

Supplemental Listing Document

If you are in any doubt as to any aspect of this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and for quotation of the Certificates (as defined below). The SGX-ST assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of SG Issuer, Société Générale, the Certificates, or the Company (as defined below).

**8,000,000 European Style Cash Settled Long Certificates relating to
the ordinary H shares of BYD Company Limited
with a Daily Leverage of 5x**

issued by

SG Issuer

(Incorporated in Luxembourg with limited liability)

unconditionally and irrevocably guaranteed by

Société Générale

Issue Price: S\$1.00 per Certificate

This document is published for the purpose of obtaining a listing of all the above certificates (the “**Certificates**”) to be issued by SG Issuer (the “**Issuer**”) unconditionally and irrevocably guaranteed by Société Générale (the “**Guarantor**”), and is supplemental to and should be read in conjunction with a base listing document dated 16 June 2023 including such further base listing documents as may be issued from time to time (the “**Base Listing Document**”), as supplemented by an addendum to the Base Listing Document dated 28 July 2023 (the “**Addendum**”), for the purpose of giving information with regard to the Issuer, the Guarantor and the Certificates. Information relating to the Company (as defined below) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration the Certificates or other securities of the Issuer.

Restrictions have been imposed on offers and sales of the Certificates and on distributions of documents relating thereto in Singapore, Hong Kong, the European Economic Area, the United Kingdom and the United States (see “Placing and Sale” contained herein).

The Certificates are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Certificates may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. The price of the Certificates also depends on the supply and demand for the Certificates in the market and the price at which the Certificates is trading at any time may differ from the underlying valuation of the Certificates because of market inefficiencies. It is not possible to predict the secondary market for the Certificates. Although the Issuer, the Guarantor and/or any of their affiliates may from time to time purchase the Certificates or sell additional Certificates on the market, the Issuer, the Guarantor and/or any of their affiliates are not obliged to do so. Investors should also note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock (as defined below) and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock.

The Certificates are classified as capital markets products other than prescribed capital markets products¹ and Specified Investment Products (SIPs)², and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience.

The Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the guarantee dated 16 June 2023 (the "**Guarantee**") and entered into by the Guarantor constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person, and if you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person.

Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. It is expected that dealings in the Certificates will commence on or about 8 September 2023.

As of the date hereof, the Guarantor's long term credit rating by S&P Global Ratings is A, and by Moody's Investors Service, Inc. is A1.

The Issuer is regulated by the Luxembourg Commission de Surveillance du Secteur Financier on a consolidated basis and the Guarantor is regulated by, *inter alia*, the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the European Central Bank.

7 September 2023

¹ As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.

² As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

Subject as set out below, the Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this document, the Base Listing Document and the Addendum in relation to themselves and the Certificates. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document, the Base Listing Document and the Addendum for which they accept responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and does not omit anything likely to affect the import of such information. The information with regard to the Company as set out herein is extracted from publicly available information. The Issuer and the Guarantor accept responsibility only for the accurate reproduction of such information. No further or other responsibility or liability in respect of such information is accepted by the Issuer and the Guarantor.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Certificates, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Guarantor. Neither the delivery of this document nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Guarantor or their respective subsidiaries and associates since the date hereof.

This document does not constitute an offer or invitation by or on behalf of the Issuer or the Guarantor to purchase or subscribe for any of the Certificates. The distribution of this document and the offering of the Certificates may, in certain jurisdictions, be restricted by law. The Issuer and the Guarantor require persons into whose possession this document comes to inform themselves of and observe all such restrictions. In particular, the Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Certificates and distribution of this document is given in the section headed “Placing and Sale” contained herein.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the Guarantor or the merits of investing in the Certificates, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in

negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

References in this document to the “**Conditions**” shall mean references to the Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

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RISK FACTORS

The following are risk factors relating to the Certificates:

- (a) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;
- (b) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;
- (c) since the Certificates relate to the price of the Underlying Stock, certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may, in extreme circumstances, sustain a significant loss of their investment if the price of the Underlying Stock has fallen sharply;
- (d) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the Underlying Stock, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor;
- (e) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period;
- (f) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;
- (g) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined in the Conditions) may be delayed, all as more fully described in the Conditions;
- (h) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the Conditions 4 and 6 on pages 32 to 37 and the examples and illustrations of adjustments set out in the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section of this document for more information;

- (i) the Certificates are only exercisable on the Expiry Date and may not be exercised by Certificate Holders prior to such Expiry Date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero, a Certificate Holder will lose the value of his investment;
- (j) the total return on an investment in any Certificate may be affected by the Hedging Fee Factor (as defined below), Management Fee (as defined below) and Gap Premium (as defined below);
- (k) investors holding their position overnight should note that they would be required to bear the annualised cost which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy (as described below) including the Funding Cost (as defined below) and Rebalancing Cost (as defined below);
- (l) investors should note that there may be an exchange rate risk relating to the Certificates where the Cash Settlement Amount is converted from a foreign currency into Singapore dollars.

Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Certificates. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies;

- (m) investors should note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock;
- (n) when held for longer than a day, the performance of the Certificates could be more or less than the leverage factor that is embedded within the Certificates. The performance of the Certificates each day is locked in, and any subsequent returns are based on what was achieved the previous day. This process, referred to as compounding, may lead to a performance difference from 5 times the performance of the Underlying Stock over a period longer than one day. This difference may be amplified in a volatile market with a sideways trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;
- (o) the Air Bag Mechanism (as defined below) is triggered only when the Underlying Stock is calculated or traded, which may not be during the trading hours of the Relevant Stock Exchange for the Certificates (as defined below);
- (p) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;
- (q) there is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment, in the event of (i) an overnight fall in the Underlying Stock, where there is a 20% or greater gap between the previous day closing price and the opening price of the Underlying Stock the following day, as the Air Bag Mechanism will only be triggered when market opens (including pre-opening session or opening auction, as the case may be) the

following day or (ii) a sharp intraday fall in the price of the Underlying Stock of 20% or greater within the 15 minutes Observation Period compared to the reference price, being: (1) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (2) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. Investors may refer to pages 52 to 53 of this document for more information;

- (r) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be less than the amount initially invested. Investors may refer to the Condition 13 on pages 38 to 40 of this document for more information;
- (s) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;
- (t) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders;
- (u) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

The Issuer, the Guarantor and any of their subsidiaries and affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer, the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the Underlying Stock. Such activities and information may involve or otherwise affect issuers of the Underlying Stock in a manner that may cause consequences adverse to the Certificate Holders or otherwise create conflicts of interests in connection with the issue of Certificates by the

Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the Underlying Stock or such activities. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the issue of Certificates by the Issuer or the effect that such activities may directly or indirectly have on any Certificate;

- (v) legal considerations which may restrict the possibility of certain investments:

Some investors' investment activities are subject to specific laws and regulations or laws and regulations currently being considered by various authorities. All potential investors must consult their own legal advisers to check whether and to what extent (i) they can legally purchase the Certificates (ii) the Certificates can be used as collateral security for various forms of borrowing (iii) if other restrictions apply to the purchase of Certificates or their use as collateral security. Financial institutions must consult their legal advisers or regulators to determine the appropriate treatment of the Certificates under any applicable risk-based capital or similar rules;

- (w) the credit rating of the Guarantor is an assessment of its ability to pay obligations, including those on the Certificates. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the Certificates;

- (x) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may decline. The following is a list of some of the significant risks associated with the Underlying Stock:

- Historical performance of the Underlying Stock does not give an indication of future performance of the Underlying Stock. It is impossible to predict whether the price of the Underlying Stock will fall or rise over the term of the Certificates; and
- The price of the Underlying Stock may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which the Underlying Stock may be traded;

- (y) the value of the Certificates depends on the Leverage Strategy performance built in the Certificate. The Calculation Agent will make the Leverage Strategy last closing level and a calculation tool available to the investors on a website;

- (z) two or more risk factors may simultaneously have an effect on the value of a Certificate such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Certificate;

- (aa) as the Certificates are represented by a global warrant certificate which will be deposited with The Central Depository (Pte) Limited ("**CDP**");

- (i) investors should note that no definitive certificate will be issued in relation to the Certificates;
- (ii) there will be no register of Certificate Holders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates by way of interest (to the extent of such number) in the global warrant certificate in respect of those Certificates represented thereby shall be treated as the holder of such number of Certificates;

- (iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and
 - (iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;
- (bb) the reform of HIBOR may adversely affect the value of the Certificates

The Hong Kong Inter-bank Offered Rate (“**HIBOR**”) benchmark is referenced in the Leverage Strategy.

It is not possible to predict with certainty whether, and to what extent, HIBOR will continue to be supported going forwards. This may cause HIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Certificates.

In addition, the occurrence of a modification or cessation of HIBOR may cause adjustment of the Certificates which may include selecting one or more successor benchmarks and making related adjustments to the Certificates, including if applicable to reflect increased costs.

The Calculation Agent may make adjustments as it may determine appropriate if any of the following circumstances occurs or may occur: (1) HIBOR is materially changed or cancelled or (2)(i) the relevant authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the benchmark or the administrator or sponsor of the benchmark is not obtained, (ii) an application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is rejected or (iii) any authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or inclusion in any official register is withdrawn.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any of the international or national reforms in making any investment decision with respect to any Certificate;

- (cc) the US Foreign Account Tax Compliance Act (“**FATCA**”) withholding risk:

FATCA generally imposes a 30 per cent. withholding tax on certain U.S.-source payments to certain non-US persons that do provide certification of their compliance with IRS rules to disclose the identity of their US owners and account holders (if any) or establish a basis for exemption for such disclosure. The Issuer or an investor’s broker or custodian may be subject to FATCA and, as a result, may be required to obtain certification from investors that they have complied with FATCA disclosure requirements or have established a basis for exemption from FATCA. If an investor does not provide the Issuer or the relevant broker or custodian with such certification, the Issuer and the Guarantor or other withholding agent could be required to withhold U.S. tax on U.S.-source income (if any) paid pursuant to the Certificates. In certain cases, the Issuer or the relevant broker or custodian could be required to close an account of an investor who does not comply with the FATCA certification procedures.

FATCA IS PARTICULARLY COMPLEX. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO

DETERMINE HOW THIS LEGISLATION MIGHT AFFECT EACH INVESTOR IN ITS PARTICULAR CIRCUMSTANCES;

(dd) U.S. withholding tax

The Issuer has determined that this Certificate is not linked to U.S. Underlying Equities within the meaning of applicable regulations under Section 871(m) of the United States Internal Revenue Code, as discussed in the accompanying Base Listing Document under “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986.” Accordingly, the Issuer expects that Section 871(m) will not apply to the Certificates. Such determination is not binding on the IRS, and the IRS may disagree with this determination. Section 871(m) is complex and its application may depend on a Certificate Holder's particular circumstances. Certificate Holders should consult with their own tax advisers regarding the potential application of Section 871(m) to the Certificates; and

(ee) risk factors relating to the BRRD

French and Luxembourg law and European legislation regarding the resolution of financial institutions may require the write-down or conversion to equity of the Certificates or other resolution measures if the Issuer or the Guarantor is deemed to meet the conditions for resolution.

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”) entered into force on 2 July 2014. The BRRD, as amended, has been implemented into Luxembourg law by, among others, the Luxembourg act dated 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the “**BRR Act 2015**”). Under the BRR Act 2015, the competent authority is the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the CSSF) and the resolution authority is the CSSF acting as resolution council (*conseil de résolution*).

In April 2023, the EU Commission released a proposal to amend, in particular, the BRRD according to which senior preferred debt instruments would no longer rank pari passu with any non covered non preferred deposits of the Issuer; instead, senior preferred debt instruments would rank junior in right of payment to the claims of all depositors.

This proposal will be discussed and amended by the European Parliament and the European Council before being final and applicable. If the Commission proposal was adopted as is, there may be an increased risk of an investor in senior preferred debt instruments losing all or some of their investment in the context of the exercise of the Bail-in Power. The proposal may also lead to a rating downgrade for senior preferred debt instruments.

Moreover, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (“**SRM**”) and a Single Resolution Framework (the “**SRM Regulation**”) has established a centralised power of resolution entrusted to a Single Resolution Board (the “**SRB**”) in cooperation with the national resolution authorities.

Since November 2014, the European Central Bank (“**ECB**”) has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism (“**SSM**”). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is

harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States' resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

Societe Generale has been, and continues to be, designated as a significant supervised entity for the purposes of Article 49(1) of Regulation (EU) No 468/2014 of the ECB of 16 April 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the "**SSM Regulation**") and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that Societe Generale and SG Issuer (being covered by the consolidated prudential supervision of Societe Generale) are also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

The stated aim of the BRRD and the SRM Regulation is to provide for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and certain investment firms. The regime provided for by the BRRD is, among other things, stated to be needed to provide the resolution authority designated by each EU Member State (the "**Resolution Authority**") with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions while minimising the impact of an institution's failure on the economy and financial system (including taxpayers' exposure to losses).

In accordance with the provisions of the SRM Regulation, when applicable, the SRB, has replaced the national resolution authorities designated under the BRRD with respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the institutions' resolution plans have applied since 1 January 2015 and the SRM has been fully operational since 1 January 2016.

The SRB is the Resolution Authority for the Issuer and the Guarantor.

The powers provided to the Resolution Authority in the BRRD and the SRM Regulation include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses) absorb losses of the issuing institution that is subject to resolution in accordance with a set order of priority (the "**Bail-in Power**"). The conditions for resolution under the SRM Regulation are deemed to be met when: (i) the Resolution Authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives (in particular, ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets) and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure, fully or partially write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write-down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in Article 10 of the SRM Regulation). The terms and conditions of the Certificates contain provisions giving effect to the Bail-in Power in the context of resolution and write-down or conversion of capital instruments at the point of non-viability.

The Bail-in Power could result in the full (i.e., to zero) or partial write-down or conversion of the Certificates into ordinary shares or other instruments of ownership, or the variation of the terms of the Certificates (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolution measures. No support will be available until a minimum amount of contribution to loss absorption and recapitalization of 8% of total liabilities including own funds has been made by shareholders, holders of capital instruments and other eligible liabilities through write-down, conversion or otherwise.

In addition to the Bail-in Power, the BRRD provides the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the sale of the institution's business, the creation of a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments.

Before taking a resolution measure, including implementing the Bail-in Power, or exercising the power to write down or convert relevant capital instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

The BRRD, the BRR Act 2015 and the SRM Regulation however also state that, under exceptional circumstances, if the bail-in instrument is applied, the SRB, in cooperation with the CSSF, may completely or partially exclude certain liabilities from the application of the impairment or conversion powers under certain conditions.

Since 1 January 2016, EU credit institutions (such as Societe Generale) and certain investment firms have to meet, at all times, a minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to Article 12 of the SRM Regulation. The MREL, which is expressed as a percentage of the total liabilities and own funds of the institution, aims at preventing institutions from structuring their liabilities in a manner that impedes the effectiveness of the Bail-in Power in order to facilitate resolution.

The regime has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to the so-called "EU Banking Package", the following legislative texts were published in the Official Journal of the EU 14 May 2019:

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms ("**BRRD II**"); and

- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity (“**TLAC**”) of credit institutions and investment firms (the “**SRM II Regulation**” and, together with the BRRD II, the “**EU Banking Package Reforms**”).

The EU Banking Package Reforms introduced, among other things, the TLAC standard as implemented by the Financial Stability Board's TLAC Term Sheet (“**FSB TLAC Term Sheet**”), by adapting, among other things, the existing regime relating to the specific MREL with aim of reducing risks in the banking sector and further reinforcing institutions’ ability to withstand potential shocks will strengthen the banking union and reduce risks in the financial system.

The TLAC has been implemented in accordance with the FSB TLAC Term Sheet, which impose a level of “Minimum TLAC” that will be determined individually for each global systemically important bank (“**G-SIB**”), such as Societe Generale, in an amount at least equal to (i) 16%, plus applicable buffers, of risk weight assets since January 1, 2022 and 18%, plus applicable buffers, thereafter and (ii) 6% of the Basel III leverage ratio denominator since January 1, 2022 and 6.75% thereafter (each of which could be extended by additional firm-specific requirements).

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the “**CRR**”), as amended by Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (the “**CRR II**”), EU G-SIBs, such as Societe Generale, have to comply with TLAC requirements, on top of the MREL requirements, since the entry into force of the CRR II. As such, G-SIBs, such as Societe Generale have to comply with both the TLAC and MREL requirements.

Consequently, the criteria for MREL-eligible liabilities have been closely aligned with the criteria for TLAC-eligible liabilities under CRR II, but subject to the complementary adjustments and requirements introduced in the BRRD II. In particular, certain debt instruments with an embedded derivative component, such as certain structured notes, will be eligible, subject to certain conditions, to meet MREL requirements to the extent that they have a fixed or increasing principal amount repayable at maturity that is known in advance with only an additional return permitted to be linked to that derivative component and dependent on the performance of a reference asset.

The level of capital and eligible liabilities required under MREL is set by the SRB for Societe Generale on an individual and/or consolidated basis based on certain criteria including systemic importance and may also be set for SG Issuer. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining term of at least one year and, they recognise contractually the Resolution Authority's power to write down or convert the liabilities governed by non-EU law.

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to

meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail-in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates and should be read in conjunction with, and are qualified by reference to, the other information set out in this document, the Base Listing Document and the Addendum.

The Conditions are set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Certificates:	8,000,000 European Style Cash Settled Long Certificates relating to the ordinary H shares of BYD Company Limited traded in HKD (the “ Underlying Stock ”)
ISIN:	LU2375061111
Company:	BYD Company Limited (RIC: 1211.HK)
Underlying Price ³ and Source:	HK\$247.2 (Reuters)
Calculation Agent:	Société Générale
Strike Level:	Zero
Daily Leverage:	5x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 1.00
Management Fee (p.a.) ⁴ :	0.40%
Gap Premium (p.a.) ⁵ :	6.90%, is a hedging cost against extreme market movements overnight.
Funding Cost ⁶ :	The annualised costs of funding, referencing a publicly published interbank offered rate plus spread.
Rebalancing Cost ⁶ :	The transaction costs (if applicable), computed as a function of leverage and daily performance of the Underlying Stock.
Launch Date:	31 August 2023
Closing Date:	7 September 2023
Expected Listing Date:	8 September 2023

³ These figures are calculated as at, and based on information available to the Issuer on or about 7 September 2023. The Issuer is not obliged, and undertakes no responsibility to any person, to update or inform any person of any changes to the figures after 7 September 2023.

⁴ Please note that the Management Fee is calculated on a 360-day basis and may be increased up to a maximum of 3% p.a. on giving one month's notice to investors. Any increase in the Management Fee will be announced on the SGXNET. Please refer to “Fees and Charges” below for further details of the fees and charges payable and the maximum of such fees as well as other ongoing expenses that may be borne by the Certificates.

⁵ Please note that the Gap Premium is calculated on a 360-day basis.

⁶ These costs are embedded within the Leverage Strategy.

Last Trading Date:	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 28 August 2025
Expiry Date:	4 September 2025 (if the Expiry Date is not a Business Day, then the Expiry Date shall fall on the preceding Business Day and subject to adjustment of the Valuation Date upon the occurrence of Market Disruption Events as set out in the Conditions of the Certificates)
Board Lot:	100 Certificates
Valuation Date:	3 September 2025 or if such day is not an Exchange Business Day, the immediately preceding Exchange Business Day.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Cash Settlement Amount:	<p>In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:</p> <p>Closing Level multiplied by the Notional Amount per Certificate</p> <p>Please refer to the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section on pages 44 to 58 of this document for examples and illustrations of the calculation of the Cash Settlement Amount.</p>
Hedging Fee Factor:	<p>In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of $(1 - \text{Management Fee} \times (\text{ACT}(t-1;t) \div 360)) \times (1 - \text{Gap Premium}(t-1) \times (\text{ACT}(t-1;t) \div 360))$, where:</p> <p>“$t$” refers to “Observation Date” which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date; and</p>

ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (which is “t-1”) (included) and the Observation Date (which is “t”) (excluded).

If the Issuer determines, in its sole discretion, that on any Observation Date a Market Disruption Event has occurred, then that Observation Date shall be postponed until the first succeeding Underlying Stock Business Day on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Underlying Stock Business Days immediately following the original date that, but for the Market Disruption Event, would have been an Observation Date. In that case, that fifth Underlying Stock Business Day shall be deemed to be the Observation Date notwithstanding the Market Disruption Event and the Issuer shall determine, its good faith estimate of the level of the Leverage Strategy and the value of the Certificate on that fifth Underlying Stock Business Day in accordance with the formula for and method of calculation last in effect prior to the occurrence of the first Market Disruption Event taking into account, inter alia, the exchange traded or quoted price of the Underlying Stock and the potential increased cost of hedging by the Issuer as a result of the occurrence of the Market Disruption Event.

An “**Underlying Stock Business Day**” is a day on which The Stock Exchange of Hong Kong Limited (the “**HKEX**”) is open for dealings in Hong Kong during its normal trading hours and banks are open for business in Hong Kong.

Please refer to the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section on pages 44 to 58 of this document for examples and illustrations of the calculation of the Hedging Fee Factor.

Closing Level: In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

Initial Reference Level: 1,000

Final Reference Level: The closing level of the Leverage Strategy (as described below) on the Valuation Date

The calculation of the closing level of the Leverage Strategy is set out in the “Specific Definitions relating to the Leverage Strategy” section on pages 20 to 26 below.

Initial Exchange Rate³: 0.1741

Final Exchange Rate: The rate for the conversion of HKD to SGD as at 5:00pm (Singapore Time) on the Valuation Date as shown on Reuters, provided that if the Reuters service ceases to display such information, as determined by

the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate at such a time.

Air Bag Mechanism:

The “**Air Bag Mechanism**” refers to the mechanism built in the Leverage Strategy and which is designed to reduce the Leverage Strategy exposure to the Underlying Stock during extreme market conditions. If the Underlying Stock falls by 15% or more (“**Air Bag Trigger Price**”) during the trading day (which represents an approximately 75% loss after a 5 times leverage), the Air Bag Mechanism is triggered and the Leverage Strategy is adjusted intra-day. The Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses.

Trading of Certificates is suspended for at least 30 minutes of continuous trading after the Air Bag is triggered. The resumption of trading is subject to the SGX-ST’s requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

The Leverage Strategy is floored at 0 and the Certificates cannot be valued below zero.

Please refer to the “Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)” section on pages 24 to 26 below and the “Description of Air Bag Mechanism” section on pages 50 to 51 of this document for further information of the Air Bag Mechanism.

Adjustments and Extraordinary Events:

The Issuer has the right to make adjustments to the terms of the Certificates if certain events, including any capitalisation issue, rights issue, extraordinary distributions, merger, delisting, insolvency (as more specifically set out in the terms and conditions of the Certificates) occur in respect of the Underlying Stock. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

Underlying Stock Currency:

Hong Kong Dollar (“**HKD**”)

Settlement Currency:

Singapore Dollar (“**SGD**”)

Exercise Expenses:

Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates.

Relevant Stock Exchange for the Certificates:

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”)

Relevant Stock Exchange for the Underlying Stock:

HKEX

Business Day, Settlement Business Day and Exchange Business Day:	<p>A “Business Day” or a “Settlement Business Day” is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.</p> <p>An “Exchange Business Day” is a day on which the SGX-ST and the HKEX are open for dealings in Singapore and Hong Kong respectively during its normal trading hours and banks are open for business in Singapore and Hong Kong.</p>
Warrant Agent:	The Central Depository (Pte) Limited (“ CDP ”)
Clearing System:	CDP
Fees and Charges:	<p>Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.</p> <p>Investors holding position overnight would also be required to bear the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost. The Management Fee may be increased up to a maximum of 3% p.a. on giving one month’s notice to investors in accordance with the terms and conditions of the Certificates. Any increase in the Management Fee will be announced on the SGXNET.</p>
Further Information:	Please refer to the website at dlc.socgen.com for more information on the theoretical closing price of the Certificates on the previous trading day, the closing price of the Underlying Stock on the previous trading day, the Air Bag Trigger Price for each trading day and the Management Fee and Gap Premium.

Specific Definitions relating to the Leverage Strategy

Description of the Leverage Strategy

The Leverage Strategy is designed to track a 5 times daily leveraged exposure to the Underlying Stock.

At the end of each trading day of the Underlying Stock, the exposure of the Leverage Strategy to the Underlying Stock is reset within the Leverage Strategy in order to retain a daily leverage of 5 times the performance of the Underlying Stock (excluding costs) regardless of the performance of the Underlying Stock on the preceding day. This mechanism is referred to as the Daily Reset.

The Leverage Strategy incorporates an air bag mechanism which is designed to reduce exposure to the Underlying Stock during extreme market conditions, as further described below.

