accounting
responsible person:
WANG Dan

Manager of the accounting
department:
ZHENG Chao

Information on adjustments to financial statements at the beginning of the year of first implementation in respect of the first implementation of new accounting standards starting from 2022

Applicable Not applicable

By order of the Board
Guangzhou Automobile Group Co., Ltd.
ZENG Qinghong
Chairman

Guangzhou, the PRC, 27 April 2022

As at the date of this announcement, the executive directors of the Company are ZENG Qinghong and FENG Xingya, the non-executive directors of the Company are CHEN Xiaomu, CHEN Maoshan, DING Hongxiang, GUAN Dayuan and LIU Zhijun, and the independent non-executive directors of the Company are ZHAO Fuquan, XIAO Shengfang, WONG Hakkun and SONG Tiebo.