Leverage Strategy Formula

LSL_t	<p>means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t).</p> <p>Subject to the occurrence of an Intraday Restrike Event, the Leverage Strategy Closing Level as of such Observation Date(t) is calculated in accordance with the following formulae:</p> <p>On Observation Date(1):</p> $LSL_1 = 1000$ <p>On each subsequent Observation Date(t):</p> $LSL_t = \text{Max}[LSL_{t-1} \times (1 + LR_{t-1,t} - FC_{t-1,t} - RC_{t-1,t}), 0]$
LR_{t-1,t}	<p>means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows:</p> $LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right)$
FC_{t-1,t}	<p>means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:</p> $FC_{t-1,t} = (\text{Leverage} - 1) \times \frac{\text{Rate}_{t-1} \times \text{ACT}(t - 1, t)}{\text{DayCountBasisRate}}$
RC_{t-1,t}	<p>means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows:</p> $RC_{t-1,t} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right \right) \times TC$
TC	<p>means the Transaction Costs applicable (including Stamp Duty and any other applicable taxes, levies and costs which may be levied on the stock transactions on the Relevant Stock Exchange for the Underlying Stock by the applicable regulatory authorities from time to time) that are currently equal to:</p> <p>0.13%</p> <p>“Stamp Duty” refers to the applicable rate of stamp duty on the stock transactions in the jurisdiction of the Relevant Stock Exchange for the Underlying Stock, which may be changed by the applicable regulatory authorities from time to time.</p>
Leverage	5
S_t	<p>means, in respect of each Observation Date(t), the Closing Price of the Underlying Stock as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.</p>

Rate_t	<p>means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula:</p> $\text{Rate}_t = \text{CashRate}_t + \% \text{SpreadLevel}_t$
Rfactor_t	<p>means, in the event Observation Date (t) is an ex-dividend date of the Underlying Stock, an amount determined by the Calculation Agent, subject to the adjustments and provisions of the Conditions, according to the following formula:</p> $Rfactor_t = 1 - \frac{Div_t}{S_{t-1}}$ <p>where</p> <p><i>Div_t</i> is the dividend to be paid out in respect of the Underlying Stock and the relevant ex-dividend date which shall be considered net of any applicable withholding taxes.</p>
CashRate_t	<p>means, in respect of each Observation Date(t), the Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC H1HKDOND= or any successor page, being the rate as of day (t), provided that if any of such rate is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Reuters page. Upon the occurrence or likely occurrence, as determined by the Calculation Agent, of modification, the permanent or indefinite cancellation or cessation in the provision of HIBOR, or a regulator or other official sector entity prohibits the use of HIBOR, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.</p>
%SpreadLevel_t	<p>means, in respect of each Observation Date(t), a rate which shall be determined with respect to such Valuation Date(t) by the Calculation Agent as the difference between (1) the 12-month HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC H1HKD1YD= and (2) Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC H1HKDOND= or any successor page, each being the rate as of day (t), provided that if any of such rates is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Reuters page. Upon the occurrence or likely occurrence, as determined by the Calculation Agent, of modification, the permanent or indefinite cancellation or cessation in the provision of HIBOR, or a regulator or other official sector entity prohibits the use of HIBOR, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.</p>

	Provided that if such difference is negative, % SpreadLevel _t should be 0%.
ACT(t-1,t)	ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (which is "t-1") (included) and the Observation Date (which is "t") (excluded).
DayCountBasisRate	365
Benchmark Fallback	upon the occurrence or likely occurrence, as determined by the Calculation Agent, of a Reference Rate Event, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.
Reference Rate Event	<p>means, in respect of the Reference Rate any of the following has occurred or will occur:</p> <p>(i) a Reference Rate Cessation;</p> <p>(ii) an Administrator/Benchmark Event; or</p> <p>(iii) a Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry & Financial Markets Association (ASIFMA), pursuant to which such Reference Rate is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board's paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.</p>
Reference Rate Cessation	<p>means, for a Reference Rate, the occurrence of one or more of the following events:</p> <p>(i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate;</p> <p>(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or</p> <p>(iii) in respect of a Reference Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Reference Rate announcing that (a) the regulatory supervisor has determined that such Reference Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that</p>

such Reference Rate is intended to measure and that representativeness will not be restored and (b) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;

**Administrator/
Benchmark Event**

means, for a Reference Rate, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Reference Rate or the administrator or sponsor of the Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Reference Rate to perform its or their respective obligations under the Certificates.

Reference Rate(s)

means the rate(s) used in the Leverage Strategy Formula, for example SORA, SOFR and US Federal Funds Effective Rate.

Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)

**Extraordinary Strategy
Adjustment for
Performance Reasons**

If the Calculation Agent determines that an Intraday Restrike Event has occurred during an Observation Date(t) (the **Intraday Restrike Date**, noted hereafter **IRD**), an adjustment (an **Extraordinary Strategy Adjustment for Performance Reasons**) shall take place during such Observation Date(t) in accordance with the following provisions.

(1) Provided the last Intraday Restrike Observation Period as of such Intraday Restrike Date does not end on the TimeReferenceClosing, the Leverage Strategy Closing Level on the Intraday Restrike Date (LSL_{IRD}) should be computed as follows:

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)} \times (1 + ILR_{IR(n),IR(C)} - IRC_{IR(n),IR(C)}), 0]$$

(2) If the last Intraday Restrike Event Observation Period on the relevant Intraday Restrike Date ends on the TimeReferenceClosing:

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)}, 0]$$

$ILSL_{IR(k)}$

means, in respect of $IR(k)$, the Intraday Leverage Strategy Level in accordance with the following provisions:

(1) for $k = 1$:

$$ILSL_{IR(1)} = \text{Max}[LSL_{IRD-1} \times (1 + ILR_{IR(0),IR(1)} - FC_{IRD-1,IRD} - IRC_{IR(0),IR(1)}), 0]$$

(2) for $k > 1$:

$$ILSL_{IR(k)} = \text{Max}[ILSL_{IR(k-1)} \times (1 + ILR_{IR(k-1),IR(k)} - IRC_{IR(k-1),IR(k)}), 0]$$

$ILR_{IR(k-1),IR(k)}$

means the Intraday Leveraged Return between $IR(k-1)$ and $IR(k)$, calculated as follows:

$$ILR_{IR(k-1),IR(k)} = \text{Leverage} \times \left(\frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right)$$

$IRC_{IR(k-1),IR(k)}$	<p>means the Intraday Rebalancing Cost of the Leverage Strategy in respect of $IR(k)$ on a given Intraday Restrike Date, calculated as follows:</p> $IRC_{IR(k-1),IR(k)} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left \frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right \right) \times TC$
$IS_{IR(k)}$	<p>means the Underlying Stock Price in respect of $IR(k)$ computed as follows:</p> <p>(1) for $k=0$</p> $IS_{IR(0)} = S_{IRD-1} \times Rfactor_{IRD}$ <p>(2) for $k=1$ to n</p> <p>means in respect of $IR(k)$, the lowest price of the Underlying Stock during the respective Intraday Restrike Observation Period</p> <p>(3) with respect to $IR(C)$</p> $IS_{IR(C)} = S_{IRD}$ <p>In each case, subject to the adjustments and provisions of the Conditions.</p>
$IR(k)$	<p>For $k=0$, means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the Observation Date immediately preceding the relevant Intraday Restrike Date;</p> <p>For $k=1$ to n, means the k^{th} Intraday Restrike Event on the relevant Intraday Restrike Date.</p>
$IR(C)$	means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the relevant Intraday Restrike Date.
n	means the number of Intraday Restrike Events that occurred on the relevant Intraday Restrike Date.
Intraday Restrike Event	<p>means in respect of an Observation Date(t):</p> <p>(1) provided no Intraday Restrike Event has previously occurred on such Observation Date (t), the decrease at any Calculation Time of the Underlying Stock price by 15% or more compared with the relevant Underlying Stock Price $IS_{IR(0)}$ as of such Calculation Time.</p> <p>(2) if k Intraday Restrike Events have occurred on the relevant Intraday Restrike Date, the decrease at any Calculation Time of the Underlying Stock price by 15% or more compared with the relevant Underlying Stock Price $IS_{IR(k)}$ as of such Calculation Time.</p>
Calculation Time	means any time between the TimeReferenceOpening and the TimeReferenceClosing, provided that the relevant data is available to enable the Calculation Agent to determine the Leverage Strategy Level.
TimeReferenceOpening	means the scheduled opening time (including pre-opening session or opening auction, as the case may be) for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).

TimeReferenceClosing	means the scheduled closing time (including closing auction session) for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
Intraday Restrike Event Observation Period	<p>means in respect of an Intraday Restrike Event, the period starting on and excluding the Intraday Restrike Event Time and finishing on and including the sooner between (1) the time falling 15 minutes of continuous trading after the Intraday Restrike Event Time and (2) the TimeReferenceClosing.</p> <p>Where, during such period, the Calculation Agent determines that (1) the trading in the Underlying Stock is disrupted or subject to suspension or limitation or (2) the Relevant Stock Exchange for the Underlying Stock is not open for continuous trading, the Intraday Restrike Event Observation Period will be extended to the extent necessary until (1) the trading in the Underlying Stock is no longer disrupted, suspended or limited and (2) the Relevant Stock Exchange for the Underlying Stock is open for continuous trading.</p>
Intraday Restrike Event Time	means in respect of an Intraday Restrike Event, the Calculation Time on which such event occurs.

The Conditions set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Certificates.

TERMS AND CONDITIONS OF

THE EUROPEAN STYLE CASH SETTLED LONG/SHORT CERTIFICATES ON SINGLE EQUITIES

1. Form, Status and Guarantee, Transfer and Title

- (a) *Form.* The Certificates (which expression shall, unless the context otherwise requires, include any further certificates issued pursuant to Condition 11) are issued subject to and with the benefit of: -
- (i) a master instrument by way of deed poll (the “**Master Instrument**”) dated 16 June 2023, made by SG Issuer (the “**Issuer**”) and Société Générale (the “**Guarantor**”); and
 - (ii) a warrant agent agreement (the “**Master Warrant Agent Agreement**” or “**Warrant Agent Agreement**”) dated any time before or on the Closing Date, made between the Issuer and the Warrant Agent for the Certificates.

Copies of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The holders of the Certificates (the “**Certificate Holders**”) are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement.

- (b) *Status and Guarantee.* The Certificates constitute direct, general and unsecured obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Certificates provide for cash settlement on exercise. The Certificates do not entitle Certificate Holders to the delivery of any Underlying Stock, are not secured by the Underlying Stock and do not entitle Certificate Holders to any interest in any Underlying Stock.

The due and punctual payment of any amounts due by the Issuer in respect of the Certificates issued by the Issuer is unconditionally and irrevocably guaranteed by the Guarantor as provided in the Guarantee (each such amount payable under the Guarantee, a “**Guarantee Obligation**”).

The Guarantee Obligations will constitute direct, unconditional, unsecured and unsubordinated obligations of the Guarantor ranking as senior preferred obligations as provided for in Article L. 613-30-3 I 3° of the French Code *Monétaire et Financier* (the “**Code**”).

Such Guarantee Obligations rank and will rank equally and rateably without any preference or priority among themselves and:

- (i) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the Guarantor outstanding as of the date of the entry into force of the law no. 2016-1691 (the “**Law**”) on 11 December 2016;
- (ii) *pari passu* with all other present or future direct, unconditional, unsecured and senior preferred obligations (as provided for in Article L. 613-30-3 I 3° of the Code) of the Guarantor issued after the date of the entry into force of the Law on 11 December 2016;
- (iii) junior to all present or future claims of the Guarantor benefiting from the statutorily preferred exceptions; and
- (iv) senior to all present and future senior non-preferred obligations (as provided for in Article L.613-30-3 I 4° of the Code) of the Guarantor.

In the event of the failure of the Issuer to promptly perform its obligations to any Certificate Holder under the terms of the Certificates, such Certificate Holder may, but is not obliged to, give written notice to the Guarantor at Société Générale, Tour Société Générale, 75886 Paris Cedex 18, France marked for the attention of SEGL/JUR/OMF - Market Transactions & Financing.

- (c) **Transfer.** The Certificates are represented by a global warrant certificate (“**Global Warrant**”) which will be deposited with The Central Depository (Pte) Limited (“**CDP**”). Certificates in definitive form will not be issued. Transfers of Certificates may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.
- (d) **Title.** Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates shall be treated by the Issuer, the Guarantor and the Warrant Agent as the holder and absolute owner of such number of Certificates, notwithstanding any notice to the contrary. The expression “**Certificate Holder**” shall be construed accordingly.
- (e) **Bail-In.** By the acquisition of Certificates, each Certificate Holder (which, for the purposes of this Condition, includes any current or future holder of a beneficial interest in the Certificates) acknowledges, accepts, consents and agrees:
 - (i) to be bound by the effect of the exercise of the Bail-In Power (as defined below) by the Relevant Resolution Authority (as defined below) on the Issuer’s liabilities under the Certificates, which may include and result in any of the following, or some combination thereof:
 - (A) the reduction of all, or a portion, of the Amounts Due (as defined below), on a permanent basis;
 - (B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or the Guarantor or another person (and the issue to the Certificate Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Certificates, in which case the Certificate Holder agrees to accept in lieu of its rights under the Certificates any such shares, other securities or other obligations of the Issuer or the Guarantor or another person;

- (C) the cancellation of the Certificates; and/or
- (D) the amendment or alteration of the expiration of the Certificates or amendment of the amounts payable on the Certificates, or the date on which the amounts become payable, including by suspending payment for a temporary period; and

that terms of the Certificates are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-In Power by the Relevant Resolution Authority or the regulator,

(the “**Statutory Bail-In**”);

- (ii) if the Relevant Resolution Authority exercises its Bail-In Power on liabilities of the Guarantor, pursuant to Article L.613-30-3-I-3 of the French Monetary and Financial Code (the “**Code**”):

- (A) ranking:
 - (1) junior to liabilities of the Guarantor benefitting from statutorily preferred exceptions pursuant to Article L.613-30-3-I 1° and 2 of the Code;
 - (2) *pari passu* with liabilities of the Guarantor as defined in Article L.613-30-3-I-3 of the Code; and
 - (3) senior to liabilities of the Guarantor as defined in Article L.613-30-3-I-4 of the Code; and
- (B) which are not *titres non structurés* as defined under Article R.613-28 of the Code, and
- (C) which are not or are no longer eligible to be taken into account for the purposes of the MREL (as defined below) ratio of the Guarantor

and such exercise of the Bail-In Power results in the write-down or cancellation of all, or a portion of, the principal amount of, or the outstanding amount payable in respect of, and/or interest on, such liabilities, and/or the conversion of all, or a portion, of the principal amount of, or the outstanding amount payable in respect of, or interest on, such liabilities into shares or other securities or other obligations of the Guarantor or another person, including by means of variation to their terms and conditions in order to give effect to such exercise of Bail-In Power, then the Issuer’s obligations under the Certificates will be limited to (i) payment of the amount as reduced or cancelled that would be recoverable by the Certificate Holders and/or (ii) the delivery or the payment of value of the shares or other securities or other obligations of the Guarantor or another person that would be paid or delivered to the Certificate Holders as if, in either case, the Certificates had been directly issued by the Guarantor itself and any Amount Due under the Certificates had accordingly been directly subject to the exercise of the Bail-In Power (the “**Contractual Bail-in**”).

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Bail-In with respect to the Issuer or the Guarantor unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer or the Guarantor under the applicable laws and regulations in effect in France or Luxembourg

and the European Union applicable to the Issuer or the Guarantor or other members of its group.

No repayment or payment of the Amounts Due will become due and payable or be paid under the Certificates issued by SG Issuer after implementation of the Contractual Bail-in.

Upon the exercise of the Statutory Bail-in or upon implementation of the Contractual Bail-in with respect to the Certificates, the Issuer or the Guarantor will provide a written notice to the Certificate Holders in accordance with Condition 9 as soon as practicable regarding such exercise of the Statutory Bail-in or implementation of the Contractual Bail-in. Any delay or failure by the Issuer or the Guarantor to give notice shall not affect the validity and enforceability of the Statutory Bail-in or Contractual Bail-in nor the effects on the Certificates described above.

Neither a cancellation of the Certificates, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or the Guarantor or another person, as a result of the exercise of the Statutory Bail-in or the implementation of the Contractual Bail-in with respect to the Certificates will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Certificate Holder to any remedies (including equitable remedies) which are hereby expressly waived.

The matters set forth in this Condition shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer, the Guarantor and each Certificate Holder. No expenses necessary for the procedures under this Condition, including, but not limited to, those incurred by the Issuer and the Guarantor, shall be borne by any Certificate Holder.

For the purposes of this Condition:

“Amounts Due” means any amounts due by the Issuer under the Certificates.

“Bail-In Power” means any statutory cancellation, write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, or any other applicable laws or regulations, as amended, or otherwise, pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, varied or otherwise modified in any way and/or converted into shares or other securities or obligations of the obligor or any other person.

“MREL” means the Minimum Requirement for own funds and Eligible Liabilities as defined in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time).

“Relevant Resolution Authority” means any authority with the ability to exercise the Bail-in Power on Societe Generale or SG Issuer as the case may be.

2. Certificate Rights and Exercise Expenses

- (a) *Certificate Rights.* Every Certificate entitles each Certificate Holder, upon due exercise and on compliance with Condition 4, to payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4.

The “**Cash Settlement Amount**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The “**Closing Level**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

If the Issuer determines, in its sole discretion, that on the Valuation Date or any Observation Date a Market Disruption Event has occurred, then that Valuation Date or Observation Date shall be postponed until the first succeeding Exchange Business Day or Underlying Stock Business Day, as the case may be, on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days or Underlying Stock Business Days, as the case may be, immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date or an Observation Date. In that case: -

- (i) that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, shall be deemed to be the Valuation Date or the Observation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer shall determine the Final Reference Level or the relevant closing level on the basis of its good faith estimate of the Final Reference Level or the relevant closing level that would have prevailed on that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, but for the Market Disruption Event.

“**Market Disruption Event**” means the occurrence or existence of (i) any suspension of trading on the Relevant Stock Exchange of the Underlying Stock requested by the Company if that suspension is, in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange in the Underlying Stock if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange or a disruption to trading on the Relevant Stock Exchange if that disruption is, in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism.

- (b) *Exercise Expenses.* Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (the “**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount in accordance with Condition 4. Notwithstanding the foregoing, the Certificate Holders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the Cash Settlement Amount prior to the date of payment of the Cash Settlement Amount to the Certificate Holders in accordance with Condition 4.

- (c) No Rights. The purchase of Certificates does not confer on the Certificate Holders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Stock or otherwise) which the holder of an Underlying Stock may have.

3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Certificates shall be deemed to expire at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day (as defined below), the immediately preceding Business Day.

4. Exercise of Certificates

- (a) *Exercise.* Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in accordance with Condition 4(b).
- (b) *Automatic Exercise.* Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
- (c) *Settlement.* In respect of Certificates which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Certificate Holder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Settlement Business Days (as defined in the relevant Supplemental Listing Document and subject to extension upon the occurrence of a Settlement Disruption Event (as defined below)) following the Expiry Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP. Any payment made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Certificate Holder and posted to the Certificate Holder's address appearing in the records maintained by CDP (or, in the case of joint Certificate Holders, to the address of the first-named Certificate Holder appearing in the records maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

If the Issuer determines, in its sole discretion, that on any Settlement Business Day during the period of five Settlement Business Days following the Expiry Date a Settlement Disruption Event has occurred, such Settlement Business Day shall be postponed to the next Settlement Business Day on which the Issuer determines that the Settlement Disruption Event is no longer subsisting and such period shall be extended accordingly, provided that the Issuer and/or the Guarantor shall make their best endeavours to implement remedies as soon as reasonably practicable to eliminate

the impact of the Settlement Disruption Event on its/their payment obligations under the Certificates and/or the Guarantee.

“Settlement Disruption Event” means the occurrence or existence of any malicious action or attempt initiated to steal, expose, alter, disable or destroy information through unauthorised access to, or maintenance or use of, the Computer Systems of the Issuer, the Guarantor, the Calculation Agent, their respective affiliates (the “SG Group”), their IT service providers, by (and without limitation) the use of malware, ransomware, phishing, denial or disruption of service or cryptojacking or any unauthorized entry, removal, reproduction, transmission, deletion, disclosure or modification preventing the Issuer, the Guarantor and/or the Calculation Agent to perform their obligations under the Certificates, and notwithstanding the implementation of processes, required, as the case may be, by the laws and regulations applicable to the Issuer, the Guarantor, the Calculation Agent and their affiliates, or their IT service providers to improve their resilience to these actions and attempts.

“Computer System” means all the computer resources including, in particular: hardware, software packages, software, databases and peripherals, equipment, networks, electronic installations for storing computer data, including Data. The Computer System shall be understood to be that which (i) belongs to the SG Group and/or (ii) is rented, operated or legally held by the SG Group under a contract with the holder of the rights to the said system and/or (iii) is operated on behalf of the SG Group by a third party within the scope of a contractual relationship and/or (iv) is made available to the SG Group under a contract within the framework of a shared system (in particular cloud computing).

“Data” means any digital information, stored or used by the Computer System, including confidential data.

- (d) *CDP not liable.* CDP shall not be liable to any Certificate Holder with respect to any action taken or omitted to be taken by the Issuer or the Warrant Agent in connection with the exercise of the Certificates or otherwise pursuant to or in connection with these Conditions.
- (e) *Business Day.* In these Conditions, a **“Business Day”** shall be a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

5. Warrant Agent

- (a) *Warrant Agent.* The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant Agent which, so long as the Certificates are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Certificate Holders in accordance with Condition 9.
- (b) *Agent of Issuer.* The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Certificate Holders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Certificate Holders.

6. Adjustments

- (a) *Potential Adjustment Event.* Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Underlying Stock are traded.
- (b) *Definitions.* “**Potential Adjustment Event**” means any of the following:
- (i) a subdivision, consolidation, reclassification or other restructuring of the Underlying Stock (excluding a Merger Event) or a free distribution or dividend of any such Underlying Stock to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a distribution or dividend to existing holders of the Underlying Stock of (1) such Underlying Stock, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stock, or (3) share capital or other securities of another issuer acquired by the Company as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;
 - (iii) an extraordinary dividend;
 - (iv) a call by the Company in respect of the Underlying Stock that is not fully paid;
 - (v) a repurchase by the Company of the Underlying Stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
 - (vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock.
- (c) *Merger Event, Tender Offer, Nationalisation and Insolvency.* If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Underlying Stock, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer,

Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Underlying Stock traded on that options exchange;

- (ii) cancel the Certificates by giving notice to the Certificate Holders in accordance with Condition 9. If the Certificates are so cancelled, the Issuer will pay an amount to each Certificate Holder in respect of each Certificate held by such Certificate Holder which amount shall be the fair market value of a Certificate taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9; or
- (iii) following any adjustment to the settlement terms of options on the Underlying Stock on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the “**Option Reference Source**”) make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Underlying Stock are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Certificate Holders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Certificate Holders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

- (d) *Definitions.* “**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Underlying Stock of that Company is required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Stock of that Company become legally prohibited from transferring them. “**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. “**Merger Event**” means, in respect of the Underlying Stock, any (i) reclassification or change of such Underlying Stock that results in a transfer of or an irrevocable commitment to transfer all of such Underlying

Stock outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Stock outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Stock of the Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Stock (other than such Underlying Stock owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stock outstanding but results in the outstanding Underlying Stock (other than Underlying Stock owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Stock immediately following such event, in each case if the Merger Date is on or before the Valuation Date. “**Nationalisation**” means that all the Underlying Stock or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. “**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

- (e) *Subdivision or Consolidation of the Certificates.* The Issuer reserves the right to subdivide or consolidate the Certificates, provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction) and subject to the approval of the SGX-ST.
- (f) *Other Adjustments.* Except as provided in this Condition 6 and Conditions 10 and 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction).
- (g) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Certificate Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from

which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

7. Purchases

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Certificates at any price in the open market or by tender or by private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

8. Meetings of Certificate Holders; Modification

- (a) *Meetings of Certificate Holders.* The Master Warrant Agent Agreement or Warrant Agent Agreement contains provisions for convening meetings of the Certificate Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Warrant Agent Agreement or Warrant Agent Agreement) of a modification of the provisions of the Certificates or of the Master Warrant Agent Agreement or Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Certificate Holders.

Such a meeting may be convened by the Issuer or by Certificate Holders holding not less than ten per cent. of the Certificates for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Certificates for the time being remaining unexercised, or at any adjourned meeting, two or more persons being or representing Certificate Holders whatever the number of Certificates so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Certificate Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Certificate Holders shall be binding on all the Certificate Holders whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

- (b) *Modification.* The Issuer may, without the consent of the Certificate Holders, effect (i) any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders or (ii) any modification of the provisions of the Certificates or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Certificate Holders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

9. Notices

- (a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Certificate Holder or to which a Certificate Holder is entitled or which the Issuer shall have agreed to deliver to a Certificate Holder may be delivered by hand or sent by post addressed to the Certificate Holder at his address appearing in the records maintained by CDP or, in the case of joint Certificate Holders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents

delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Certificate Holder.

- (b) *Notices.* All notices to Certificate Holders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Certificate, give notice of the date of expiry of such Certificate in the manner prescribed above.

10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Certificates will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Certificate Holders, to create and issue further certificates so as to form a single series with the Certificates, subject to the approval of the SGX-ST.

12. Delisting

- (a) *Delisting.* If at any time, the Underlying Stock ceases to be listed on the Relevant Stock Exchange, the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Certificates as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Certificate Holders generally are not materially prejudiced as a consequence of such delisting (without considering the individual circumstances of any Certificate Holder or the tax or other consequences that may result in any particular jurisdiction).
- (b) *Issuer's Determination.* The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Certificate Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Certificate Holders in accordance with Condition 9 as soon as practicable after they are determined.

13. Early Termination

- (a) *Early Termination for Illegality and Force Majeure, etc.* If the Issuer determines that a Regulatory Event (as defined below) has occurred and, for reasons beyond its control, the performance of its obligations under the Certificates has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging

arrangements with respect to the Certificates for any reason, the Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(d).

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

For the purposes of this Condition:

“Regulatory Event” means, following the occurrence of a Change in Law (as defined below) with respect to the Issuer and/or Société Générale as Guarantor or in any other capacity (including without limitation as hedging counterparty of the Issuer, market maker of the Certificates or direct or indirect shareholder or sponsor of the Issuer) or any of its affiliates involved in the issuer of the Certificates (hereafter the **“Relevant Affiliates”** and each of the Issuer, Société Générale and the Relevant Affiliates, a **“Relevant Entity”**) that, after the Certificates have been issued, (i) any Relevant Entity would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, liability, penalty, expense, fee, cost or regulatory capital charge however defined or collateral requirements for performing its obligations under the Certificates or hedging the Issuer’s obligations under the Certificates, including, without limitation, due to clearing requirements of, or the absence of, clearing of the transactions entered into in connection with the issue of, or hedging the Issuer’s obligation under, the Certificates, (ii) it is or will become for any Relevant Entity impracticable, impossible (in each case, after using commercially reasonable efforts), unlawful, illegal or otherwise prohibited or contrary, in whole or in part, under any law, regulation, rule, judgement, order or directive of any governmental, administrative or judicial authority, or power, applicable to such Relevant Entity (a) to hold, acquire, issue, reissue, substitute, maintain, settle, or as the case may be, guarantee, the Certificates, (b) to acquire, hold, sponsor or dispose of any asset(s) (or any interest thereof) of any other transaction(s) such Relevant Entity may use in connection with the issue of the Certificates or to hedge the Issuer’s obligations under the Certificates, (c) to perform obligations in connection with, the Certificates or any contractual arrangement entered into between the Issuer and Société Générale or any Relevant Affiliate (including without limitation to hedge the Issuer’s obligations under the Certificates) or (d) to hold, acquire, maintain, increase, substitute or redeem all or a substantial part of its direct or indirect shareholding in the Issuer’s capital or the capital of any Relevant Affiliate or to directly or indirectly sponsor the Issuer or any Relevant Affiliate, or (iii) there is or may be a material adverse effect on a Relevant Entity in connection with the issue of the Certificates.

“Change in law” means (i) the adoption, enactment, promulgation, execution or ratification of any applicable new law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) after the Certificates have been issued, (ii) the implementation or application of any applicable law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) already in force when the Certificates have been issued but in respect of which the manner of its implementation or application was not known or unclear at the time, or (iii) the change of any applicable law, regulation or rule existing when the Certificates are issued, or the change in the interpretation or application or practice relating thereto, existing when the Certificates are issued of any applicable law, regulation or rule, by any competent court, tribunal, regulatory authority or any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government

(including any additional or alternative court, tribunal, authority or entity, to that existing when the Certificates are issued).

- (b) *Early Termination for Holding Limit Event.* The Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(d) where a Holding Limit Event (as defined below) occurs.

For the purposes of this Condition:

“Holding Limit Event” means, assuming the investor is the Issuer and/or any of its affiliates, the Issuer together with its affiliates, in aggregate hold, an interest in the Underlying Stock, constituting or likely to constitute (directly or indirectly) ownership, control or the power to vote a percentage of any class of voting securities of the Underlying Stock, of the Underlying Stock in excess of a percentage permitted or advisable, as determined by the Issuer, for the purpose of its compliance with the Bank Holding Company Act of 1956 as amended by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with, such statutes.

- (c) *Early Termination for other reasons.* The Issuer reserves the right (such right to be exercised in the Issuer’s sole and unfettered discretion and without any obligation whatsoever) to terminate the Certificates in accordance with Condition 13(d) where an event or events occur which it believes in its sole discretion should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such termination provided that such termination (i) is considered by the Issuer not to be materially prejudicial to the interests of Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such termination in any particular jurisdiction); or (ii) is otherwise considered by the Issuer to be appropriate and such termination is approved by the SGX-ST.
- (d) *Termination.* If the Issuer terminates the Certificates early, then the Issuer will give notice to the Certificate Holders in accordance with Condition 9. The Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of a Certificate notwithstanding such illegality, impracticality or the relevant event less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9.

14. Substitution of the Issuer

The Issuer may be replaced by the Guarantor or any subsidiary of the Guarantor as principal obligor in respect of the Certificates without the consent of the relevant Certificate Holders. If the Issuer determines that it shall be replaced by the Guarantor or any subsidiary of the Guarantor (the **“Substituted Obligor”**), it shall give at least 90 days’ notice (exclusive of the day on which the notice is given and of the day on which the substitution is effected) specifying the date of the substitution, in accordance with Condition 9, to the Certificate Holders of such event and, immediately on the expiry of such notice, the Substituted Obligor shall become the principal obligor in place of the Issuer and the Certificate Holders shall thereupon cease to have any rights or claims whatsoever against the Issuer.

Upon any such substitution, all references to the Issuer in the Conditions and all agreements relating to the Certificates will be to the Substituted Obligor and the Certificates will be modified as required, and the Certificate Holders will be notified of the modified terms and conditions of such Certificates in accordance with Condition 9.

For the purposes of this Condition, it is expressly agreed that by subscribing to, acquiring or otherwise purchasing or holding the Certificates, the Certificate Holders are expressly deemed to have consented to the substitution of the Issuer by the Substituted Obligor and to the release of the Issuer from any and all obligations in respect of the Certificates and all agreements relating thereto and are expressly deemed to have accepted such substitution and the consequences thereof.

15. Governing Law

The Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and the Guarantor and each Certificate Holder (by its purchase of the Certificates) shall be deemed to have submitted for all purposes in connection with the Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore. The Guarantee shall be governed by and construed in accordance with Singapore law.

16. Prescription

Claims against the Issuer for payment of any amount in respect of the Certificates will become void unless made within six years of the Expiry Date and, thereafter, any sums payable in respect of such Certificates shall be forfeited and shall revert to the Issuer.

17. Contracts (Rights of Third Parties) Act 2001 of Singapore

Unless otherwise provided in the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document, the Base Listing Document and the Addendum. Terms used in this Summary are defined in the Conditions.

Issuer:	SG Issuer
Company:	BYD Company Limited
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	8,000,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 16 June 2023 (the “ Master Instrument ”) and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the “ Master Warrant Agent Agreement ”) and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	In respect of each Certificate, is the amount (if positive) equal to: Notional Amount per Certificate x Closing Level
Denominations:	Certificates are represented by a global warrant in respect of all the Certificates.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates will be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates

Transfers of Certificates:	Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 8 September 2023.
Governing Law:	The laws of Singapore
Warrant Agent:	The Central Depository (Pte) Limited 11 North Buona Vista Drive #06-07 The Metropolis Tower 2 Singapore 138589
Further Issues:	Further issues which will form a single series with the Certificates will be permitted, subject to the approval of the SGX-ST.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document, the Base Listing Document and the Addendum.

INFORMATION RELATING TO THE EUROPEAN STYLE CASH SETTLED LONG CERTIFICATES ON SINGLE EQUITIES

What are European Style Cash Settled Long Certificates on Single Equities?

European style cash settled long certificates on single equities (the “**Certificates**”) are structured products relating to the Underlying Stock and the return on a Certificate is linked to the performance of the Leverage Strategy.

A) Cash Settlement Amount Payable upon the Exercise of the Certificates at Expiry

Upon the exercise of the Certificates at expiry, the Certificate Holders would be paid a Cash Settlement Amount in respect of each Certificate.

The Cash Settlement Amount, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The Closing Level, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to (1) divided by (2) less (3) subject to any adjustments such as (4), where:

- (1) is the Final Reference Level multiplied by the Final Exchange Rate;
- (2) is the Initial Reference Level multiplied by the Initial Exchange Rate;
- (3) is the Strike Level; and
- (4) is the Hedging Fee Factor.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised and investors will receive a Cash Settlement Amount. If the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired. Please refer to the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” for further details on the calculation of the Cash Settlement Amount.

The Certificates are only suitable for investors who believe that the price of the Underlying Stock will increase and are seeking short-term leveraged exposure to the Underlying Stock.

B) Trading the Certificates before Expiry

If the Certificate Holders want to cash out their investments in the Certificates before the expiry of the Certificates, they may sell the Certificates in the secondary market during the life of the Certificates, and would be subject to the following fees and charges:

- (i) For Certificate Holders who trade the Certificates intraday: shall pay normal transaction and brokerage fees for the trading of the Certificates on the SGX-ST, and may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred; and
- (ii) For Certificate Holders who hold the Certificates overnight: in addition to the normal transaction and brokerage fees and applicable stamp taxes, would also be required to bear the Management Fee and Gap Premium as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost.

Illustration of the Calculation of Hedging Fee Factor

Hedging Fee Factor	=	Product of the Daily Fees
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Daily Fees	=	Daily Management Fee Adjustment
		$1 - \text{Management Fee} \times \text{ACT} (t-1;t) / 360$
		x
		Daily Gap Premium Adjustment
		$1 - \text{Gap Premium} (t-1) \times \text{ACT} (t-1;t) / 360$

Illustration of the Calculation of Cash Settlement Amount

Cash Settlement Amount = Final Value of Certificates – Strike Level (zero)

Value of Certificates	=	$t^7=0$	x	$t=1$	x	$t=2$	x ...	$t=i$
		Notional Amount		Leverage Strategy daily performance ⁸ x Daily Fees		Leverage Strategy daily performance x Daily Fees		Leverage Strategy Daily performance x Daily Fees

Value of Certificates	=	$t=0$	x	Product of the daily Leverage Strategy Performance	x	Product of the Daily Fees (Hedging Fee Factor)
		Notional Amount		Leverage Strategy daily performance x Leverage Strategy daily performance		Daily Fees x Daily Fees

Final Value of Certificates	=	$t=0$	x	Final Reference Level x Final Exchange Rate ÷ Initial Reference Level x Initial Exchange Rate	x	Hedging Fee Factor
		Notional Amount				

Illustration of the applicable fees and charges for an intraday trading scenario

Hedging Fee is implemented overnight in the price of the Certificate. As a consequence, when trading intraday, investors will not bear any Hedging Fee.

Investors will only support bid/ask costs, which are the difference between the price at which the Designated Market Maker purchases (bid) and sells (ask) the Certificate at any point of time.

⁷ "t" refers to "Observation Date" which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date.

⁸ Leverage Strategy daily performance is computed as the Leverage Strategy Closing Level on Business Day (t) divided by the Leverage Strategy Closing Level on Business Day (t-1).

Example of Calculation of Hedging Fee Factor and Cash Settlement Amount

The example is purely hypothetical. We include the example to illustrate how the Certificates work, and you MUST NOT rely on them as any indication of the actual return or what the payout on the Certificates might actually be. The example also assumes a product which expires 16 days after listing date, to illustrate the daily calculation of price, costs and fees from listing date to expiry date.

Assuming an investor purchases the following Certificates at the Issue Price:

Underlying Stock:	Ordinary H shares of BYD Company Limited traded in HKD
Expected Listing Date:	03/07/2018
Expiry Date:	18/07/2018
Initial Reference Level:	1,000
Initial Exchange Rate:	1
Final Reference Level:	1,200
Final Exchange Rate:	1
Issue Price:	1.00 SGD
Notional Amount per Certificate:	1.00 SGD
Management Fee (p.a.):	0.40%
Gap Premium (p.a.):	6.90%
Strike Level:	Zero

Hedging Fee Factor

Hedging Fee Factor on the n^{th} Underlying Stock Business Day after issuance of Certificate ("HFF (n)") is calculated as follows:

$$\text{HFF}(0) = 100\%$$

On Next Calendar Day (assuming it is an Underlying Stock Business Day):

$$\text{HFF}(1) = \text{HFF}(0) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1; t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1; t)}{360}\right)$$

$$\text{HFF}(1) = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 6.90\% \times \frac{1}{360}\right)$$

$$\text{HFF}(1) = 100\% \times 99.9989\% \times 99.9808\% \approx 99.9797\%$$

Assuming 2nd Underlying Stock Business Day falls 3 Calendar Days after 1st Underlying Stock Business Day:

$$\text{HFF}(2) = \text{HFF}(1) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1; t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1; t)}{360}\right)$$

$$\text{HFF (2)} = 99.9797\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 6.90\% \times \frac{3}{360}\right)$$

$$\text{HFF (2)} = 99.9797\% \times 99.9967\% \times 99.9425\% \approx 99.9189\%$$

The same principle applies to the following Underlying Stock Business Days:

$$\text{HFF (n)} = \text{HFF (n - 1)} \times \left(1 - \text{Management Fee} \times \frac{\text{ACT (t - 1; t)}}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT (t - 1; t)}}{360}\right)$$

In this example, the Hedging Fee Factor as of the Valuation Date would be equal to 99.6962% as illustrated below:

Date	HFF
3/7/2018	100.0000%
4/7/2018	99.9797%
5/7/2018	99.9594%
6/7/2018	99.9392%
9/7/2018	99.8784%
10/7/2018	99.8581%
11/7/2018	99.8379%
12/7/2018	99.8176%
13/7/2018	99.7974%
16/7/2018	99.7367%
17/7/2018	99.7165%
18/7/2018	99.6962%

Cash Settlement Amount

In this example, the Closing Level and the Cash Settlement Amount would be computed as follows:

$$\begin{aligned} \text{Closing Level} &= [(\text{Final Reference Level} \times \text{Final Exchange Rate}) / (\text{Initial Reference Level} \times \text{Initial Exchange Rate}) - \text{Strike Level}] \times \text{Hedging Fee Factor} \\ &= [(1200 \times 1) / (1000 \times 1) - 0] \times 99.6962\% \\ &= 119.64\% \end{aligned}$$

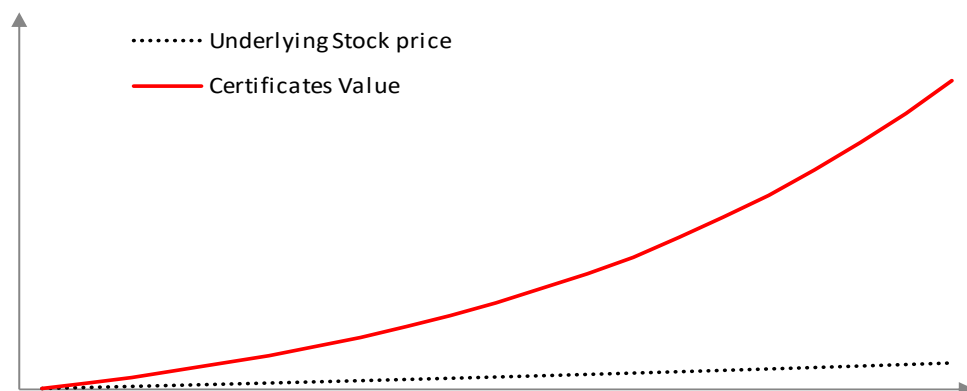
$$\begin{aligned} \text{Cash Settlement Amount} &= \text{Closing Level} \times \text{Notional Amount per Certificate} \\ &= 119.64\% \times 1.00 \text{ SGD} \\ &= \mathbf{1.196 \text{ SGD}} \end{aligned}$$

Illustration on how returns and losses can occur under different scenarios

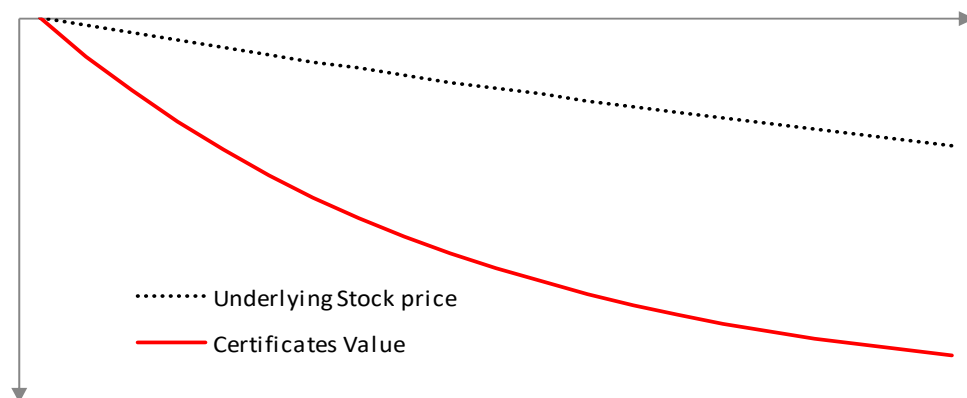
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, dividends, or any other market parameters.

1. Illustrative examples

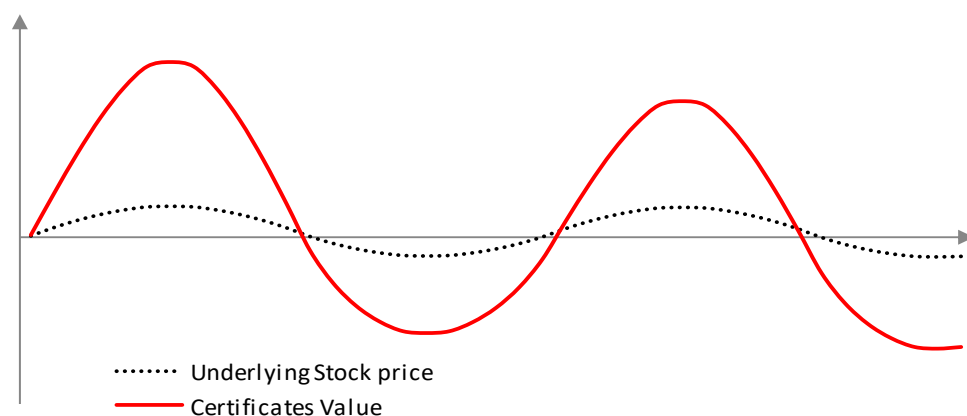
Scenario 1 – Upward Trend



Scenario 2 – Downward Trend



Scenario 3 – Volatile Market



2. Numerical Examples

Scenario 1 – Upward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	2.0%	2.0%	2.0%	2.0%
Value at end of day	10,000.0	10,200.0	10,404.0	10,612.1	10,824.3	11,040.8
Accumulated Return		2.00%	4.04%	6.12%	8.24%	10.41%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		10.0%	10.0%	10.0%	10.0%	10.0%
Price at end of day	1.00	1.10	1.21	1.33	1.46	1.61
Accumulated Return		10.00%	21.00%	33.10%	46.41%	61.05%

Scenario 2 – Downward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
Value at end of day	10,000.0	9,800.0	9,604.0	9,411.9	9,223.7	9,039.2
Accumulated Return		-2.00%	-3.96%	-5.88%	-7.76%	-9.61%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-10.0%	-10.0%	-10.0%	-10.0%	-10.0%
Price at end of day	1.00	0.90	0.81	0.73	0.66	0.59
Accumulated Return		-10.00%	-19.00%	-27.10%	-34.39%	-40.95%

Scenario 3 – Volatile Market

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	-2.0%	2.0%	-2.0%	2.0%
Value at end of day	10,000.0	10,200.0	9,996.0	10,195.9	9,992.0	10,191.8
Accumulated Return		2.00%	-0.04%	1.96%	-0.08%	1.92%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		10.0%	-10.0%	10.0%	-10.0%	10.0%
Price at end of day	1.00	1.10	0.99	1.09	0.98	1.08
Accumulated Return		10.00%	-1.00%	8.90%	-1.99%	7.81%

Description of Air Bag Mechanism

The Certificates integrate an “Air Bag Mechanism” which is designed to reduce exposure to the Underlying Stock during extreme market conditions.

When the Air Bag triggers, this is followed by a period which is divided into two sub-periods:

- Observation Period: the price of the Underlying Stock is observed and its minimum price is recorded (i) during 15 minutes of continuous trading after the Air Bag is triggered, or (ii) until Market Close if there is less than 15 minutes of continuous trading until Market Close when the Air Bag Mechanism is triggered; and
- Reset Period: the Leverage Strategy is then reset using the minimum price of the Underlying Stock during the Observation Period as the New Observed Price. The New Observed Price replaces the last closing price of the Underlying Stock in order to compute the performance of the Leverage Strategy.

During the Observation Period and Reset Period, trading of Certificates is suspended for a period of at least 30 minutes of continuous trading after the Air Bag is triggered, and such suspension will be based on instructions provided by the Issuer to the SGX-ST for suspension of trading. Investors cannot sell or purchase any Certificates during this period.

For the avoidance of doubt, if the Air Bag Mechanism was triggered more than 60 minutes of continuous trading before Market Close, trading of Certificates will resume the same trading day after the Reset Period has elapsed, subject to the SGX-ST's approval to resume trading. If the Air Bag Mechanism was triggered between 45 minutes and 60 minutes of continuous trading before Market Close, trading of Certificates may or may not resume the same trading day after the Reset Period has elapsed. If the Air Bag Mechanism was triggered with only 45 minutes or less of continuous trading before Market Close, trading of Certificates resumes on the next trading day.

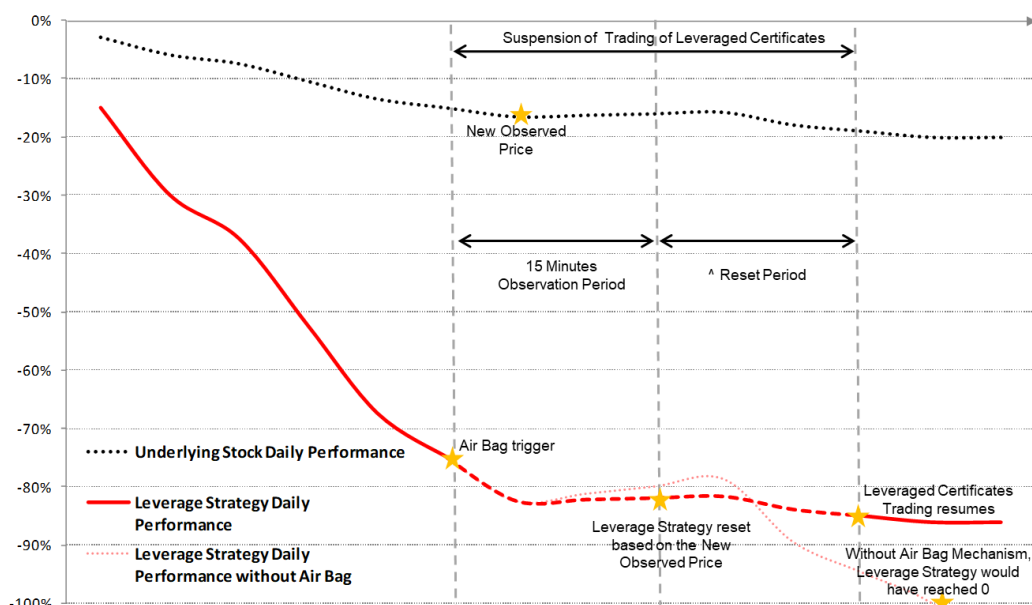
The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour. The Issuer will provide at least 15 minutes' notice of the resumption of trading by making an SGXNET announcement.

With **Market Close** defined as:

- the Underlying Stock closing time, including the closing auction session, with respect to the Observation Period; and
- the sooner of (i) the Underlying Stock closing time for continuous trading and (ii) the SGX-ST closing time, with respect to the Resumption of Trading

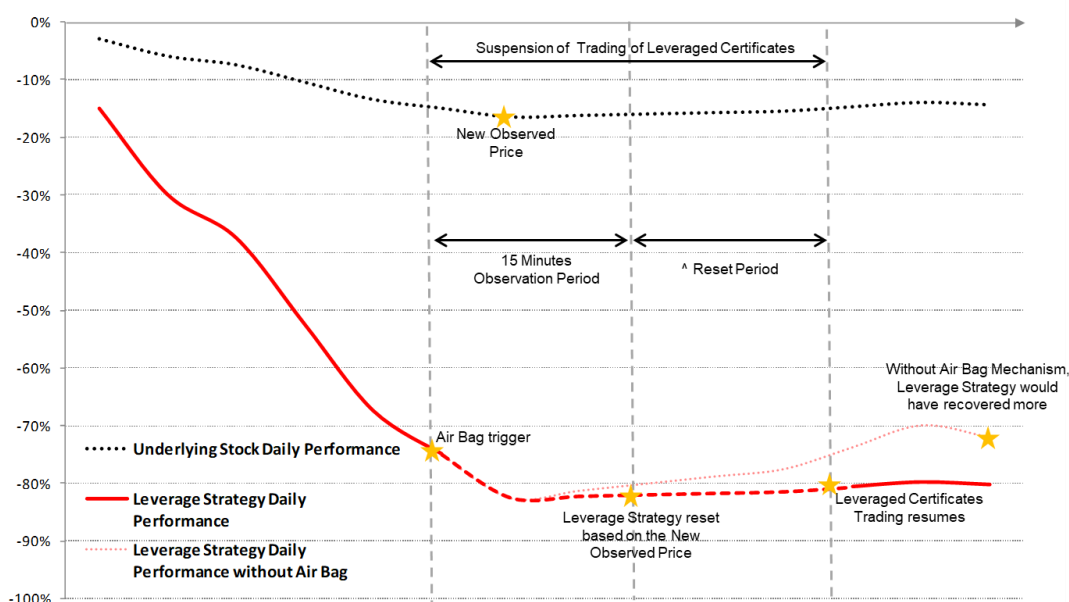
Illustrative examples of the Air Bag Mechanism⁹

Scenario 1 – Downward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

Scenario 2 – Upward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

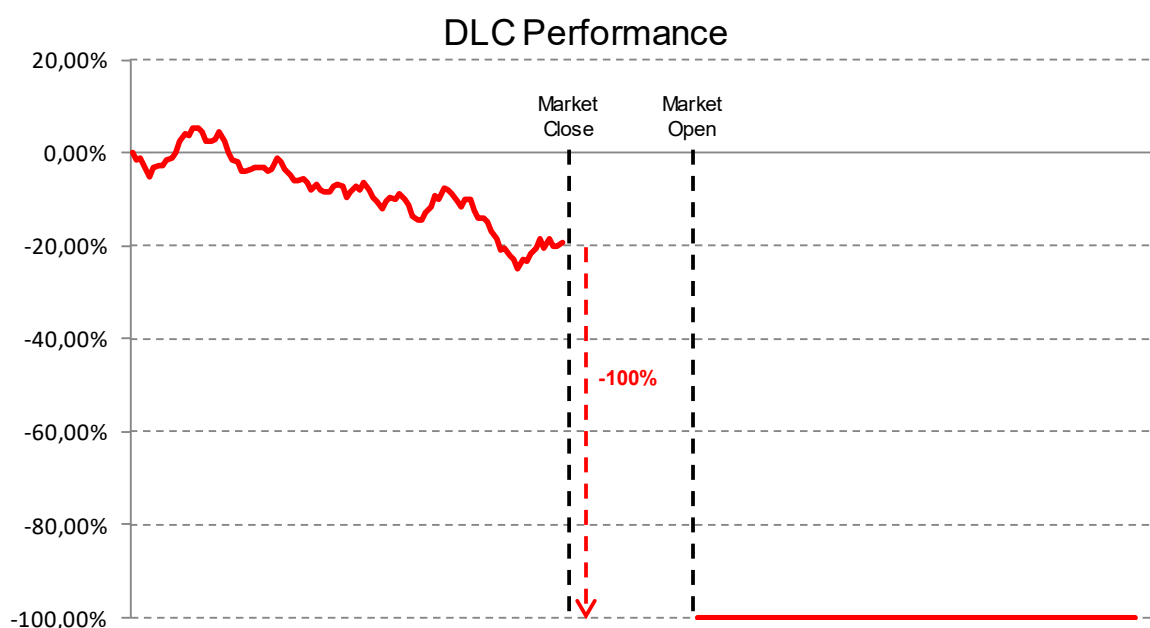
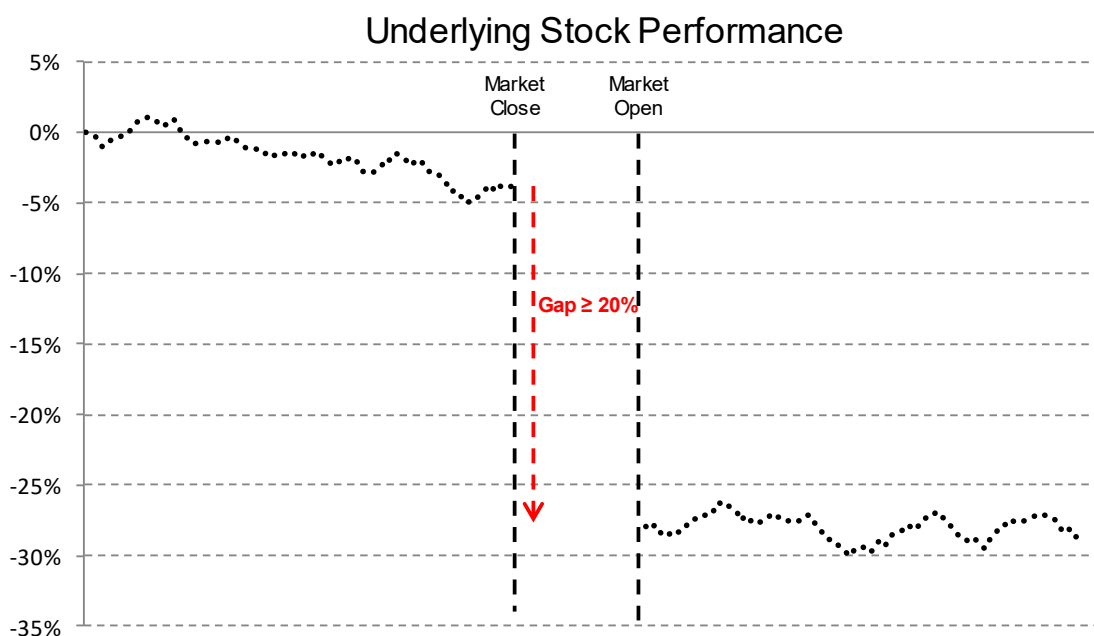
⁹ The illustrative examples are not exhaustive.

Scenarios where the investor may lose the entire value of the investment

The scenarios below are purely hypothetical and do not take fees and charges payable by investors into consideration. The scenarios highlight cases where the Certificates may lose 100% of their value.

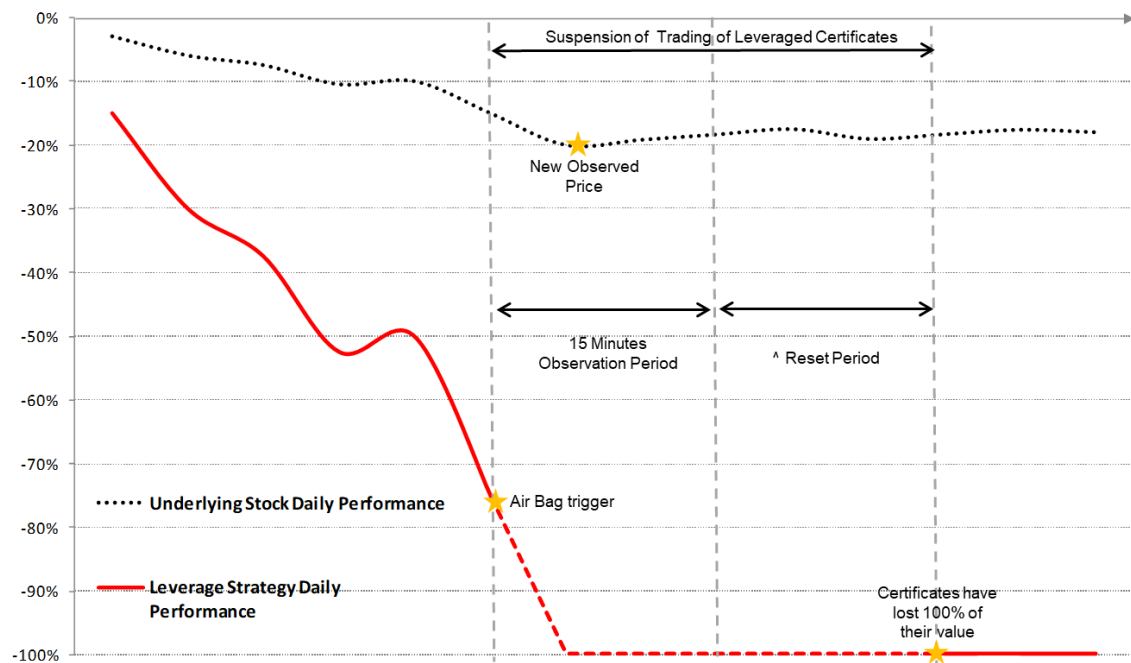
Scenario 1 – Overnight fall of the Underlying Stock

On any business day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous day. The difference between the previous closing price and the opening price of the Underlying Stock is termed a “gap”. If the opening price of the Underlying Stock is 20% or more below the previous day closing price, the Air Bag Mechanism would only be triggered when the market opens (including pre-opening session or opening auction, as the case may be) the following day, and the Certificates would lose their entire value in such event.



Scenario 2 – Sharp intraday fall of the Underlying Stock

Although the Air Bag Mechanism is designed to reduce the exposure to the Underlying Stock during extreme market conditions, the Certificate can lose 100% of its value in the event the price of the Underlying Stock falls by 20% or more within the 15 minutes Observation Period compared to the reference price, being: (i) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (ii) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. The Certificates would lose their entire value in such event.



Examples and illustrations of adjustments due to certain corporate actions

The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of corporate actions on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, or any other market parameters.

In the case of any corporate action on the Underlying Stock, the Calculation Agent will, as soon as reasonably practical after it becomes aware of such event, determine whether such corporate action has a dilutive or concentrative effect on the theoretical value of the Underlying Stock, and if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the Underlying Stock which are used to determine any settlement or payment terms under the Certificates and/or adjust at its discretion any other terms of the Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates and (b) determine the effective date of such adjustment.

Notwithstanding the foregoing, in the event Observation Date (t) is an ex-date with respect to a corporate action related to the Underlying Stock, the Calculation Agent may, in its sole and absolute discretion, replace the $Rfactor_t$ with respect to such Observation Date (t) by an amount computed according to the following generic formula:

$$Rfactor_t = \left[1 - \frac{Div_t + DivExc_t - M \times R}{S_{t-1}} \right] \times \frac{1}{1 + M}$$

This formula is provided for indicative purposes and the Calculation Agent may determine that this formula is not appropriate for certain corporate actions and may apply a different formula instead.

Such adjustment of $Rfactor_t$ would affect the Leveraged Return, the Rebalancing Cost, and the Underlying Reference Price used to determine the Intraday Restrike Event. The Air Bag mechanism would not be triggered if the stock price falls by 15% exclusively because of the dilutive effect of a corporate action.

Where:

$DivExc_t$ is the amount received as an Extraordinary Dividend by a holder of existing Shares for each Share held prior to the Extraordinary Dividend, net of any applicable withholding taxes.

M is the number of new Share(s) (whether a whole or a fraction) per existing Share each holder thereof is entitled to subscribe or to receive (positive amount) or the number of existing Shares redeemed or canceled per existing Share (negative amount), as the case may be, resulting from the corporate action.

R is the subscription price per Share (positive amount) or the redemption price per Share (negative amount) including any dividends or other benefits forgone to be subscribe to or to receive (as applicable), or to redeem a Share.

1. Stock split

Assuming the Underlying Stock is subject to a 1 to 2 stock split (i.e. 1 new Share for every 1 existing share):

$$S_{t-1} = \$100$$

$$S_t = \$51$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

M = 1 (i.e. 1 new Shares for 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 2 \times 0}{100} \right] \times \frac{1}{1 + 1} = 50\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 5 \times \left(\frac{51}{100 \times 50\%} - 1 \right) = 10\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	50	51	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
1.00	1.10	10%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$42.5, which is 15% below \$50, the Underlying Stock Reference Price.

2. Share Consolidation

Assuming the Underlying Stock is subject to a 2 to 1 share consolidation (i.e. 1 Share canceled for every 2 existing Shares):

$$S_{t-1} = \$100$$

$$S_t = \$202$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$0$$

M = -0.5 (i.e. 0.5 Shares canceled for each 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - (-0.5) \times 0}{100} \right] \times \frac{1}{1 + (-0.5)} = 200\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 5 \times \left(\frac{202}{100 \times 200\%} - 1 \right) = 5\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	200	202	1%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
1.00	1.05	5%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$170, which is 15% below \$200, the Underlying Stock Reference Price.

3. Rights Issues

Assuming there is a rights issue with respect to the Underlying Stock, with a right to receive 1 new Share for every 2 existing Shares, for a subscription price of \$40.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

$$R = \$40 \text{ (i.e. subscription price of \$40)}$$

$$M = 0.5 \text{ (i.e. 1 new share for every 2 existing shares)}$$

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.5 \times 40}{100} \right] \times \frac{1}{1 + 0.5} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 5 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = 25\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
1.00	1.25	25%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$68, which is 15% below \$80, the Underlying Stock Reference Price.

4. Bonus Issues

Assuming there is a bonus issue with respect to the Underlying Stock, where shareholders receive 1 bonus share for 5 existing shares:

$$S_{t-1} = \$100$$

$$S_t = \$85$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$0$$

$$R = \$0$$

$$M = 0.2 \text{ (i.e. 1 new share for 5 existing shares)}$$

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.2 \times 0}{100} \right] \times \frac{1}{1 + 0.2} = 83.33\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 5 \times \left(\frac{85}{100 \times 83.33\%} - 1 \right) = 10\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	83.33	85	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
1.00	1.10	10%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$70.83, which is 15% below \$83.33, the Underlying Stock Reference Price.

5. Extraordinary Dividend

Assuming there is an extraordinary dividend of \$20 (net of taxes) paid in respect of each stock.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$20$$

$$R = \$0$$

$$M = 0$$

$$Rfactor_t = \left[1 - \frac{0 + 20 - 0 \times 0}{100} \right] \times \frac{1}{1 + 0} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 5 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = 25\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
1.00	1.25	25%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$68, which is 15% below \$80, the Underlying Stock Reference Price.

INFORMATION RELATING TO THE COMPANY

All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information which appears on the web-site of Hong Kong Exchanges and Clearing Limited (the “HKExCL”) at <http://www.hkex.com.hk> and/or the Company’s web-site at <https://www.bydglobal.com/en/index.html>. The Issuer has not independently verified any of such information.

BYD Company Limited (the “**Company**”) is a China-based company principally engaged in the manufacture and sales of transportation equipment. The Company is also engaged in the manufacture and sales of electronic parts and components and electronic devices for daily use. The Company’s products include rechargeable batteries and photovoltaic products, mobile phone parts and assembly, and automobiles and related products. The Company mainly conducts its businesses in China, the United States and Europe.

The information set out in Appendix I of this document relates to the unaudited results of the Company and its subsidiaries for the six months ended 30 June 2023 and has been extracted and reproduced from an announcement by the Company dated 28 August 2023 in relation to the same. Further information relating to the Company may be located on the web-site of the HKExCL at <http://www.hkex.com.hk>.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Société Générale has been appointed the designated market maker (“**DMM**”) for the Certificates. The DMM will provide competitive buy and sell quotes for the Certificates continuously during the trading hours of the SGX-ST on the following basis:

- (a) Maximum bid and offer spread : (i) when the best bid price of the Certificate is S\$10 and below: 10 ticks or S\$0.20 whichever is greater; and
(ii) when the best bid price of the Certificate is above S\$10: 5% of the best bid price of the Certificate.
- (b) Minimum quantity subject to bid and offer spread : 10,000 Certificates
- (c) Last Trading Day for Market Making : The date falling 5 Exchange Business Days immediately preceding the Expiry Date

In addition, the DMM may not provide a quotation in the following circumstances:

- (i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;
- (ii) if the Certificates are valueless (where the Issuer’s bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);
- (iii) before the Relevant Stock Exchange for the Underlying Stock has opened and after the Relevant Stock Exchange for the Underlying Stock has closed on any trading day;
- (iv) when trading in the Underlying Stock is suspended or limited in a material way for any reason, for the avoidance of doubt, the DMM is not obliged to provide quotations for the Certificates at any time when the Underlying Stock is not negotiated/traded for any reason;
- (v) where the Certificates are suspended from trading for any reason;
- (vi) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock;
- (vii) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;
- (viii) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;
- (ix) in cases where the Issuer has no Certificates to sell, then the DMM will only provide the bid price;
- (x) if the stock market experiences exceptional price movement and volatility;

- (xi) when it is a public holiday in Singapore and/or Hong Kong and/or the SGX-ST and/or the HKEX are not open for dealings; and
- (xii) during the suspension of trading of Certificates after an Air Bag Mechanism has been triggered.

The last trading day on which the DMM will provide competitive quotations for the Certificates would be the fifth Exchange Business Day immediately preceding the Expiry Date.

SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR

The information set out in Appendix II of this document is a reproduction of the press release dated 3 August 2023 containing the Guarantor's consolidated financial results for the second quarter ended 30 June 2023.

SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with, the information set out on page 108 of the Base Listing Document, and the Addendum.

1. Save as disclosed in this document and the Base Listing Document (as amended and supplemented by the Addendum), neither the Issuer nor the Guarantor is involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) which may have or have had in the previous 12 months a significant effect on the financial position of the Issuer or the Guarantor in the context of the issuance of the Certificates.
2. Settlement of trades done on a normal “ready basis” on the SGX-ST generally take place on the second Business Day following the transaction. Dealing in the Certificates will take place in Board Lots in Singapore dollars. For further details on the transfer of Certificates and their exercise, please refer to the section headed “Summary of the Issue” above.
3. It is not the current intention of the Issuer to apply for a listing of the Certificates on any stock exchange other than the SGX-ST.
4. Save as disclosed in the Base Listing Document, the Addendum and herein, there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2022 or the Guarantor since 30 June 2023, in the context of the issuance of Certificates hereunder.
5. The following contracts, relating to the issue of the Certificates, have been or will be entered into by the Issuer and/or the Guarantor and may be material to the issue of the Certificates:
 - (a) the Guarantee;
 - (b) the Master Instrument; and
 - (c) the Master Warrant Agent Agreement.

None of the directors of the Issuer and the Guarantor has any direct or indirect interest in any of the above contracts.

6. The reports of the Auditors of the Issuer and the Guarantor were not prepared exclusively for incorporation into this document.

The Auditors of the Issuer and the Guarantor have no shareholding in the Issuer or the Guarantor or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or the Guarantor or any of its subsidiaries.

7. The Certificates are not fully covered by the Underlying Stock held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Certificates.
8. Société Générale, Singapore Branch, currently of 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, has been authorised to accept, on behalf of the Issuer and the Guarantor, service of process and any other notices required to be served on the Issuer or the Guarantor. Any notices required to be served on the Issuer or the Guarantor should be sent to Société Générale at the above address for the attention of Société Générale Legal Department.

9. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Société Générale, Singapore Branch at 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, during the period of 14 days from the date of this document:
- (a) the Memorandum and Articles of Association of the Issuer and the Constitutional Documents of the Guarantor;
 - (b) the latest financial reports (including the notes thereto) of the Issuer;
 - (c) the latest financial reports (including the notes thereto) of the Guarantor;
 - (d) the Base Listing Document (which can also be viewed at: <https://www.sgx.com/securities/prospectus-circulars-offer-documents>);
 - (e) the Addendum;
 - (f) this document; and
 - (g) the Guarantee.

PLACING AND SALE

General

No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificates, or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer. In the event that the Issuer contemplates a placing, placing fees may be payable in connection with the issue and the Issuer may at its discretion allow discounts to placees.

Each Certificate Holder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Certificates and all such subsequent purchasers as may purchase such securities from time to time shall be deemed to be a Certificate Holder for the purposes of the Certificates and shall be bound by the terms and conditions of the Certificates.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Certificates may not be circulated or distributed, nor may Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

Hong Kong

Each dealer has represented and agreed, and each further dealer appointed in respect of the Certificates and each other purchaser will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong ("SFO")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus", as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong ("CWUMPO") or which do not constitute an offer to the public within the meaning of the CWUMPO; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

European Economic Area

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made

available and will not offer, sell, or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded, the Prospectus Regulation); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

United Kingdom

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

Each dealer further represents and agrees, and each further dealer appointed in respect of the Certificates will be required to further represent and agree, that:

- (a) in respect to Certificates having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of

investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

United States

The Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended (the “**Commodity Exchange Act**”) and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Each dealer has represented and agreed, and each further dealer will be required to represent and agree, that it has not and will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redeem, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any tranches must agree with the relevant dealer or the seller of such Certificates that (i) it is not a U.S. Person, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, and (iii) it is not purchasing any Certificates, directly or indirectly, in the United States or for the account or benefit of any U.S. person.

Exercise or otherwise redemption of Certificates will be conditional upon certification that each person exercising or otherwise redeeming a Certificate is not a U.S. person or in the United States and that the Certificate is not being exercised or otherwise redeemed on behalf of a U.S. person. No payment will be made to accounts of holders of the Certificates located in the United States.

As used in the preceding paragraphs, the term “**United States**” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “**U.S. person**” means any person who is (i) a U.S. person as defined under Regulation S under the Securities Act, (ii) a U.S. person as defined in paragraph 7701(a)(30) of the Internal Revenue Code of 1986, or (iii) a person who comes within any definition of U.S. person for the purposes of the United States Commodity Exchange Act of 1936, as amended (the “**CEA**”) or any rules thereunder of the CFTC (the “**CFTC Rules**”), guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a “Non-United States person” defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not “Non-United States persons”, shall be considered a U.S. person).

APPENDIX I

REPRODUCTION OF THE UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023 OF BYD COMPANY LIMITED AND ITS SUBSIDIARIES

The information set out below is a reproduction of the unaudited results of the Company and its subsidiaries for the six months ended 30 June 2023 and has been extracted and reproduced from an announcement by the Company dated 28 August 2023 in relation to the same.

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比亞迪股份有限公司
BYD COMPANY LIMITED

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

Stock Code: 01211 (HKD counter) and 81211 (RMB counter)

Website: <http://www.bydglobal.com>

2023 INTERIM RESULTS ANNOUNCEMENT

The Board of Directors of the Company (the “**Board**”) is pleased to announce the unaudited results of the Company and its subsidiaries for the six months period ended 30 June 2023. This announcement, containing the full text of the 2023 Interim Report of the Company, is prepared with reference to the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to preliminary announcements of interim results. Printed version of the Company’s 2023 Interim Report will be delivered to the Company’s shareholders and is also available for viewing on the HKExnews website of the Hong Kong Stock Exchange at <https://www.hkexnews.hk> and website of the Company at <http://www.bydglobal.com>.

By Order of the Board
BYD Company Limited
Wang Chuan-fu
Chairman

Shenzhen, the PRC, 28 August 2023

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Wang Chuan-fu being the executive Director, Mr. Lv Xiang-yang and Mr. Xia Zuo-quan being the non-executive Directors, and Mr. Cai Hong-ping, Mr. Zhang Min and Mr. Jiang Yan-bo being the independent non-executive Directors.

COMPANY PROFILE

公司簡介

BYD Company Limited ("BYD" or "the Company", together with its subsidiaries, "the Group"; stock code: H shares: 01211 (HKD counter); 81211 (RMB counter); A shares: 002594) is principally engaged in automobile business which mainly includes new energy vehicles, handset components and assembly services, rechargeable batteries and photovoltaics business. Meanwhile, with its technological superiority, the Group actively develops urban rail transportation business segment.

As a pioneer and leader in the global new energy vehicle industry, relying on its strong technological accumulation in the fields of power batteries, motors and electronic control and through continuous technological innovation, the Group has developed its long-term and sustainable core competitive advantages which established the leading position of the Group in the global new energy vehicle industry and accelerated the transformation and upgrade of the global automobile industry.

BYD is one of the leading rechargeable battery manufacturers in the global arena. As to the field of consumer batteries, the Group's li-ion batteries are widely used in various consumer electronics products and new intelligent products, major clients of which include leading consumer electronics manufacturers such as Samsung and Dell, as well as global leading professional robot brands such as Ecovacs. As to the field of power batteries, the Group has developed "Blade Batteries", the highly safe LFP batteries, to better meet the urgent demand of safety in the market, and to speed up the pace of LFP batteries returning to the mainstream market of power batteries. As to the field of energy storage batteries, the Group focuses on applications such as power grid energy storage, industrial and commercial energy storage and household energy storage to provide cleaner and more sustainable energy storage solutions to customers.

As an important move of the Group in the field of clean energy, the photovoltaics business has a complete industrial chain layout covering silicon wafer, solar cells, photovoltaic modules and photovoltaic system application, etc. It connects all processes from energy collection, storage to application. The Group will proactively develop new technologies to promote the continuous upgrade of its products.

As a global leading high-end platform-based manufacturing enterprise, the Group provides world-renowned customers with one-stop services including new materials development, product design, research and development, components and machine manufacturing, supply chain management, logistics, after-sales and other etc. The Group engages in diversified market segments, such as smart phones, tablet computers, smart home devices, game hardware, drones, Internet of Things, robots, communication equipment and medical and health equipment. The competence of the Company in highly vertical integration enhances its ability to provide customers with a full range of services, and quickly and efficiently respond to changing demands.

Urban rail transportation business is an important area for the Group's future development. With its technology and cost advantages in the area of new energy, the Group has successfully developed medium-capacity "SkyRail" and low-capacity "SkyShuttle" with high efficiency and low cost, which, together with new energy vehicles, achieves the three-dimensional coverage of urban public transportation, and drives the long-term and sustainable development of the Group while helping alleviate urban traffic jam and air pollution.

比亞迪股份有限公司(「比亞迪」或「本公司」，連同其附屬公司統稱「本集團」或「集團」；股份代號：H股：01211(港幣櫃台)；81211(人民幣櫃台)；A股：002594)主要從事以新能源汽車為主的汽車業務、手機部件及組裝業務，二次充電電池及光伏業務，同時利用自身的技術優勢積極拓展城市軌道交通業務領域。

作為全球新能源汽車行業先行者和領導者，集團憑藉在動力電池、電機、電控等領域的雄厚技術積累，通過技術的持續創新，打造出長期、可持續的核心競爭優勢，奠定了本集團於全球新能源汽車行業的領導地位，加速推動全球汽車產業轉型升級進程。

本集團為全球領先的二次充電電池製造商之一。消費類電池領域，本集團生產的鋰離子電池廣泛應用於各類消費類電子產品及新型智能產品領域，主要客戶包括三星、Dell等消費類電子產品領導廠商，以及科沃斯等全球領先的機器人專業智造品牌廠商。動力電池領域，本集團開發了高度安全的磷酸鐵鋰電池－「刀片電池」，更好解決市場安全痛點，加速磷酸鐵鋰電池重回動力電池主流賽道。儲能電池領域，本集團在電網儲能、工商業儲能、家庭儲能等應用領域發力，為客戶提供更加清潔可持續的儲能解決方案。

光伏業務作為本集團在清潔能源領域的重要佈局之一，擁有矽片、電池片、光伏組件、光伏系統應用等全產業鏈佈局，打通能源從吸收、存儲到應用的各個環節。本集團將積極佈局新技術，推動產品不斷升級。

作為全球領先的平台型高端製造龍頭廠商，本集團為全球知名客戶提供新材料開發、產品設計與研發、零組件及整機製造、供應鏈管理、物流及售後等一站式服務，產品涵蓋智能手機、平板電腦、智能家居、遊戲硬件、無人機、物聯網、機器人、通信設備、醫療健康設備等多元化的市場領域，公司的高度垂直整合能力使得公司可以為客戶提供全面的服務，更快和更有效率地回應市場不斷變化的需求。

城市軌道交通業務是本集團未來發展的戰略方向之一。憑藉在新能源業務領域已建立的技術和成本優勢，集團成功研發出高效率、低成本的中運量「雲軌」和低運量「雲巴」產品，配合新能源汽車實現對城市公共交通的立體化覆蓋，在幫助城市解決交通擁堵和空氣污染的同時，實現集團的長遠及可持續發展。

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTOR

Wang Chuan-fu

NON-EXECUTIVE DIRECTORS

Lv Xiang-yang
Xia Zuo-quan

INDEPENDENT NON-EXECUTIVE DIRECTORS

Cai Hong-ping
Zhang Min
Jiang Yan-bo

SUPERVISORS

Dong Jun-qing
Li Yong-zhao
Wang Zhen
Tang Mei
Huang Jiang-feng

COMPANY SECRETARY

Li Qian

AUDIT COMMITTEE

Lv Xiang-yang
Zhang Min (Chairman)
Cai Hong-ping
Jiang Yan-bo

REMUNERATION COMMITTEE

Wang Chuan-fu
Xia Zuo-quan
Cai Hong-ping (Chairman)
Zhang Min
Jiang Yan-bo

NOMINATION COMMITTEE

Wang Chuan-fu
Lv Xiang-yang
Jiang Yan-bo (Chairman)
Cai Hong-ping
Zhang Min

STRATEGY COMMITTEE

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Lv Xiang-yang
Xia Zuo-quan
Cai Hong-ping
Zhang Min

執行董事

王傳福

非執行董事

呂向陽
夏佐全

獨立非執行董事

蔡洪平
張敏
蔣岩波

監事

董俊卿
李永釗
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公司秘書

李黔

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蔣岩波

薪酬委員會

王傳福
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蔡洪平(主席)
張敏
蔣岩波

提名委員會

王傳福
呂向陽
蔣岩波(主席)
蔡洪平
張敏

戰略委員會

王傳福(主席)
呂向陽
夏佐全
蔡洪平
張敏

CORPORATE INFORMATION

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Li Qian

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STOCK CODE

H Shares: 01211 (HKD counter); 81211 (RMB counter)
(The Stock Exchange of Hong Kong Limited
("Hong Kong Stock Exchange"))
A Shares: 002594 (Shenzhen Stock Exchange ("SZSE"))

股票代碼

H股：01211(港幣櫃台)；81211(人民幣櫃台)
(香港聯合交易所有限公司
「香港聯交所」)
A股：002594(深圳證券交易所「深交所」)

FINANCIAL HIGHLIGHTS

財務摘要

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023 (THE PERIOD)

截至二零二三年六月三十日止六個月中期業績(期內)

Turnover 營業額	72.72%	to RMB260,124 million 至人民幣260,124百萬元
Gross profit 毛利	134.36%	to RMB47,673 million 至人民幣47,673百萬元
Profit attributable to owners of the parent 母公司擁有人應佔溢利	204.68%	to RMB10,954 million 至人民幣10,954百萬元
Earnings per share 每股盈利	204.03%	to RMB3.77 至人民幣3.77元

HIGHLIGHTS

摘要

1. The sales of the Company's new energy vehicles continued to rank first in the world with increasing market share and expanding brand influence.
1. 公司新能源汽車繼續保持全球銷量第一，市佔率進一步提升，品牌影響力持續擴大。
2. Technical innovation boosted product development and improved multi-brand hierarchical deployment, which has brought the Company's new energy vehicle business to a new level.
2. 技術創新賦能產品，完善多品牌梯度佈局，為公司新能源汽車業務打造新高度。
3. The Company accelerated its expansion in overseas markets and speeded up the development of its new energy passenger vehicle business in overseas markets, so as to further expand market space.
3. 加速海外市場開拓，加快新能源乘用車業務出海，進一步拓展市場空間。
4. In terms of electronics business, the Company deepened its cooperation with major overseas customers, actively expanded into new business segments and kept optimizing product structure.
4. 電子業務加深與海外大客戶的合作，積極拓展業務領域，不斷優化產品結構。
5. With improving brand strength, expanding scale advantage and strong ability to control industrial chain cost, the Company has effectively dealt with intensified industrial competition and challenges brought by the withdrawal of new energy vehicle subsidies.
5. 憑藉品牌力的不斷提升、持續擴大的規模優勢和強大的產業鏈成本控制能力，有效應對行業競爭加劇及新能源汽車補貼取消帶來的挑戰。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

INDUSTRY ANALYSIS AND REVIEW

Automobiles and Batteries Business

In the first half of 2023, the political and economic situation across the world remained complex. Central banks of various countries continued their policy of raising interest rates to combat inflationary pressures, which exerted a certain degree of suppression on economic activities. Clouded with uncertainties such as the Russia-Ukraine conflict and extreme high-temperature weather, the recovery progress of the global economy remained uncertain. Despite the complexity and severity of the international environment, China's economy still demonstrated strong resilience, with market demand gradually recovering, macro policies showing their effectiveness, and the national economy maintaining a recovery and positive trend. Although the "triple pressures" of shrinking demand, supply shock and weakening expectations have been alleviated, the market enthusiasm and endogenous momentum of economic growth are still insufficient. According to the data released by the National Bureau of Statistics, the GDP in the first half of 2023 achieved a year-on-year increase of 5.5%.

行業分析及回顧

汽車及電池業務

二零二三年上半年，世界政治經濟形勢仍舊錯綜複雜。各國央行為對抗通脹壓力，延續加息政策，對經濟活動產生一定壓制。在俄烏衝突、極端高溫天氣等不確定因素籠罩下，全球經濟的復甦進程仍不明朗。儘管國際環境複雜嚴峻，中國經濟仍展現出強大的韌性，市場需求逐步恢復，宏觀政策顯效發力，國民經濟恢復向好。雖然需求收縮、供給衝擊和預期轉弱的「三重壓力」得到緩解，但市場積極性和經濟增長的內生動力仍顯不足。根據國家統計局公佈的數據，二零二三年上半年國內生產總值實現同比增長5.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In the first half of the year, China's automobile market experienced the combined impact of factors such as the changes in promotional policy and market price fluctuations in the first quarter, demand has been suppressed. With the clarification of central and local policies to promote consumption and the China VI Emissions Standard for Vehicles, coupled with the successive launch of highly competitive new models, market demand gradually recovered. According to the statistics from the China Association of Automobile Manufacturers, the production and sales volume of automobiles in China were 13.248 million units and 13.239 million units in the first half of 2023, respectively, representing a year-on-year increase of 9.3% and 9.8%, respectively. In particular, the growth of new energy vehicles remained outstanding and achieved a record high, with its production and sales volume amounting to 3.788 million units and 3.747 million units, respectively, representing a year-on-year increase of 42.4% and 44.1%, respectively, and its penetration rate rising steadily to 28.3%, representing an increase of 2.7 percentage points as compared to 2022. During the first half of 2023, Chinese automakers capitalized on the shift towards electrified, intelligent and networked vehicles, emerging as strong competitors in a fierce market. They rapidly increased their brand influence and achieved breakthroughs in premiumization. The competitiveness of Chinese local brands has been driven to transform from "quantitative change" to "qualitative change", and has entered a new stage of internationalized development. According to the statistics from the General Administration of Customs of the People's Republic of China consolidated by the China Association of Automobile Manufacturers, in the first half of 2023, China's auto exports amounted to 2.341 million units, representing a year-on-year increase of 76.9%, surpassing Japan to become the world's largest automobile exporter. In particular, 795 thousand units of new energy vehicles were exported, representing a year-on-year increase of 1.2 times. On top of industrialization and marketization, the new energy vehicle business is gradually stepping into a new stage of high-quality development on a large scale and globalization basis.

上半年，中國汽車市場經歷了一季度促銷政策切換和市場價格波動等因素的影響，需求受到壓制。隨着中央和地方促消費政策、汽車國六排放標準等政策逐一明確，疊加極具競爭力的新車型陸續推出，市場需求逐步恢復。根據中國汽車工業協會的數據，二零二三年上半年中國汽車產銷量分別為1,324.8萬輛和1,323.9萬輛，同比分別增長9.3%和9.8%。其中，新能源汽車增長持續亮眼，再創歷史新高，產銷量分別為378.8萬輛和374.7萬輛，同比分別增長42.4%和44.1%，市場滲透率穩步提升至28.3%，較去年全年提升2.7個百分點。期間，中國自主品牌緊抓汽車電動化、智能化、網聯化轉型機遇，在激烈的市場競爭下脫穎而出、不斷壯大，品牌影響力快速提升，品牌高端化實現突破，助力中國自主品牌汽車的競爭力從「量變」向「質變」轉化，邁入國際化發展新階段。據中國汽車工業協會整理的海關總署數據顯示，二零二三年上半年，中國汽車出口234.1萬輛，同比增長76.9%，超越日本成為全球第一大汽車出口國。其中，新能源汽車出口79.5萬輛，同比增長1.2倍。新能源汽車業務在產業化、市場化的基礎上，正逐步邁入規模化、全球化的高質量發展的新階段。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The development of new energy vehicles is a strategic choice for the high-quality development of China's automobile industry in the new era and is also an inevitable path towards green development, which also plays an important role in realizing the goals of carbon peaking and carbon neutrality. In order to further consolidate and expand the development advantages of the new energy vehicle industry, the State has introduced a series of industrial policies to continuously improve infrastructure construction, optimize the purchasing and using experience, and strengthen the consumption foundation. In May 2023, the National Development and Reform Commission and the National Energy Administration jointly issued the Implementing Opinions on Accelerating the Construction of Charging Infrastructure and Better Supporting New Energy Vehicles to the Countryside Policy and Rural Revitalization (《關於加快推進充電基礎設施建設 更好支持新能源汽車下鄉和鄉村振興的實施意見》) to optimize the environment for the purchase and use of new energy vehicles, and to proactively promote the penetration of new energy vehicles into the lower-tier markets. In June, three government authorities including the Ministry of Finance jointly issued the Announcement on Continuation and Optimization of Policies for Reduction and Exemption of Vehicle Purchase Tax on New Energy Vehicles (《關於延續和優化新能源汽車車輛購置稅減免政策的公告》), further extending the period of the policy to 31 December 2027, and the efforts for reduction and exemption will be gradually phased out on an annual basis to stabilize the market expectation and promote the further release of the consumption potential of new energy vehicles. In the same month, the General Office of the State Council issued the Guiding Opinions on Further Construction of a High-quality Charging Infrastructure System (《關於進一步構建高質量充電基礎設施體系的指導意見》) to better meet the needs of the public in purchasing and using new energy vehicles, which is conducive to promoting the green and low-carbon transformation of transportation and the construction of a modernized infrastructure system.

In terms of rechargeable batteries, traditional consumer electronics saw weak market consumption and sluggish demand for products in the first half of the year, which affected the demand for upstream batteries. In terms of the energy storage field, benefiting from the consistent perfection in the energy storage policy system, significant breakthroughs made in technology, strong demand in the global market, continuous improvement in business models and the acceleration of the energy storage standard development process, the energy storage industry continued its high growth momentum in the first half of the year. As for the photovoltaic industry, under the guidance of the carbon neutrality wave, the global demand for photovoltaics continued to be strong, China's photovoltaic industry maintained a robust momentum with achieving growth while maintaining stability, and the production volume in key procedures of the industrial chain has achieved high growth.

發展新能源汽車是新時代中國汽車產業高質量發展的戰略選擇，也是邁向綠色發展的必由之路，對實現碳達峰、碳中和目標亦具有重要作用。為進一步鞏固和擴大新能源汽車產業發展優勢，國家出台系列產業政策，不斷完善基礎設施建設、優化購置使用體驗、夯實消費基礎。二零二三年五月，國家發展改革委聯合國家能源局印發《關於加快推進充電基礎設施建設 更好支持新能源汽車下鄉和鄉村振興的實施意見》，優化新能源汽車購置使用環境，積極推動新能源汽車在下沉市場滲透。六月，財政部等三部門聯合發佈《關於延續和優化新能源汽車車輛購置稅減免政策的公告》，再度延長新能源汽車購置稅減免政策期限至二零二七年十二月三十一日，減免力度分年度逐步退坡，穩定市場預期，促進新能源汽車消費潛力進一步釋放。同月，國務院辦公廳印發《關於進一步構建高質量充電基礎設施體系的指導意見》，更好滿足人民群眾購置和使用新能源汽車需要，助力推進交通運輸綠色低碳轉型與現代化基礎設施體系建設。

二次充電電池方面，傳統消費類電子上半年市場消費疲軟，產品需求不振，其上游電池需求亦受影響；儲能領域方面，得益於儲能政策體系不斷完善、技術取得重大突破、全球市場需求旺盛、商業模式持續改善、儲能標準制定進程加快，上半年儲能產業延續高增長態勢。光伏方面，在碳中和的浪潮引領下，全球光伏需求持續旺盛，中國光伏產業繼續平穩向好的發展態勢，產業鏈主要環節產量均實現高速增長。

MANAGEMENT DISCUSSION AND ANALYSIS

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Handset Components and Assembly Business

According to the statistics from IDC, a market research institute, in the first half of 2023, the shipment of global smart phones reached 0.53 billion units, representing a year-on-year decline of 11.3%, declining for eight consecutive quarters. China's smart phone industry continued to be under pressure and its demand remains weak. According to the data released by the China Academy of Information and Communications Technology, in the first half of 2023, the shipment of domestic mobile phones reached 130 million units, representing a year-on-year decline of 4.8%; in particular, the shipment of 5G smart phones was 102 million units, representing a year-on-year decline of 6.4%, accounting for 78.9% of the shipment of mobile phones in the corresponding period. According to the statistics from IDC, in the first half of 2023, global PC shipments fell 21.7% year-on-year to 119 million units, similar to the level before the 2019 epidemic. The global tablet computers shipments reached 59 million units, representing a year-on-year decline of 24.6%.

BUSINESS REVIEW

BYD Company Limited ("BYD" or "the Company", together with its subsidiaries, "the Group") is principally engaged in the automobile business which mainly includes new energy vehicles, handset components and assembly business, rechargeable batteries and photovoltaic business. Meanwhile, with its technological superiority, the Group actively develops urban rail transportation and other business segments. In the first half of 2023, the Group recorded a revenue of approximately RMB260,124 million, representing a year-on-year increase of 72.72%, among which, the revenue from the automobiles and related products, and other products amounted to approximately RMB208,824 million, representing a year-on-year increase of 91.11%; the revenue from the handset components, assembly service and other products amounted to approximately RMB51,090 million, representing a year-on-year increase of 24.40%. These business segments accounted for 80.28% and 19.64% of the Group's total revenue, respectively.

手機部件及組裝業務

根據市場研究機構IDC統計，二零二三年上半年，全球智能手機出貨量為5.34億部，較上一年度同比下降了11.3%，連續八個季度下滑。中國智能手機行業持續承壓，需求依舊疲弱。中國信息通信研究院發表的數據顯示，二零二三年上半年，國內手機市場整體出貨量累計1.30億部，同比下降4.8%，其中5G手機出貨量為1.02億部，同比下降6.4%，佔同期手機出貨量的78.9%。根據IDC數據，二零二三年上半年，全球PC出貨量同比下降21.7%至1.19億台，與二零一九年新冠前水平相若；全球平板計算機出貨量為5,900萬台，同比下降24.6%。

業務回顧

比亞迪股份有限公司（「比亞迪」或「本公司」及其附屬公司統稱「本集團」）主要經營包括以新能源汽車為主的汽車業務，手機部件及組裝業務，二次充電電池及光伏業務，並積極利用自身技術優勢拓展城市軌道交通及其他業務。於二零二三年上半年，本集團實現收入約人民幣260,124百萬元，同比增長72.72%，其中汽車、汽車相關產品及其他產品業務的收入約人民幣208,824百萬元，同比增長91.11%；手機部件、組裝及其他產品業務的收入約人民幣51,090百萬元，同比增長24.40%；佔本集團總收入的比例分別為80.28%和19.64%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Automobiles and Batteries Business

As a pioneer and leader in the global new energy vehicle industry, relying on its precise strategic layout, leading technical strength, and profound market insights, the Group has achieved substantial business development against the background of increasingly fierce competition in the industry and steadily promoted the upgrading of brand power and the strategic layout of going abroad. According to data from the China Automobile Association, in the first half of 2023, the market share of the Group's new energy vehicles further expanded to 33.5%, an increase of 6.5 percentage points compared with 2022, continuing to consolidate its leading position in China's new energy vehicle industry, and it also continued to rank No. 1 in global sales, spreading its brand influence continuously.

In the field of new energy passenger vehicles, relying on the continuous application of core technologies and precise market strategies, the Group took the lead in sales in the first half of 2023, achieving a substantial growth of nearly double that of the same period last year, and continued to hit a record high, ranking first in the sales volume of passenger vehicles among Chinese auto companies.

Technology innovation is the core driver of high-quality development. Relying on its strong research and development genes, the Group further launched a series of world-leading forward-looking and revolutionary technologies based on continuously promoting the application of existing technologies. In the first half of 2023, the Group released the "e⁴ Platform (易四方)" and "DiSus (雲輦)" technologies, which further enhanced the Group's comprehensive competitiveness and lifted its business development to a higher level. Based on the four-motor independent driver as the core, the "e⁴ Platform" technology completely reconstructs the characteristics of new energy vehicles in three aspects of perception, control and execution, providing consumers with a cross-era product featuring ultimate safety, performance and experience. As the world's first intelligent body control system dedicated to new energy vehicles, the "DiSus" technology breaks the fragmented development model and systematically considers the vertical control of new energy vehicles, aiming to bring users the ultimate driving experience that takes into account both comfort and controllability with the technical advantages of high intelligence, safety and protection, stable driving and full coverage. The product matrix of the "DiSus" system includes "DiSus-C", "DiSus-A" and "DiSus-P", and it will also be installed in various brand models of the Group one after another, greatly improving the driving experience of consumers in terms of comfort, controllability, safety, off-road performance and other dimensions.

汽車及電池業務

本集團作為全球新能源汽車行業先行者和領導者，憑藉精準的戰略佈局、領先的技術實力、深刻的市場洞察，在行業競爭日趨激烈的大背景下，實現業務的長足發展，穩步推進品牌力提升及出海戰略佈局。根據中汽協數據，二零二三年上半年本集團新能源汽車市佔率進一步擴大至33.5%，較二零二二年增長6.5個百分點，持續鞏固中國新能源汽車行業龍頭地位，同時蟬聯全球銷量第一寶座，品牌影響力繼續擴大。

在新能源乘用車領域，本集團依託核心技術的持續應用以及精準的市場策略，二零二三年上半年銷量強勢領跑，實現同比近一倍的大幅增長，持續創歷史新高，穩居中國車企乘用車銷量第一。

技術創新是推動業務高質量發展的核心驅動力，本集團依託強大的研發基因，在持續推動現有技術應用的基礎之上，進一步推出一系列全球領先的前瞻性、顛覆性技術。二零二三年上半年，本集團發佈「易四方」及「雲輦」技術，進一步增強本集團的綜合競爭力，助力業務發展向更高層次邁進。「易四方」技術以四電機獨立驅動為核心，從感知、控制、執行三個維度圍繞新能源汽車的特性進行了全面重構，為消費者帶來極致安全、極致性能和極致體驗的跨時代產品。「雲輦」技術作為全球首個新能源專屬的智能車身控制系統，打破碎片化的開發模式，系統化考量新能源汽車的垂向控制問題，以高智能、護安全、穩駕乘、全覆蓋的技術優勢，為用戶帶來兼顧舒適性與操控性的極致駕乘體驗。「雲輦」系統的產品矩陣包括「雲輦-C」、「雲輦-A」及「雲輦-P」等，將陸續搭載於本集團各品牌車型，從舒適、操控、安全、越野等維度大幅提升消費者的駕乘體驗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Relying on the continuous iteration and innovation of the Group's core technologies, the Group's passenger vehicle business has gradually formed a multi-brand gradient layout consisting of the "BYD" brand, the "Denza" brand, the "Yangwang" brand and the "FANGCHENGBAO" brand, covering from home to luxury, from mass to personalized, fully satisfying users' automobile needs in all scenarios. During the period, the Group steadily promoted the development of various brands, and the multi-brand strategy achieved initial results.

In the first half of 2023, relying on precise insights into consumer demand, the Group actively optimized the product matrix of the "BYD" brand and launched several iterative and new models, and it also further promote the "price parity between fuel-engine vehicle and electric vehicle" initiative to continuously consolidate the competitive advantage. As the Group's first passenger vehicle brand, the "BYD" brand has formed two series of products, including the "Dynasty" series named after dynasties and the "Ocean" series named after "Marine Life" and "Fleet". The "Dynasty" series perfectly integrate the leading technology and Chinese fashion trend to create Chinese fashion and smart new energy vehicles, with five family products of "Han", "Tang", "Song", "Qin" and "Yuan". As one of the signature products of domestic brands' high-end process, "Han" has continued to be popular since its launch. During the period, the "Han" family was completely rejuvenated, and "Han EV Champion Edition", "Han DM-i Champion Edition" and "Han DM-p Ares Edition" were officially launched. The product strength was comprehensively improved, subverting the mainstream B-segment sedan market. "Tang" is the Group's medium/large flagship SUV series product, and the launch of "Tang DM-i Champion Edition" has further strengthened the product competitiveness of the "Tang" family. For the "Song" family, "Song PLUS" is the fastest new energy SUV among Chinese auto brands to achieve sales of 500,000 units, and the "Song PLUS Champion Edition" has been newly launched; and the "Song Pro Champion Edition" was also launched during the period, helping the "Song" family continue to lead the new energy SUV market with strong product strength. For the "Qin" family, "Qin PLUS DM-i Champion Edition", as the first iterative model of the year, shocked the market immediately after its launch, helping the "Qin" family to become China's first new energy A-class sedan IP with cumulative sales of one million. For the "Yuan" family, "Yuan PLUS", as the first A-class SUV equipped with "e-Platform 3.0", maintains hot sales, leading the pure electric SUV market.

依託於本集團核心技術的持續迭代與創新，本集團乘用車業務逐步形成由「比亞迪」品牌、「騰勢」品牌、「仰望」品牌及「方程豹」品牌所構建的多品牌梯度佈局，覆蓋從家用到豪華、從大眾到個性化，全面滿足用戶多方位全場景的用車需求。期內，本集團各品牌發展穩步推進，多品牌策略初見成效。

二零二三年上半年，依託對消費者需求的精準洞察，本集團積極優化「比亞迪」品牌產品矩陣，推出多款迭代及全新車型，進一步推進「油電平價」，持續鞏固競爭優勢。「比亞迪」品牌作為本集團首個乘用車品牌，形成了以朝代命名的「王朝」系列和以「海洋生物」及「軍艦」命名的「海洋」系列等兩大系列產品。「王朝」系列將領先的科技與國潮文化完美融合，打造國潮、智能的新能源汽車，旗下擁有「漢」、「唐」、「宋」、「秦」和「元」五大家族式產品。「漢」作為中國自主品牌高端化的旗幟之一，自上市以來持續熱銷，熱度不減。期內，「漢」家族全面煥新，「漢EV冠軍版」、「漢DM-i冠軍版」和「漢DM-p戰神版」正式上市，產品力全面提升，顛覆主流B級轎車市場。「唐」作為本集團中大型旗艦SUV系列產品，「唐DM-i冠軍版」的推出，進一步加強「唐」家族的產品競爭力。「宋」家族中，「宋PLUS」作為中國汽車品牌最快實現50萬銷量的新能源SUV，「宋PLUS冠軍版」煥新推出；「宋Pro冠軍版」亦於期內上市，助力「宋」家族以強大的產品力持續引領新能源SUV市場。「秦」家族中，「秦PLUS DM-i冠軍版」作為本年度首個迭代車型，上市即引爆市場，助力「秦」家族成為中國首個累銷百萬的新能源A級轎車IP。「元」家族中，「元PLUS」作為搭載「e平台3.0」的首款A級潮跑SUV，持續熱銷，領跑純電SUV市場。

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The “Ocean” series adopts the design concept of ocean aesthetics, with a product position aimed at younger generations, to further satisfy the diversified needs of consumers. Among the “Marine Life” series, the pure electric vehicle product “Dolphin” continued to take the lead, winning both championships of pure electric sedan and A0-class vehicle in the first half of 2023. The first pure electric sports activity coupé “Seal” equipped with “CTB Cell-to-Body Integration” technology was launched in May, further enriching consumers’ choices. The new-generation mainstream vehicle “Sea Gull” was officially launched in April. Based on the technical empowerment of “e-platform 3.0”, it stood out in the fierce A00-class sedan market, and its sales performance increased month by month. In the “Fleet” series, “Destroyer 05 Champion Edition” was launched in April, continuing to meet the diverse needs of users for cars, and receiving good sales and reputation in the A+ class sedan market.

As the Group's brand focuses on the new energy luxury vehicle market, the “Denza” brand builds its core competitiveness with leading new energy and safety technologies, smart luxury product quality, and user eco-services system. “Denza D9” has been a hot seller since its launch, which is the first luxury MPV under the “Denza” brand, integrating luxury, intelligence, power, and safety. In the first half of 2023, “Denza D9” ranked first in the sales of luxury MPVs worth more than RMB300,000, firmly occupying the leading position in the new value benchmark of luxury MPVs in China. With the steady growth of the brand force, the “Denza” brand launched the smart and luxury shooting-brake SUV “Denza N7” with profound market insight and outstanding technological innovation. “Denza N7”, as a shooting-brake SUV for younger users, is equipped with exclusive car audio system in cooperation with the French luxury audio brand Devialet. The “DiSus-A” intelligent air body control system is also installed for the first time, which comprehensively enhances the luxurious style of “Denza N7” from the three aspects of intelligent cockpit, intelligent driving and intelligent chassis. “Denza N7” was unveiled at the Shanghai Auto Show in April. Its innovative breakthroughs in design, intelligence, control and comfort that subvert the traditional perspectives have been positively recognized by consumers.

「海洋」系列採用海洋美學的設計理念，以更年輕的產品定位，進一步滿足客戶多元化消費需求。「海洋生物」系列中，純電新物種「海豚」繼續領跑，獲得二零二三年上半年純電轎車及A0級汽車累銷雙料冠軍。首搭「CTB電池車身一體化」技術的純電動運動轎跑「海豹」亦於五月煥新上市，進一步豐富消費者的選擇。新一代主流代步車「海鷗」於四月正式上市，基於「e平台3.0」的技術賦能，在激烈的A00級轎車市場脫穎而出，銷量表現逐月走高。「軍艦」系列中，「驅逐艦05冠軍版」四月上市，持續滿足用戶多樣化的用車需求，在A+級轎車市場中實現銷量口碑齊頭並進。

「騰勢」品牌作為本集團專注於新能源豪華汽車市場的品牌，以領先的新能源與安全技術、智慧豪華產品品質以及用戶生態服務體系，構建品牌核心競爭力。「騰勢」品牌首款豪華MPV「騰勢D9」集豪華、智能、動力、安全於一身，上市即熱銷，二零二三年上半年穩居30萬以上豪華MPV市場銷量第一，牢牢佔據中國豪華MPV新價值標桿的引領地位。隨着品牌勢能的穩健迸發，「騰勢」品牌以深刻的市場洞察和超卓的技術創新，推出智能豪華獵跑SUV「騰勢N7」。「騰勢N7」作為一款面向年輕用戶群體的獵跑SUV，搭載與法國潮奢音響品牌帝瓦雷合作的專屬車載音響，並首搭「雲輦-A」智能空氣車身控制系統，從智能座艙、智能駕駛、智能底盤等三大方面，全面提升「騰勢N7」的豪華格調。「騰勢N7」於四月上海車展亮相，其顛覆傳統視角的設計、智能、操控、舒適等創新突破，得到消費者的積極認可。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the period, with the maturity and application of core technologies such as “e4 Platform”, the Group officially launched a new high-end brand “Yangwang” at the beginning of the year, which will open up the million-RMB-worth new energy market with subversive technologies and products, and reshape the high-end brand values in the new energy era. “Yangwang U8”, a million-RMB-worth new energy hardcore SUV and “Yangwang U9”, a million-RMB-worth battery electric performance supercar were unveiled at the Shanghai Auto Show in April, receiving a lot of market attention and becoming the most eye-catching focus. “Yangwang U8” started the pre-sale at the same time. It is equipped with “e4 Platform” technology and “DiSus-P” intelligent hydraulic body control system to realize all-round intelligent control of the body, and it truly achieved the perfect balance of extreme off-road capability, comfort and luxury, making the driving experience more imaginative.

In addition, the professional and personalized brand was officially named “FANGCHENGBAO” in June. The “FANGCHENGBAO” brand is based on the growing individual needs of consumers and integrates the Group’s powerful new energy technologies. Through a technical platform with professional standards and pure focus, the Group will create more extreme, unique and free new species products, and work with users to continuously unlock the future of personalized life of autos.

期內，伴隨着「易四方」等核心技術的成熟與應用，本集團於年初正式發佈全新高端品牌「仰望」，以顛覆性的技術和產品開拓百萬級新能源市場，並重塑新能源時代高端品牌價值觀。四月，百萬級新能源硬派越野「仰望U8」和百萬級純電動性能超跑「仰望U9」亮相上海車展，引爆市場關注，成為最矚目的焦點。「仰望U8」同步開啓預售，搭載「易四方」技術及「雲輦-P」智能液壓車身控制系統，實現對車身的全方位智能控制，真正做到了極致越野、舒適奢享的完美平衡，讓駕乘體驗更具想象力。

此外，專業個性化品牌於六月正式定名為「方程豹」。「方程豹」品牌基於消費者日益增長的個性化需求，並凝聚本集團強大的新能源科技，通過具有專業標準、專注純粹的技術平台，打造更極致、獨特、自由的新物種產品，攜手用戶不斷解鎖汽車個性化生活的未來。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

While consolidating and expanding its development advantages in the domestic market, the Group has been accelerating overseas market expansion by relying on its comprehensive strength of “leading technology, leading safety, leading quality and leading market”. The Group’s new energy passenger vehicles have entered more than 50 countries and regions including Japan, Germany, Australia, Brazil and the United Arab Emirates, ranking among the top sellers in many markets, and gaining recognition of consumers all over the world. During the period, the Group exhibited eight new energy vehicles at the 44th Bangkok International Motor Show in March, and released the standard range version “Dolphin”. In the same month, the Group held a brand release and new model launch conference in Mexico City, and launched three pure electric models, “Han EV”, “Tang EV” and “Yuan PLUS”, opening up a new pattern in the Mexican passenger vehicles market. In June, the Group launched “Yuan PLUS” in the United Arab Emirates, which had passed localization and high-temperature tests to ensure that users can get the best driving experience, opening a new chapter in the Middle East passenger vehicles market. As the Group’s first global model, “Yuan PLUS” (also known as “BYD ATTO 3”), with its outstanding design, technology, performance and user experience, has achieved both good sales and market reputation in the international market. It won the monthly sales champion of pure electric vehicles in Thailand, Israel, New Zealand and Singapore many times, and also won the sales champion of pure electric vehicles in Thailand in the first half of 2023. In addition, adhering to the concept of win-win cooperation, the Group continued to strengthen cooperation with international partners in the development of vehicle electrification, and joined hands with many high-quality global dealers to provide local consumers with high-quality new energy vehicle products and services, thereby promoting the transformation of global vehicle electrification. With the continuous deepening of overseas layout, in March, the foundation stone of the Group’s first overseas passenger vehicle production base was laid in Thailand, injecting new vitality into the development of the local new energy vehicle market.

In the first half of 2023, despite the challenges such as intensified competition in the auto industry and cancellation of subsidies for new energy vehicles, the Group’s new energy passenger vehicle business continued to maintain good profitability with the continuous improvement of brand power, continuous expansion of scale advantages and strong cost control capabilities of the industrial chain, coupled with the decline in prices of upstream raw material.

在鞏固和擴大國內市場發展優勢的同時，本集團依託「科技領先、安全領先、品質領先、市場領先」的全面實力，加速海外市場拓展。本集團新能源乘用車已進入日本、德國、澳大利亞、巴西、阿聯酋等50多個國家和地區，躋身多個市場熱銷前列，深受全球消費者青睞。期內，本集團於三月攜八款新能源汽車亮相第44屆曼谷國際車展，並發佈標準續航版「海豚」。同月，本集團在墨西哥城舉行品牌發佈暨新車型上市發佈會，推出「漢EV」、「唐EV」、「元PLUS」三款純電動車型，開啓墨西哥乘用車市場的新格局。六月，本集團在阿聯酋推出通過本地化和高溫測試的「元PLUS」，以確保用戶能夠獲得最佳的駕駛體驗，開啓中東乘用車市場全新篇章。作為本集團首款全球化車型，「元PLUS」(又名「BYD ATTO 3」)憑藉設計、技術、性能和用戶體驗等方面的卓越體現，在國際市場上獲得銷量和市場口碑雙豐收，多次獲得泰國、以色列、新西蘭、新加坡純電動車月銷冠軍，並奪得泰國二零二三年上半年純電動汽車銷量冠軍。此外，本集團秉承合作共贏的理念，不斷加強與國際夥伴在汽車電動化發展方面的合作，攜手眾多全球優質經銷商，為當地消費者提供優質的新能源汽車產品及服務，推動全球汽車電動化轉型。隨着海外佈局的持續深化，三月，本集團首個海外乘用車生產基地在泰國奠基，為當地新能源汽車市場發展注入新的活力。

二零二三年上半年，儘管面對汽車行業競爭加劇、新能源汽車補貼取消的挑戰，本集團憑藉不斷提升的品牌力、持續擴大的規模優勢和強大的產業鏈成本控制能力，疊加上游原材料價格回落，本集團新能源乘用車業務繼續保持良好的盈利能力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In the field of battery electric buses, the Group carried out in-depth market development, launched quality products with leading technology, optimized its business models, worked with various partners to continuously improve the quality of urban public transportation services and lead the transformation of electrification of global public transportation. The Group continued to explore overseas markets, which contributed to the continuous growth of the sales of overseas buses.

In the field of urban rail transit, the Group focused on solving urban microcirculation and last-mile problems by launching the medium-capacity "SkyRail" and low-capacity "SkyShuttle" with proprietary intellectual property rights, providing effective solutions to traffic jams in cities all over the world. For the "SkyShuttle" project, in May, the first "Happy Sky Shuttle (歡樂雲巴)" in Dawang Mountain, Hunan, which was positioned as leisure tourism, has been officially opened, which would effectively promote the upgrading of the regional tourism industry and promote the integrated development of the urban leisure tourism industry.

In terms of external cooperation, the Group actively strengthened cooperation with leading partners in different professional fields around the world. In the first half of 2023, the Group deepened its cooperation with Nvidia, the world's leading artificial intelligence computing manufacturer, to jointly develop vehicles that are safer and intelligent for consumers. The Group also signed a strategic cooperation agreement with Weichai Power to establish a more comprehensive and in-depth strategic cooperation relationship in the new energy field by utilizing the advantages of both parties, thereby helping China's new energy commercial vehicle industrialization develop toward a new stage. In addition, the Group reached a strategic cooperation with Santander, a multinational banking group, to provide auto finance solutions for local dealers or consumers in Mexico and Brazil, and actively promote the upgrading of local green transportation consumption.

純電動大巴領域，本集團深化市場佈局、以領先技術推出優質產品，優化經營模式，攜手眾多合作夥伴持續提升城市公交服務質量，引領全球公交電動化改革。本集團持續開拓海外市場，助力出海大巴銷量持續增長。

城市軌道交通領域，本集團圍繞解決城市微循環和最後一公里問題，穩步推進具有完全自主知識產權的中運量「雲軌」和低運量「雲巴」發展，為全球城市治理交通擁堵提供有效方案。「雲巴」項目方面，五月，首條定位休閒旅遊的湖南大王山歡樂雲巴已正式開通，將有效帶動區域旅遊產業升級，推動都市休閒旅遊產業融合發展。

對外合作方面，本集團積極與全球不同專業領域領先的夥伴加強合作。二零二三年上半年，本集團與全球領先的人工智能計算製造商英偉達深度合作，雙方強強聯手，為廣大消費者打造更加安全且智能的汽車；本集團亦與濰柴動力簽署戰略合作協議，利用雙方優勢在新能源領域建立更加全面、深度的戰略合作關係，助力我國新能源商用車產業化發展邁向新階段；此外，本集團與跨國銀行集團桑坦德達成戰略性合作，為墨西哥、巴西當地經銷商或消費者提供汽車金融方案，積極推動當地綠色交通消費升級。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In terms of rechargeable batteries, the Group continued to carry out in-depth development and maintained its leading position in domestic technology. Product R&D and capacity expansion went smoothly during the year, which contributed to the steady development of the battery business. While protecting our own power battery demand, the Group also continued to actively expand external customers and accelerate the market-based deployment. The Group's energy storage business covered grid energy storage, industrial and commercial energy storage, household energy storage, providing global customers with comprehensive and advanced technology and product solutions and facilitating the new energy storage industry to achieve leapfrog development. In respect of the photovoltaic business, under the guidance of the "dual carbon" goal, the Group accelerated new technology R&D to further build up its comprehensive competitive advantages and prepare for the rapid development of the industry.

Handset Components and Assembly Business

The Group is a global leading high-end platform-based manufacturing enterprise, providing customers with one-stop services including product design, research and development, components and machine manufacturing, supply chain management, logistics, after-sales and other etc. With a wide range of businesses, the Group engages in diversified market segments, such as consumer electronics and new intelligent products. With industry-leading R&D and manufacturing strength, efficient mass production experience, diversified product portfolio and abundant customer base, the Group actively increased its market share and continued to optimize its business structure. Under the severe market environment, its business still showed strong resilience and had entered a new cycle with high-quality and high-speed growth.

With respect to the consumer electronics business, the Group, relying on top-notch R&D and solid product design and manufacturing capabilities, continued to explore key customers' needs and strengthen strategic cooperation with them. As a result, despite the market downturn, it still achieved an increase in market share and growth in revenue, further consolidating its leading position in the industry. The Group actively expanded its business with major overseas customers, continuously increased its market share and shipments, and strengthened its position in its supply chain. The mass production of new categories of structural components was progressing well, and the business maintained growth momentum. The Group also continued to serve Android customers, but its revenue from the Android business was affected by the weak demand of the smartphone market.

二次充電電池方面，本集團持續深耕，技術規模國內領先，年內產品研發及產能提升進展順利，助力電池業務穩步發展。在保障自身動力電池需求的同時，本集團亦持續積極拓展外部客戶，加速市場化佈局。本集團儲能業務全面覆蓋電網儲能、工商業儲能、家庭儲能等領域，為全球客戶提供全面的、先進的技術和產品解決方案，推動新型儲能產業實現跨越式發展。光伏業務方面，在「雙碳」目標的引領下，本集團加速新技術研發佈局，進一步構建綜合競爭優勢，為行業的快速發展做好準備。

手機部件及組裝業務

本集團是全球領先的平台型高端製造企業，專注於為客戶提供產品設計與研發、零組件及整機製造、供應鏈管理、物流及售後等一站式服務。本集團業務廣泛，涵蓋消費電子、新型智能產品等多元化領域。依託於業界領先的研發和製造實力、高效規模化的生產經驗、多元的產品組合以及豐厚的客戶資源，本集團積極提升市場份額，持續優化業務結構，在嚴峻的市場環境下業務彰顯強勁韌性，已邁入新一輪的高質高速成長週期。

消費電子業務方面，本集團憑藉頂尖的研發及堅實的產品設計製造實力，持續深挖大客戶需求，強化與大客戶的戰略合作，故此在市場不景氣下仍實現市場份額提升及收入增長，進一步夯實其行業龍頭地位。本集團積極拓展海外大客戶業務，持續提升了市場份額和出貨量，強化在其供應鏈中的地位，新品類的結構件項目量產進展良好，業務保持增長動力。本集團亦持續為安卓客戶提供服務，然而智能手機市場需求疲軟，本集團安卓業務收入受到一定影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In terms of the new intelligent product business, with the Group's well-established business network and excellent customer reputation in domestic and overseas markets, it achieved strong growth in both shipments and revenue scale. The Group also continued to maintain close cooperation with top customers in various industries, and business sectors such as drones, smart homes and game hardware continued to develop in a steady manner.

PROSPECT AND STRATEGY

Looking forward to the second half of 2023, due to the continued multiple uncertainties such as inflation and geopolitical risks, major economies are under insufficient growth momentum and global economic recession pressure is on the rise. China's economy, in a way, is affected by the severe and complicated external environment. However, given the strong resilience of China's economy with great potential and infinite vitality, China's bright long-term prospects remain unchanged. In July, the meeting of the Political Bureau of the CPC Central Committee emphasized that efforts should be made to stimulate domestic demands, boost confidence and promote a sustained improvement in economic performance. Also in July, the National Development and Reform Commission and other departments issued "Several Measures to Promote Automobile Consumption (《關於促進汽車消費的若干措施》)" in order to further stabilize and expand automobile consumption, strengthen the construction of supporting facilities for new energy vehicles, and offer a policy and market environment conducive to automobile consumption. In the second half of 2023, China's new energy vehicle industry is expected to continue its sound growth momentum. The new energy vehicle penetration rate is also expected to make continued breakthroughs.

Automobiles and Batteries Business

The Group will adhere to its development strategy, strengthen the independency and controllability of its core technologies, and continue to enhance the competitiveness of its products; it will reach out to the market in depth, and continue to promote the construction of a multi-brand matrix in line with consumer demands; and with its comprehensive strength in the field of new energy vehicle, it will accelerate the step in going abroad to provide consumers around the world with an excellent experience in new energy vehicles. In August, the Group rolled off its 5 millionth new energy vehicle, making it the first automaker in the world to achieve this milestone and injecting momentum from China's automobile into the global automobile industry transformation.

新型智能產品業務方面，本集團憑藉在海內外市場的完善業務網絡及卓越的客戶口碑，出貨量及收入規模取得強勁增長。本集團亦持續與各行業頂尖客戶保持緊密合作，無人機、智能家居、遊戲硬件等業務板塊延續穩健發展勢頭。

前景及策略

展望二零二三年下半年，通脹、地緣政治等多重不確定風險持續，主要經濟體增長動能不足，全球經濟衰退的壓力不斷升溫。中國經濟亦受到複雜嚴峻的外部環境影響，但中國經濟韌性強、潛力大、活力足，長期向好的基本面沒有改變。七月，中央政治局會議強調，着力擴大內需、提振信心，推動經濟運行持續好轉。同月，國家發展改革委等部門印發《關於促進汽車消費的若干措施》，進一步穩定和擴大汽車消費，加強新能源汽車配套設施建設，營造有利於汽車消費的政策和市場環境。預期二零二三年下半年，中國新能源汽車產業將延續良好的增長勢頭，滲透率亦有望繼續突破。

汽車及電池業務

本集團將堅定發展戰略，強化核心技術的自主可控，持續提升產品競爭力；深度觸達市場，以消費者需求為導向，持續推進多品牌矩陣建設；加速推進出海進程，以新能源汽車領域的全面實力，為全球消費者提供卓越的新能源汽車體驗。八月，本集團第500萬輛新能源汽車下線，成為全球首家達成這一里程碑的車企，為全球汽車工業變革注入中國汽車力量。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In the field of new energy passenger vehicles, the Group will continue to deepen the R&D of core technologies for new energy vehicles and strengthen the industry-leading strengths. In July, the high-end intelligent driving assistance system released by the Group, with its self-research hardware, software and algorithms to build a full stack of self-research system-level solutions for the entire vehicle, is born for safety, enables a whole scenario of companionship, assistance and rescue, and opens up a new chapter of auto-intelligence. In August, the Group launched “DMO”, a super hybrid off-road platform, which makes full use of the Group’s leading advantages in high-performance chassis, intelligent electric four-wheel drive and off-road-specific power-train system through the ultimate integration of new hybrid non-load-bearing frame structure and off-road-specific hybrid structure to achieve a perfect balance among super power, strong off-road strength and the least energy consumption while ensuring vehicle safety.

The Group continues to advance its multi-brand strategy, constantly refines its product matrix and initiates new product cycles to satisfy the differentiated needs of consumers. With respect to the “BYD” brand, “BYD-Seal DM-i”, the first B+ super-hybrid sedan of the “Ocean” series, is equipped with the “DM-i Super Hybrid” based on the design concept of oceanic aesthetics, with the first batch of mass-produced vehicles getting off the assembly line in July. Also in July, the “Denza” brand officially launched its luxury sports SUV “Denza N7”, aiming to redefine pure electric luxury with cutting-edge intelligent technologies and provide an unparalleled travel experience for its users, which has gained positive recognition and sustained popularity among tens of thousands of consumers. “Denza N8”, an intelligent and luxurious SUV designed for all scenarios, was officially launched in August, further complementing the product matrix of the “Denza” brand. With respect to the “Yangwang” brand, the new model “Yangwang U8” continues to unveil its feature highlights, attracting widespread attention in the market. In addition, the “FANGCHENGBAO” brand was officially released in August, which is catering to a range of individual preferences with diversified powerful products featuring “ambition, joy and fun (野心、悦心、玩心)”. Its first hardcore SUV, “BAO 5”, will be equipped with “DMO”, a super hybrid off-road platform, and “DiSus-P” to provide owners with unique personalized experience of new energy vehicles.

在新能源乘用車領域，本集團將繼續深化新能源汽車核心技術研發，強化行業領先實力。七月，本集團發佈的高階智能駕駛輔助系統，以自研硬件、軟件以及算法構建全棧自研整車系統級解決方案，為安全而生，實現全場景的陪伴、輔助、救助，開啓智能化的新篇章。八月，本集團發佈「DMO」超級混動越野平台，通過全新混動非承載式架構和越野專用混動架構的極致融合，充分發揮本集團在高性能底盤、智能電四驅及越野專用動力總成等方面的領先優勢，成就整車安全之上超強動力、強悍越野與極致能耗之間的最佳平衡。

本集團持續推進多品牌策略，不斷完善產品矩陣，開啓全新產品週期，滿足消費者差異化的需求。「比亞迪」品牌方面，「海洋」系列首款B+級超混轎車「海豹DM-i」基於海洋美學設計理念，搭載「DM-i超級混動」，首批量產車已於七月正式下線。「騰勢」品牌方面，豪華獵跑SUV「騰勢N7」於七月正式上市，以全新理念打破設計邊界、以超感交互打破豪華邊界、以尖端技術打破電動邊界、以創新科技打破智能邊界，得到數萬消費者的積極認可和持續追捧。八月，智能豪華全場景SUV「騰勢N8」正式上市，進一步完善「騰勢」品牌產品矩陣。「仰望」品牌方面，「仰望U8」車型亮點持續解鎖，引得市場廣泛關注。此外，「方程豹」品牌於八月正式發佈，以兼具「野心、悅心、玩心」的多樣化強悍產品，讓不同人群的個性化用車需求擁有更專屬的承載，旗下首款硬派SUV「豹5」將搭載超級混動越野平台「DMO」及「雲辮-P」，為用戶帶來前所未有的新能源個性體驗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In the field of overseas passenger vehicle business, the Group has leveraged its leading strengths in the new energy vehicle sector to accelerate its overseas markets expansion and advance the progress of going abroad. The Group will continue to work together with its partners to develop overseas markets and provide global consumers with differentiated, competitive products and quality services. In July, in order to further promote globalization, the Group announced that it would establish a large-scale manufacturing base complex in Brazil to accelerate the popularization and application of new energy vehicles in the country.

In the field of battery electric buses, the Group will continue to empower low-carbon upgrades in global public transportation systems, provide sustainable, zero-pollution and intelligent public transportation solutions to different countries and regions, launch zero-emission, high quality, green and environmentally friendly public transportation products and services recognized by the market through efficient and leading-edge innovative technologies, and promote rapid and healthy development of a low-carbon society.

In terms of urban rail transit, the Group will continue to innovate in the areas of green and low-carbon, intelligent and smart, integrated and efficient development, extend the electric vehicle industry chain to the field of rail transit, focus on promoting low-carbon and environmentally friendly urban rail transit products, namely "SkyRail" and "SkyShuttle", and continuously expand urban applications and international cooperation to help cities build low-carbon transportation and achieve sustainable development of green and intelligent transportation.

In terms of rechargeable batteries, the Group will actively promote the application of the innovative technologies, further expand its customer base and business coverage, and facilitate sustainable development of relevant businesses. In terms of photovoltaics business, the Group will actively grasp the development trend of the industry, concentrate resources, focus on technology R&D, promote product transformation and upgrading, to usher in the explosive growth opportunities of the industry with high-quality products.

海外乘用車業務領域，本集團憑藉新能源領先優勢，加速開拓海外市場，推進出海進程，繼續攜手合作夥伴深耕海外各地市場，為全球消費者提供差異化、有競爭力的產品和優質的服務。七月，本集團為進一步推動全球化進程，宣佈將在巴西設立大型生產基地綜合體，加速新能源汽車在當地的普及與應用。

純電動大巴領域，本集團將繼續助力全球公交系統的綠色升級，為不同國家和地區帶來可持續、零污染、智能化的公共交通解決方案，通過高效領先的創新技術，推出受市場認可的零排放高質量綠色環保公共交通產品及服務，促進低碳社會快速普及健康發展。

城市軌道交通方面，本集團將在綠色低碳、智能智慧、集成高效等方面不斷創新，將電動車產業鏈延伸到軌道交通領域，着力推廣低碳環保的城市軌道交通產品「雲軌」及「雲巴」，不斷開拓城市應用和國際合作，助力城市打造低碳交通，實現綠色智能交通可持續發展。

二次充電電池方面，本集團將積極推進創新技術應用，進一步擴大客戶基礎和業務範圍，推動相關業務持續發展。光伏業務方面，本集團將積極把握行業發展脈絡，集中資源，着力技術研發，推動產品轉型升級，以優質的產品迎接行業爆發性增長機遇。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Handset Components and Assembly Business

In the second half of 2023, the Group will closely monitor the market development trend and continue to capitalize on the market opportunities by stepping up its efforts in core technology research and development and innovation, further consolidating its vertically-integrated strengths and reinforcing its key account strategy. While maintaining our industry-leading position in the traditional business, the Group will accelerate the improvement of its forward-looking deployment in the relevant product lines of emerging businesses, so as to promote the business development at full speed and drive the sustained growth of the Group's business and revenue scale.

In terms of consumer electronics business, the Group will continue to consolidate its comprehensive competitive advantages and further increase its market share. The Group will continue to deeply explore the core business potential of its major overseas customers, continue to increase the core products share in those customers and actively expand into new categories of products to further expand its business scale. At the same time, the Group will strengthen its strategic cooperation with the Android customers in the mid-to-high-end products to continue to expand its technological leadership, thus further consolidating the Group's market leadership position.

In terms of new intelligent product business, the evolving development of emerging technologies, such as artificial intelligence and robots, is driving the diversified development of application scenarios, while also generating more new market demands. Therefore, the Group's forward-looking deployment in the areas of smart homes, game hardware and drones, etc., will face new development opportunities. Relying on its industry-leading research and development strength, global presence and comprehensive vertically-integrated capabilities, the Group will continue to deepen its cooperation with leading customers in various segments, fully seize the huge business opportunities in the market, and expand potential new categories and markets to capture opportunities in high-incremental markets and nurture new growth points.

手機部件及組裝業務

二零二三年下半年，本集團將密切注視市場發展趨勢，繼續把握市場機遇，加大佈局核心技術研發及創新，進一步鞏固垂直整合優勢，強化大客戶策略。在保持傳統業務的行業領先地位的同時，加快完善前瞻佈局的新興業務相關產品線，全速推動業務發展，帶動本集團業務及收入規模持續增長。

消費電子業務方面，本集團將繼續鞏固綜合競爭優勢，進一步提升市場份額。本集團將繼續深入挖掘海外大客戶的核心業務潛力，持續提高核心產品的份額，積極開拓新品類領域，進一步壯大業務規模。同時，本集團將加強與安卓領域在中高端產品的戰略合作，持續擴大技術領先優勢，進一步鞏固本集團的市場領導地位。

新型智能產品業務方面，人工智能及機器人等新興技術發展一日千里，推動應用場景多元化發展，同時催生更多新市場需求，本集團前瞻佈局的智能家居、遊戲硬件、無人機等領域將迎來發展新機遇。依託行業領先的研發實力、全球化佈局和垂直整合的綜合能力，本集團將持續深化與各細分領域頭部客戶的合作，充分把握市場龐大商機，並拓展有發展潛力的新品類和新市場，藉此搶佔高增量市場先機及培育新增長點。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

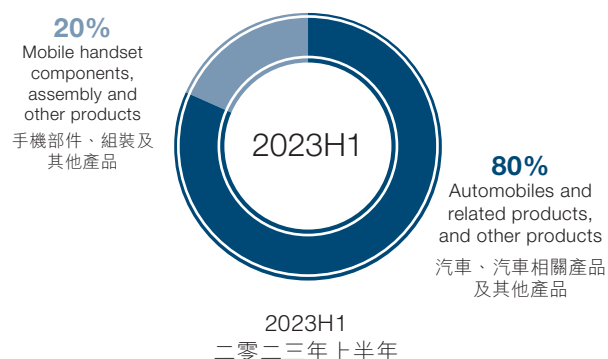
FINANCIAL REVIEW

Revenue and Profit attributable to Owners of the Parent Company

During the Period, revenue increased by 72.72% as compared with that of the first half of 2022, mainly attributable to the rapid growth in the new energy vehicle business. The profit attributable to owners of the parent company increased by 204.68% as compared to the same period of previous year, mainly attributable to the increase in the sales volume of new energy vehicles.

Segmental Information

Comparisons of the Group's revenue by product categories for the six months ended 30 June 2023 and 2022 are illustrated as follows:



Gross Profit and Margin

The Group's gross profit for the Period increased by approximately 134.36% to approximately RMB47,673 million. The gross profit margin increased from approximately 13.51% for the first half of 2022 to approximately 18.33% for the Period. The increased in gross profit margin was mainly due to the increase in the new energy vehicle business.

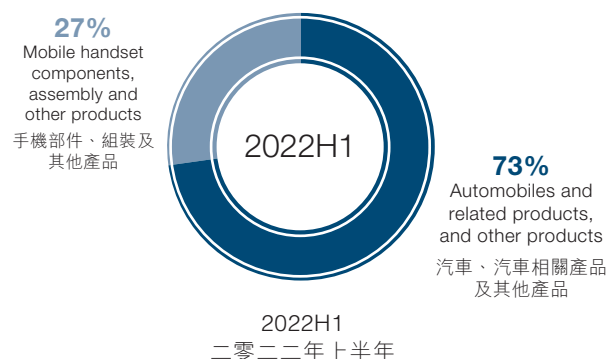
財務回顧

營業額及母公司擁有人應佔溢利

期內，營業額較二零二二年上半年上升72.72%，主要是新能源汽車業務增加所致。母公司擁有人應佔溢利較去年同期上升204.68%，主要是新能源汽車銷量增長所致。

分部資料

以下為本集團於截至二零二三年及二零二二年六月三十日止六個月按產品類別分析的營業額比較：



毛利及邊際利潤

本集團期內的毛利上升約134.36%至約人民幣47,673百萬元。毛利率由二零二二年上半年約13.51%上升至期內約18.33%。毛利率上升主要是新能源汽車業務增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity and Financial Resources

During the Period, the Group recorded an operating cash inflow of approximately RMB81,971 million, as compared to an operating cash inflow of approximately RMB43,185 million in the first half of last year. The increase in cash inflow of the Group during the Period was mainly attributable to the increase in cash generated from the sales of goods and provision of services in operating activities. Total borrowings as at 30 June 2023, including all bank loans, were approximately RMB23,910 million, as compared to the total borrowings as at 31 December 2022, including all bank loans and bonds, of approximately RMB18,517 million. The maturity profile of bank loans spread over a period of five years, with approximately RMB16,149 million repayable within one year, approximately RMB7,761 million repayable within the second to fifth years. The Group holds sufficient cash to meet daily liquidity management and capital expenditure requirements, and controls internal operating cash flows.

For the six months ended 30 June 2023, the turnover days of receivables (including trade receivables, contract assets and financing receivables) were approximately 46 days as compared to approximately 68 days for the corresponding period in 2022. The change was mainly due to the fact that the increase of trade receivables balance in average was lower than that of sales revenue over the same period. The inventory turnover days were approximately 72 days for the six months ended 30 June 2023 as compared to approximately 71 days for the corresponding period in 2022, which had no significant change.

Capital Structure

The Group's financial division is responsible for the Group's financial risk management which operates according to policies implemented and approved by senior management. As at 30 June 2023, borrowings were mainly settled in RMB, while its cash and cash equivalents were mainly held in RMB and USD. The Group maintained an appropriate mix of equity and debt to ensure an effective capital structure during the Period. As at 30 June 2023, all of the Group's outstanding loans were RMB loans, of which approximately 44% (31 December 2022: 43%) bore fixed interest rates and the rest bore floating interest rates.

The Group monitors its capital using a gearing ratio, which is net debt divided by equity. The Group's policy is to maintain the gearing ratio as low as possible. Net debt includes debt capital less monetary funds. Equity represents equity attributable to owners of the parent company. Therefore, the Group's gearing ratio as at 30 June 2023 and 31 December 2022 was -43% and -26%, respectively.

流動資金及財務資源

期內，本集團錄得經營現金流入約人民幣81,971百萬元，而去年上半年則錄得經營現金流入約人民幣43,185百萬元，本集團期內現金流入增加主要是經營活動銷售商品及提供服務收到的現金增加所致。於二零二三年六月三十日的總借貸包括全部銀行貸款，約為人民幣23,910百萬元，而二零二二年十二月三十一日總借貸包括全部銀行貸款及債券，約為人民幣18,517百萬元。銀行貸款的到期還款期限分佈在五年期間，分別須於一年期內償還約人民幣16,149百萬元，於第二至第五年期內償還約人民幣7,761百萬元。本集團持有足夠的現金以滿足日常流動資金管理及資本開支需求，並控制內部經營現金流量。

截至二零二三年六月三十日止六個月，應收類款項（含應收賬款，合同資產，應收款項融資）週轉期約46日，而截至二零二二年同期則約為68日，變化的主要因為應收賬款平均餘額的同期增幅比營業收入的同期增幅小所致。存貨週轉期截至二零二三年六月三十日止六個月約為72日，截至二零二二年同期則約為71日，無明顯變化。

資本架構

本集團財務處的職責是負責本集團的財務風險管理工作並根據高級管理層實行批核的政策運作。於二零二三年六月三十日，借貸主要以人民幣結算，而其現金及現金等價物則主要以人民幣及美元持有。本集團於期內維持適當的股本及債務組合，以確保具備有效的資本架構。於二零二三年六月三十日，本集團尚未償還貸款均為人民幣貸款，該等尚未償還貸款中約44%（二零二二年十二月三十一日：43%）按固定利率計息，其餘則按浮動利率計息。

本集團透過使用資本負債比率（即負債淨額除以權益）監管其資本。本集團的政策為盡量維持低資本負債比率。負債淨額包括債務資本減去貨幣資金。權益為母公司擁有人應佔權益。故本集團於二零二三年六月三十日及二零二二年十二月三十一日的資本負債比率為-43%和-26%。

MANAGEMENT DISCUSSION AND ANALYSIS

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As at 30 June 2023, there were no land and buildings of the Group which were pledged as collateral for long-term borrowings (31 December 2022: nil). As at 30 June 2023, cash and bank balances with book value of RMB151,000 (31 December 2022: RMB880,000) were subject to restrictions as deposits of bank acceptance bills; cash and bank balances with book value of RMB197,785,000 (31 December 2022: RMB166,291,000) were subject to restrictions as guarantee deposits, bid bond and others.

Exposure to Foreign Exchange Risk

Most of the Group's income and expenditure are settled in RMB and US dollar. During the Period, the Group did not experience any significant difficulties in or impacts on its operations or liquidity due to fluctuations in currency exchange rates. The Directors believe that the Group has sufficient foreign exchange to meet its own foreign exchange requirements and will adopt practical measures to prevent exposure to exchange rate risk.

Employment, Training and Development

As at 30 June 2023, the Group had approximately 631.5 thousand employees. During the Period, total staff cost accounted for approximately 15.54% of the Group's turnover. Employees' remuneration was determined based on performance, qualifications and prevailing industry practices, with compensation policies being reviewed on a regular basis. Bonuses were also awarded to employees, based on the appraisal on their annual performance. Incentives were offered to encourage personal motivation.

In addition, the Group also adopted 2022 Employee Share Ownership Plan (the "Employee Share Ownership Plan") and Share Option Incentive Scheme (the "Subsidiary Share Option Scheme") of BYD Semiconductor Company Limited (比亞迪半導體股份有限公司), which were approved by the shareholders of the Company at the EGM held on 27 May 2022 and 16 June 2021, respectively. For further details of the Employee Share Ownership Plan and the Subsidiary Share Option Scheme, please refer to the sections headed "2022 Employee Share Ownership Plan" and "Subsidiary Share Option Scheme" in this report.

於二零二三年六月三十日，本集團無(二零二二年十二月三十一日：無)以土地及房屋建築物作為抵押取得長期借款。於二零二三年六月三十日，賬面價值為人民幣151千元(二零二二年十二月三十一日：人民幣880千元)的貨幣資金作為銀行承兌匯票出票保證金而受限，另有人民幣197,785千元(二零二二年十二月三十一日：人民幣166,291千元)為信用保證金、投標保證金及其他受限性質而受限。

外匯風險

本集團大部分收入及開支以人民幣及美元結算。期內，本集團並無因貨幣匯率的波動而令其營運或流動資金出現任何重大困難或影響。董事相信，本集團將有充足外幣應付其外匯需要，並將採取切實有效的方法防範外匯匯兌風險。

僱用、培訓及發展

於二零二三年六月三十日，本集團僱用約63.15萬名員工。期內，員工成本總額佔本集團營業額約15.54%。本集團按僱員的表現、資歷及當時的行業慣例釐定給予僱員的報酬，而酬金政策會定期檢討。根據年度工作表現評核，僱員或會獲發花紅及獎金。發放獎勵乃作為個人推動力的鼓勵。

此外，本集團亦已採納二零二二年員工持股計劃(「員工持股計劃」)及比亞迪半導體股份有限公司股權期權激勵計劃(「子公司股權期權計劃」)，均已獲本公司股東分別於二零二二年五月二十七日及二零二一年六月十六日舉行的臨時股東大會上批准。有關員工持股計劃及子公司股權期權計劃的進一步詳情，請分別參閱本報告以下標題為「二零二二年員工持股計劃」及「子公司股權期權計劃」章節。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

2022 EMPLOYEE SHARE OWNERSHIP PLAN

References are made to the announcement dated 22 April 2022 and the circular dated 5 May 2022 (the “Circular”) of the Company in relation to, among others, the adoption of Employee Share Ownership Plan (draft). The adoption was approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 27 May 2022.

The Employee Share Ownership Plan is a discretionary employee share ownership plan of the Company and does not involve the grant of options to issue new Shares or any other new securities of the Company. The Employee Share Ownership Plan is beneficial for the Company to establish and improve the benefit sharing mechanism, enhance the cohesion of employees and the competitiveness of the Company, realizing its long-term sustainable development. Participants include employee representative supervisors, senior management of the Company, middle level management and core backbone employees of BYD Group (other than the Directors and chief executives of the Company and their respective associates). The total number of participants of the Employee Share Ownership Plan shall not exceed 12,000 persons. The Employee Share Ownership Plan transfers the A shares of the Company repurchased through non-trading transfer and other methods permitted by laws and regulations. The transfer price is RMB0 per share, and the participants do not need to make any payments.

The 5,511,024 A shares held by the designated securities repurchase account of the Company have been transferred to the designated securities account for the Employee Share Ownership Plan in the form of non-trading transfer and granted in full on 15 July 2022, and the closing price of the Company's A shares was RMB323.00 per share on the trading day immediately preceding the grant date. The aforesaid number of shares transferred accounted for approximately 0.189% of the total issued share capital of the Company as at the date of this report.

The first lock-up period of the Employee Share Ownership Plan had expired on 15 July 2023, and 30% of the total number of shares of the Company maintained under the Employee Share Ownership Plan were vested, which corresponds to 1,653,307 A shares, representing 0.057% of the total share capital of the Company of 2,911,142,855 shares as at the date of this report. The closing price of the Company's A shares was RMB264.41 per share on the trading day immediately preceding the vesting date.

二零二二年員工持股計劃

茲提述本公司日期為二零二二年四月二十二日的公告及日期為二零二二年五月五日的通函(該通函)，內容有關(其中包括)採納員工持股計劃(草案)。本公司股東於本公司於二零二二年五月二十七日舉行的臨時股東大會上批准採納。

本次員工持股計劃為本公司的一項酌情員工持股計劃，並不涉及授出發行新股份或本公司任何其他新證券的期權。本次員工持股計劃有利於本公司建立和完善利益共享機制，提高員工凝聚力和本公司競爭力，實現企業的長遠可持續發展。參與對象包括本公司的職工代表監事、高級管理人員以及比亞迪集團的中層管理人員、核心骨幹員工，不包括本公司董事及最高行政人員及其聯繫人，參與本次員工持股計劃的總人數不超過12,000人。本次員工持股計劃通過非交易過戶等法律法規允許的方式受讓公司回購的公司A股股票，受讓價格為人民幣0元/股，參與對象無需出資。

公司回購專用證券賬戶所持有的5,511,024股公司A股股票已於二零二二年七月十五日以非交易過戶形式過戶至本次員工持股計劃專用證券賬戶，並全部完成授予，緊接授予日前一交易日公司A股股票收盤價為人民幣323.00元/股。於本報告日期，上述過戶股票數量約佔公司已發行的總股本的比例為0.189%。

本次員工持股計劃第一個鎖定期已於二零二三年七月十五日屆滿，已解鎖比例為本次員工持股計劃持有公司股票總數的30%，對應的標的股票數量為1,653,307股A股股票，佔本公司與本報告日期總股本2,911,142,855股的0.057%。於解鎖日前一交易日，本公司A股股票的收盤價為人民幣264.41元/股。

MANAGEMENT DISCUSSION AND ANALYSIS

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The term of the Employee Share Ownership Plan shall be 48 months from the date on which the Employee Share Ownership Plan is considered and approved at the general meeting and the Company announces that the last batch of the underlying shares is transferred to the Employee Share Ownership Plan. Thus, the remaining life of the Employee Share Ownership Plan is about 37 months as at 30 June 2023.

For details of the Employee Share Ownership Plan and repurchase of A shares of the Company, please refer to the table below and note 13 to the financial statements in this report, respectively.

List out below are the details of movement of the A shares under the Employee Share Ownership Plan during the reporting period and up to the date of this report:

本次員工持股計劃的存續期為48個月，自本次員工持股計劃經股東大會審議通過且本公司公告最後一筆標的股票過戶至本員工持股計劃名下之日起算。因此，截至二零二三年六月三十日，本次員工持股計劃剩餘期限約為37個月。

有關本次員工持股計劃及回購本公司A股股票的具體內容分別詳見下方表格以及本報告財務報表附註13。

下文載列於本報告期內及直至本報告日期本次員工持股計劃項下A股股票的變動詳情：

Type of participants	No. of A shares available for grant as at 1 January 2023	No. of unvested A shares as at 1 January 2023	No. of unvested A shares granted during the reporting period	No. of A shares vested during the reporting period	No. of A shares cancelled during the reporting period	No. of A shares lapsed during the reporting period	No. of A shares available for grant/unvested A shares as at 30 June 2023
參與對象類別	於二零二三年一月一日可供授予A股股票數目	於二零二三年一月一日未解鎖A股股票數目	於本報告期內授予的未解鎖A股股票數目	於本報告期內解鎖的A股股票數目	於本報告期內註銷的A股股票數目	於本報告期內失效的A股股票數目	於二零二三年六月三十日可供授予的A股股票／未解鎖A股股票數目
Employee participants (note 1)							
僱員參與者(附註1)							
Employee representative supervisors and senior management of the Company, middle level management and core backbone employees of BYD Group	0 (note 2)	0 (note 2)	0	0 (note 3)	0 (note 4)	0 (note 4)	0 (note 5)
本公司職工代表監事及高級管理人員、比亞迪集團的中層管理人員及核心骨幹員工	0(附註2)	0(附註2)	0	0(附註3)	0(附註4)	0(附註4)	0(附註5)

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Notes:

(1) The participants of the Employee Share Ownership Plan do not include directors, chief executives or substantial shareholders of the Company or their respective associates; or any related entities or service providers of the Company.

(2) All the 5,511,024 repurchased A shares were granted on 15 July 2022. The closing price of the Company's A shares was RMB323.00 per share on the trading day immediately preceding the grant date. The fair value of the granted shares as at the date of the grant was RMB1,863,773,000.

The A Shares under the Employee Share Ownership Plan will be unlocked in three tranches:

(a) The first unlocking period shall be of 12 months commencing from the date of the last transfer of A Shares by the Plan and the relevant announcement by the Company, with the number of shares unlocked being 30% of the total number of A Shares under the Employee Share Ownership Plan;

(b) The second unlocking period shall be of 24 months commencing from the date of the last transfer of A Shares by the Plan and the relevant announcement by the Company, with the number of shares unlocked being 30% of the total number of A Shares under the Employee Share Ownership Plan; and

(c) The third unlocking period shall be of 36 months commencing from the date of the last transfer of A Shares by the Plan and the relevant announcement by the Company, and the number of shares unlocked being 40% of the total number of A Shares under the Employee Share Ownership Plan.

The vesting of the shares granted is subject to the fulfillment of relevant specific conditions. For the specific conditions for the vesting of the shares granted, please refer to note 13 to the financial statements of this report.

(3) No A shares were granted during the reporting period.

(4) No A shares were cancelled or lapsed during the reporting period.

(5) As none of the A shares are vested during the reporting period, the number of shares that may be transferred in respect of A shares granted under Employee Share Ownership Plan during the reporting period is 0.

註：

(1) 本次員工持股計劃參與對象不含本公司董事、最高行政人員或主要股東又或其各自的聯繫人；亦不含本公司關連實體參與者或服務提供者。

(2) 5,511,024股回購A股股票已於二零二二年七月十五日全部授予。緊接授予日前一交易日本公司A股股票收盤價為人民幣323.00元／股。於授予日期，授予股票的公允價值為人民幣1,863,773,000元。

本次員工持股計劃持有的本公司A股股票分三批解鎖：

(a) 第一個解鎖期，自本公司公告最後一筆A股股票過戶至本次員工持股計劃名下之日起滿12個月，解鎖數量為本次員工持股計劃所持有A股股票總數的30%；

(b) 第二個解鎖期，自本公司公告最後一筆A股股票過戶至本員工持股計劃名下之日起算滿24個月，解鎖數量為本次員工持股計劃所持有A股股票總數的30%；及

(c) 第三個解鎖期，自本公司公告最後一筆A股股票過戶至本次員工持股計劃名下之日起算滿36個月，解鎖數量為本員工持股計劃所持有A股股票總數的40%。

授予股票需滿足相關具體條件才可解鎖。關於授予股票解鎖的具體標準詳見本報告財務附註13。

(3) 於本報告期內，並無任何A股股票被授予。

(4) 於本報告期內，並無任何A股股票被註銷或失效。

(5) 由於本報告期內未解鎖任何A股股票，因此本報告期內根據員工持股計劃授予的A股股票可轉讓的股份數量為0。

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SUBSIDIARY SHARE OPTION SCHEME

References are made to the announcement dated 11 May 2021 and the circular dated 31 May 2021 (the “Circular”) of the Company in relation to, among others, the proposed adoption of the Subsidiary Share Option Scheme. The adoption of the Subsidiary Share Option Scheme was approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 16 June 2021.

The purpose of the Subsidiary Share Option Scheme is to, among others, further establish and improve the incentive mechanism of BYD Semiconductor, retain and motivate talents, and allow all participants to focus on the long-term development of BYD Semiconductor and jointly promote its sustainable development.

There are 36 participants in the Subsidiary Share Option Scheme, including directors (excluding independent non-executive directors), senior management and key personnel (excluding supervisors) of BYD Semiconductor. The Subsidiary Share Option Scheme is tailored to be a one-off incentive arrangement for the aforesaid 36 participants only. None of the 36 incentive participants of the Subsidiary Share Option Scheme is a connected person at the Company level. For details of the identity and positions of the aforesaid participants, please refer to the Circular.

The number of shares of BYD Semiconductor in respect of which the share options involved is 33,088,235 shares (representing 7.353% of the registered share capital of BYD Semiconductor as at the date of this report), and the cumulative total number of shares of BYD Semiconductor involved under the Subsidiary Share Option Scheme and all other schemes of BYD Semiconductor shall not exceed 10% of the total share capital of BYD Semiconductor in issue as at 16 June 2021, which was the date of approval of the Subsidiary Share Option Scheme by the extraordinary general meeting of the Company. As at the date of this report, an aggregate of 33,088,235 share options, representing all the share options which could be granted under the Subsidiary Share Option Scheme, were granted to 36 employees of BYD Semiconductor pursuant to the terms and conditions of the Subsidiary Share Option Scheme at the exercise price of RMB4.54 per share. As of 30 June 2023, 314,627 share options out of the 33,088,235 share options had been lapsed and cancelled as a result of the resignation of an employee.

子公司股權期權計劃

茲提述本公司日期為二零二一年五月十一日的公告及日期為二零二一年五月三十一日的通函(「該通函」)，內容有關(其中包括)建議採納子公司股權期權計劃。本公司股東於本公司於二零二一年六月十六日舉行的臨時股東大會上批准採納子公司股權期權計劃。

子公司股權期權計劃旨在(其中包括)進一步建立及完善比亞迪半導體的激勵機制、挽留及激勵人才以及允許全體參與方聚焦比亞迪半導體的長期發展並共同促進其可持續發展。

子公司股權期權計劃有36名參與者，包括比亞迪半導體董事(不包括獨立非執行董事)、高級管理層及關鍵人員(不包括監事)。子公司股權期權計劃乃僅為上述36名參與者量身定制的一次性激勵安排。概無子公司股權期權計劃的36名激勵參與者乃本公司層面的關連人士。有關上述參與者的身份及職位，請參閱該通函。

涉及股權期權的比亞迪半導體股份數目為33,088,235股(於本報告日期佔比亞迪半導註冊股本的7.353%)。子公司股權期權計劃項下涉及的比亞迪半導體累計股份總數及比亞迪半導體所有其他計劃不應超過比亞迪半導體於二零二一年六月十六日(本公司臨時股東大會批准子公司股權期權計劃之日)已發行股本總額的10%。於本報告日期，根據子公司股權期權計劃的條款及條件按行權價格每股人民幣4.54元授予比亞迪半導體36名僱員合共33,088,235份股權期權(即子公司股權期權計劃項下可授予的所有股權期權)。截至二零二三年六月三十日，已授予的33,088,235份股權期權中，由於僱員辭任導致314,627份股權期權已失效並註銷。

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The validity period of the Subsidiary Share Option Scheme shall commence from the grant date of the share options and end on the date on which all the share options granted to the incentive participants have been exercised or cancelled, which shall not be longer than 10 years. The share options granted under the Subsidiary Share Option Scheme shall be exercised in three tranches, and the corresponding vesting periods shall be 24 months, 36 months and 48 months respectively from the grant date. As at 30 June 2023, there were 9,826,411 exercisable share options for the first exercise period of the Subsidiary Share Option Scheme, of which 6,218,756 share options had been exercised and the remaining 3,607,655 share options had been cancelled as they were not exercised during the exercise period. For further details of the exercise period, performance appraisal objectives (as conditions of the exercise of the share options) and further details of the Subsidiary Share Option Scheme, please refer to the Circular and note 13 to the financial statements in this report.

子公司股權期權計劃的有效期自股權期權授予日起至激勵對象獲授的股權期權全部行權或注銷之日止，最長不超過十年。根據子公司股權期權計劃授予的股權期權應分三期行使，相應等待期應自授予日期起分別為24個月、36個月及48個月。截至二零二三年六月三十日止，子公司股權期權計劃第一個行權期的可行權股權期權為9,826,411份，其中6,218,756份股權期權獲行權，剩餘3,607,655份股權期權因逾期未行權已注銷。有關行使期、作為股權期權行使條件的績效考核目標的詳情及子公司股權期權計劃的進一步詳情，請參閱該通函及本報告的財務報表附註13。

SHARE CAPITAL

As of 30 June 2023, the share capital of the Company is as follows:

股本

於二零二三年六月三十日，本公司的股本如下：

		Number of shares in issue 已發行股份數目	Approximate percentage (%) 約佔百分比(%)
A Shares	A股	1,813,142,855	62.28
H Shares	H股	1,098,000,000	37.72
Total	總數	2,911,142,855	100.00

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SIGNIFICANT INVESTMENT HELD AND MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the reporting period, there was no significant investment held, material acquisition and disposal of subsidiaries, associates and joint ventures.

CAPITAL COMMITMENT

Please refer to note 15 to the financial statements for details of capital commitments.

CONTINGENT LIABILITIES

Please refer to note 14 to the financial statements for details of contingent liabilities.

EVENTS AFTER THE BALANCE SHEET DATE

Please refer to note 18 to the financial statements for details of events after the balance sheet date.

所持重大投資及重大收購及出售附屬公司、聯營公司及合營公司

於本報告期內，概無所持重大投資及重大收購及出售附屬公司、聯營公司及合營公司。

資本承擔

有關資本承擔業務的詳情，請參閱財務報表附註15。

或有負債

有關或有負債的詳情，請參閱財務報表附註14。

資產負債表日後事項

有關資產負債表日後事項的詳情，請參閱財務報表附註18。

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CORPORATE GOVERNANCE

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (THE “CODE”)

The board of directors of the Company (the “Board”) is committed to maintaining and ensuring high standards of corporate governance practises.

The Board emphasises on maintaining a quality Board with a balance of expertise, transparency and accountability in order to enhance shareholders’ value. In the opinion of the Board, the Company has complied with the applicable code provisions as set out in Appendix 14 to the Listing Rules during the Period, except for the following deviations:

Code Provision C.2.1

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Wang Chuan-fu is the Chairman and Chief Executive Officer of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management. The Board of the Company comprises experienced and high caliber individuals and meets regularly to discuss issues affecting operations of the Group. The balance of power and authority is ensured by the operation of the Board. The Board believes that this structure is conducive to strong and consistent leadership, enabling the Group to make and implement decisions promptly and efficiently. The Board has full confidence in Mr. Wang and believes that his appointment to the posts of Chairman and Chief Executive Officer is beneficial to the business development of the Company.

Code Provision C.1.6

Code provision C.1.6 stipulates that independent non-executive directors and non-executive directors should attend general meetings. Some of the non-executive Directors did not attend the annual general meeting held on 8 June 2023 due to personal affairs at the relevant time.

企業管治

遵守企業管治守則(「守則」)

本公司董事會(「董事會」)致力維持並確保企業管治常規處於高水平。

董事會強調維持董事會的素質，各董事須具備不同的專長，透明度高而問責制度有效，務求提升股東價值。董事會認為，本公司於期內符合上市規則附錄十四所載的適用守則條列，除以下所述的偏離行為外：

守則條文C.2.1

守則條文C.2.1規定主席與行政總裁的角色應有區分，並不應由一人同時兼任。

王傳福先生為本公司的主席兼行政總裁。董事會認為此架構不會影響董事會與管理層兩者之間的權利和職權的平衡。本公司董事會由極具經驗和才幹的成員組成，並定期開會，以商討影響本集團運作的事項。透過董事會的運作，足以確保權利和職權得到平衡。董事會相信此架構有助於建立穩健而一致的領導權，使本集團能夠迅速及有效地作出及實施各項決定。董事會對王先生充滿信心，相信委任他出任主席兼行政總裁之職，會有利於本公司的業務發展。

守則條文C.1.6

守則條文第C.1.6條規定，獨立非執行董事及非執行董事應出席股東大會。鑒於部分非執行董事在相關時間因有個人公務，無法全數出席於二零二三年六月八日舉行的股東週年大會。

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COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED COMPANIES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, each of the Directors has confirmed compliance with the required standard set out in the Model Code during the Period.

DISCLOSURE PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Mr. Cai Hong-ping has no longer served as an independent non-executive director of COSCO SHIPPING Development Co., Ltd. (中遠海運發展股份有限公司) (a company listed on the Hong Kong Stock Exchange and the SZSE, stock code: H shares: 02866; A shares: 601866) with effect from 27 February 2023.

Mr. Zhang Min has no longer served as an independent non-executive director of Beijing SPC Environment Protection Tech Co., Ltd. (北京清新環境技術股份有限公司) (a company listed on the SZSE, stock code: 002573) with effect from 19 May 2023.

Save as disclosed above, there is no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the reporting period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company for the six months ended 30 June 2023.

THE BOARD'S DIVERSITY POLICY

The Board has adopted the Board Diversity Policy, which sets out the approach to the diversity of Board. The Company recognises the importance of diversity to corporate governance and an effective Board. The Board Diversity Policy aims to set out the approach to achieve Board diversity, so as to ensure that the Board members possess appropriate skills, experience and diverse views necessary for the business of the Company. In determining the Board composition, the Board and Nomination Committee of the Company consider a range of diversity elements, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All appointments of the Board will be made based on merit and objective criteria while taking into full account the interest of the Board's diversity.

遵守上市公司董事進行證券交易的標準守則

本公司已採用上市規則附錄十所載的上市公司董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易的操守守則。經向全體董事作出特定查詢後，各董事確認在本期間內已遵守標準守則的規定標準。

根據上市規則第13.51B (1)條進行的披露

蔡洪平先生已自二零二三年二月二十七日起不再擔任中遠海運發展股份有限公司(一間於香港聯交所及深交所上市的公司，股份代號：H股：02866；A股：601866)的獨立非執行董事。

張敏先生已自二零二三年五月十九日不再擔任北京清新環境技術股份有限公司(一間於深交所上市的公司，股份代號：002573)的獨立非執行董事。

除上文所披露者，於本報告期內，概無資料須根據上市規則第13.51B(1)條予以披露。

買賣或贖回本公司上市證券

於截至二零二三年六月三十日止六個月，本公司或其任何附屬公司均概無買賣或贖回本公司任何上市證券。

董事會多元化政策

董事會已採用多元化政策，其中載有董事會多元化之方針。本公司認同董事會成員多元化對企業管治及董事會行之有效的重要性，董事會成員多元化政策旨在列載為達致董事會成員多元化而採取的方針，以確保董事會根據本公司業務所需具備適當的技能、經驗及多元化觀點。本公司董事會及提名委員會在設定董事會成員組合時，會從多方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並以客觀標準考慮人選，充分顧及董事會多元化的裨益。

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The selection of candidates will be based on a range of diversity elements and measurable objectives which will be reviewed regularly. Such measurable objectives shall include, but be not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and/or terms of service. The final decision will be made according to the strengths of the candidate and his/her contribution that would bring to the Board. Furthermore, pursuant to code provision B.1.3 of the Code, the Board should review the implementation and effectiveness of the issuer's policy on board diversity on an annual basis. The Nomination Committee has performed the above duties in terms of selection of candidates and review of the implementation and effectiveness of the Company's diversity policy during the year. Having considered the business and development needs of the Company, the Nomination Committee considers that the current Board is sufficiently diversified in terms of its skills, experience, knowledge, length of service and independence.

There were female members in the previous sessions of the Board of the Company. However, as at the date of this report, all members of the Seventh Session (current session) of the Board are male. The Director for this session of the Board were nominated by the shareholders, and have been considered and approved by the Nomination Committee and the Sixth Session of the Board on 21 August 2020. In addition, they were appointed after consideration and approval at the extraordinary general meeting of the Company held on 8 September 2020 (collectively, the "Appointment Procedures for this Session of the Board"). This session of the Board has a term of 3 years with effect from 8 September 2020. During the implementation of the Appointment Procedures for this Session of the Board, when appointing the Directors, factors to be taken into consideration by the Company are not limited to age, cultural and educational background, professional experience, skills and knowledge, etc., and gender is not regarded as an important restriction on the candidate selection for the Board.

To comply with Rule 13.92 of the Listing Rules, the Company is contemplating to include a female director to join the Board by 31 December 2024 via different channels such as by engaging human resources agencies to identify potential successors for the Board and enhance gender diversity in the coming years, if necessary, and will emphasize to include gender as a factor to be taken into consideration for achieving the Board diversity.

甄選人選將基於一系列多元化觀點及將定期審閱的可計量目標。這些可計量目標包括但不限於性別、年齡、文化背景、教育背景、專業經驗、技能、知識及／或服務年期等。最終將按所選人選的優點及其將為董事會帶來的貢獻而作出決定。此外，根據守則第B.1.3守則條文，董事會應每年檢討發行人的董事會多元化政策的實施情況及有效性。提名委員會已履行其年內上述職責，包括甄選人選及審閱公司的董事會多元化政策的實施情況及有效性。經考慮本公司業務及發展需求，提名委員會認為現任董事會在技能、經驗、知識、服務年限及獨立性方面充分表現多樣化格局。

本公司歷屆董事會不乏女性董事成員。但截至本報告發佈之日，第七屆(本屆)董事會成員均為男性。本屆董事會董事經股東提名，於二零二零年八月二十一日經提名委員會及第六屆董事會審核通過，並提交公司股東於二零二零年九月八日的臨時股東大會上審議通過並予以委任(合稱「本屆董事會委任程序」)，本屆董事會成員任期為自二零二零年九月八日起三年。本公司於本屆董事會委任程序實施期間，委任董事考慮的因素包括但不限於年齡、文化及教育背景、專業經驗、技能及知識等，本公司並未將性別作為限制選擇董事會候選人人選的重要因素。

為遵守上市規則13.92，本公司正考慮於二零二四年十二月三十一日之前通過不同渠道(如聘請人力資源機構為董事會物色潛在的繼承人並在未來數年內增加性別多元化(如適用))新添女性董事加入董事會，並著重將性別納入本公司實現董事會多元化的考量因素之一。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

AUDIT COMMITTEE

A meeting was convened by the Company's audit committee on 28 August 2023 to review the accounting policies and practices adopted by the Group and to discuss auditing, internal control, risk management and financial reporting matters (including reviewing the financial statements for the six months ended 30 June 2023) before recommending them to the Board for approval.

The audit committee has reviewed the results of the Group for the six months ended 30 June 2023.

INTERIM DIVIDEND

The Board does not recommend the distribution of interim dividend for the six months ended 30 June 2023 (for the six months ended 30 June 2022: Nil).

審核委員會

本公司審核委員會於二零二三年八月二十八日召開會議，審閱本集團採用的會計政策及慣例，並討論核數、內部監控、風險管理及財務申報事宜(包括截至二零二三年六月三十日止六個月的財務報表)，其後方向董事會建議批准有關事宜。

審核委員會已審閱本集團截至二零二三年六月三十日止六個月的業績。

中期股息

董事會不建議派付截至二零二三年六月三十日止六個月期間的中期股息(截至二零二二年六月三十日止六個月：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS

As at 30 June 2023, the interests and short positions of each of the Directors, supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which he is taken or deemed to have under such provisions of the SFO) or were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers under the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, to be notified to the Company and the Hong Kong Stock Exchange (for this purpose, the relevant provisions of the SFO will be interpreted as if they applied to the supervisors) were as follows:

董事、監事及最高行政人員權益

於二零二三年六月三十日，本公司董事、監事及最高行政人員各自於本公司或任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的權益及淡倉(包括根據證券及期貨條例有關條文持有或被視為擁有的權益)，或根據證券及期貨條例第352條須記錄於指定登記冊，或根據香港聯交所證券上市規則的上市公司董事進行證券交易的標準守則須知會本公司及香港聯交所的權益(就此目的而言，證券及期貨條例的相關條文將詮釋為適用於監事)如下：

A shares of RMB1.00 each

每股面值人民幣1.00元的A股

Name	姓名	Number of A shares A股數目	Approximate percentage of shareholding in total issued A shares (%) 持股量佔已發行 A股總數的 概約百分比(%)	Approximate percentage of shareholding in total issued share capital (%) 持股量佔已發行 股本總額的 概約百分比(%)
Wang Chuan-fu (Director and President)	王傳福 (董事兼總裁)	513,623,850 (L) (Note 1) (附註1)	28.33%	17.64%
Lv Xiang-yang (Director)	呂向陽 (董事)	394,378,222 (L) (Note 2) (附註2)	21.75%	13.55%
Xia Zuo-quan (Director)	夏佐全 (董事)	82,635,607 (L)	4.56%	2.84%

(L) – Long Position

(L) – 好倉

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Notes:

1. The 513,623,850 A shares did not include the 3,727,700 A shares held by Mr. Wang in No.1 Assets Management Plan through E Fund BYD.
2. Of the 394,378,222 A shares, 239,228,620 A shares were held by Mr. Lv in his personal capacity and 155,149,602 A shares were held by Youngy Investment Holding Group Co., Ltd. (融捷投資控股集團有限公司) ("Youngy Investment", formerly known as Guangzhou Youngy Equity Investment Co., Ltd (廣州融捷股權投資有限公司)). Youngy Investment was in turn held by Mr. Lv and his spouse as to 89.5% and 10.5% of equity interests, respectively. Mr. Lv was therefore deemed to be interested in the 155,149,602 A shares under the SFO.

附註：

1. 在該513,623,850股A股之中，不包含王先生通過易方達資產比亞迪增持1號資產管理計劃持有的3,727,700股A股股份。
2. 在該394,378,222股A股之中，239,228,620股A股由呂先生以個人身份持有及155,149,602股A股由融捷投資控股集團有限公司(「融捷投資」，前稱為廣州融捷投資管理集團有限公司)持有。融捷投資則由呂先生及其配偶分別持有89.5%及10.5%股權，因此根據證券及期貨條例，呂先生被視為於該155,149,602股A股中擁有權益。

H shares of RMB1.00 each

每股人民幣1.00元的H股

Name	姓名	Number of H shares H股數目	Approximate percentage of shareholding in total issued H shares (%)	Approximate percentage of shareholding in total issued share capital (%)
			持股量佔已發行 H股總數的 概約百分比(%)	持股量佔已發行 股本總額的 概約百分比(%)
Wang Chuan-fu (Director and President)	王傳福 (董事兼總裁)	1,000,000 (L)	0.09%	0.03%
Xia Zuo-quan (Director)	夏佐全 (董事)	500,000 (L) (Note) (附註)	0.05%	0.02%

(L) – Long Position

(L) – 好倉

Note:

Of the 500,000 H shares, 195,000 H shares were held by Mr. Xia as a beneficial owner and 305,000 H shares were held by Sign Investments Limited, which was wholly-owned by Mr. Xia.

附註：

於500,000股H股之中，夏先生以實益擁有人身份持有195,000股H股，而由夏先生全資擁有的Sign Investments Limited則持有305,000股H股。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Saved as disclosed above, as at 30 June 2023, none of the Directors, supervisors or chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be (a) recorded in the register to be kept by the Company pursuant to Section 352 of the SFO; or (b) notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

SHAREHOLDERS WITH NOTIFIABLE INTERESTS

As at 30 June 2023, to the knowledge of the Directors of the Company, the following persons (other than the Directors, supervisors and chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were required to be entered in the register kept by the Company pursuant to Section 336 of the SFO:

1. A shares of RMB1.00 each

Name	名稱	Number of A shares A股數目	Approximate percentage of shareholding in total issued A shares (%)	Approximate percentage of shareholding in total issued share capital (%)
			持股量佔已發行 A股總數 的概約百分比(%)	持股量佔已發行 股本總額的 概約百分比(%)
Youngy Investment (Note)	融捷投資(附註)	155,149,602 (L)	8.56%	5.33%

(L) – Long Position

Note:

Youngy Investment is owned by Mr. Lv Xiang-yang, a non-executive Director of the Company, as to 89.5%. Mr. Lv is therefore deemed to be interested in the 155,149,602 A shares held by Youngy Investment under the SFO.

除上述披露者外，於二零二三年六月三十日，概無本公司董事、監事或最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有權益或淡倉而須(a)記錄於本公司根據證券及期貨條例第352條存置的登記冊內；或(b)根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯交所。

擁有須予知會權益的股東

於二零二三年六月三十日，就本公司董事所知，以下人士（不包括本公司董事、監事及最高行政人員）於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部須向本公司及香港聯交所披露或根據證券及期貨條例第336條載入本公司存置的登記冊的權益或淡倉：

1、每股面值人民幣1.00元的A股

Number of A shares A股數目	Approximate percentage of shareholding in total issued A shares (%)	Approximate percentage of shareholding in total issued share capital (%)
	持股量佔已發行 A股總數 的概約百分比(%)	持股量佔已發行 股本總額的 概約百分比(%)

(L) – 好倉

附註：

融捷投資由本公司非執行董事呂向陽先生擁有89.5%權益。因此，根據證券及期貨條例，呂先生被視為於融捷投資持有的155,149,602股A股中擁有權益。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

2. H shares of RMB1.00 each

2、每股面值人民幣1.00元的H股

Name	名稱	Number of H shares H股數目	Approximate percentage of shareholding in total issued H shares (%) 持股量佔已發行 H股總數的 概約百分比(%)	Approximate percentage of shareholding in total issued share capital (%) 持股量佔已發行 股本總額的 概約百分比(%)
Berkshire Hathaway Inc. (Note 1)	Berkshire Hathaway Inc.(附註1)	98,603,142 (L)	8.98%	3.39%
Berkshire Hathaway Energy (Note 1)	Berkshire Hathaway Energy(附註1)	98,603,142 (L)	8.98%	3.39%
Western Capital Group LLC (Note 1)	Western Capital Group LLC(附註1)	98,603,142 (L)	8.98%	3.39%
BlackRock, Inc. (Note 2)	BlackRock, Inc.(附註2)	56,981,853 (L)	5.19%	1.96%
		351,000 (S)	0.03%	0.01%

(L) – Long Position

(L) – 好倉

Notes:

附註：

- According to the disclosure of interests notice filed on 23 June 2023, each of Berkshire Hathaway Inc. and Berkshire Hathaway Energy Company (formerly known as MidAmerican Energy Holdings Company) is deemed to be interested in 98,603,142 H Shares (L) through 98,603,142 H Shares directly held by its indirectly controlled corporation and wholly-owned corporation, Western Capital Group LLC, respectively.
- The interests of BlackRock, Inc. were held through its various controlled corporations, and of which 306,500 long positions were cash settled unlisted derivatives, and 348,500 short positions were cash settled unlisted derivatives.

- 根據於二零二三年六月二十三日提交的披露權益通知Berkshire Hathaway Inc.及Berkshire Hathaway Energy Company(原名為MidAmerican Energy Holdings Company)分別被視為透過其間接控制公司及全資持有公司Western Capital Group LLC所直接持有的98,603,142股H股，於98,603,142股H股(L)之中擁有權益。
- BlackRock, Inc.的權益乃通過其各控制公司持有，其中306,500股好倉為現金結算非上市衍生工具，及348,500股淡倉為現金結算非上市衍生工具。

The total issued share capital of the Company as at 30 June 2023 was RMB2,911,142,855, divided into 1,813,142,855 A shares of RMB1.00 each and 1,098,000,000 H shares of RMB1.00 each, all fully paid up.

於二零二三年六月三十日，本公司已發行股本總額為人民幣2,911,142,855元，分為1,813,142,855股每股面值人民幣1.00元的A股及1,098,000,000股每股面值人民幣1.00元的H股，全部為實收資本。

Consolidated Balance Sheet

合併資產負債表

30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

		Note 附註	30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Assets	資產			
Current assets	流動資產			
Monetary funds	貨幣資金		79,811,263	51,471,263
Financial assets held for trading	交易性金融資產		13,064,442	20,626,930
Trade receivables	應收賬款	9	49,058,860	38,828,494
Receivables financing	應收款項融資		7,682,528	12,894,284
Prepayments	預付款項		4,279,607	8,223,567
Other receivables	其他應收款		2,011,167	1,910,009
Inventories	存貨		86,900,482	79,107,199
Contract assets	合同資產		5,081,675	13,552,998
Long-term receivables due within one year	一年內到期的長期應收款		3,375,928	1,052,562
Other current assets	其他流動資產		14,741,182	13,136,201
Total current assets	流動資產合計		266,007,134	240,803,507
Non-current assets	非流動資產			
Long-term receivables	長期應收款		4,985,692	1,118,637
Long-term equity investments	長期股權投資		16,473,886	15,485,402
Other equity instrument investments	其他權益工具投資		5,197,914	4,418,584
Other non-current financial assets	其他非流動金融資產		2,429,094	2,147,140
Investment properties	投資性房地產		83,757	85,005
Fixed assets	固定資產		181,104,955	131,880,369
Construction in progress	在建工程		51,589,600	44,621,935
Right-of-use assets	使用權資產		3,488,015	3,137,327
Intangible assets	無形資產		30,614,510	23,223,497
Development expenditures	開發支出		1,592,627	1,683,000
Goodwill	商譽		65,914	65,914
Long-term deferred expenditures	長期待攤費用		796,848	458,108
Deferred tax assets	遞延所得稅資產		5,206,915	3,686,905
Other non-current assets	其他非流動資產		21,496,546	21,045,316
Total non-current assets	非流動資產合計		325,126,273	253,057,139
Total assets	資產總計		591,133,407	493,860,646

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Balance Sheet

合併資產負債表

30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

		Notes 附註	30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Liabilities	負債			
Current liabilities	流動負債			
Short-term borrowings	短期借款		9,835,141	5,153,098
Financial liabilities held for trading	交易性金融負債		140,697	54,605
Bills payables	應付票據	10	3,603,387	3,328,419
Trade payables	應付賬款	11	165,489,829	140,437,310
Contract liabilities	合同負債		35,084,866	35,516,571
Employee benefits payables	應付職工薪酬		14,584,427	12,037,011
Tax payables	應交稅費		4,452,682	4,326,394
Other payables	其他應付款		159,018,267	122,123,841
Provision	預計負債		2,040,652	1,287,452
Non-current liabilities due within one year	一年內到期的非流動負債		7,225,482	6,464,828
Other current liabilities	其他流動負債		2,214,171	2,615,032
Total current liabilities	流動負債合計		403,689,601	333,344,561
Non-current liabilities	非流動負債			
Long-term borrowings	長期借款		7,760,844	7,593,596
Bond payables	應付債券		—	—
Lease liabilities	租賃負債		2,852,484	2,617,274
Deferred tax liabilities	遞延所得稅負債		2,612,819	2,018,530
Other non-current liabilities	其他非流動負債		43,816,503	26,896,848
Total non-current liabilities	非流動負債合計		57,042,650	39,126,248
Total liabilities	負債合計		460,732,251	372,470,809

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Balance Sheet

合併資產負債表

30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

			30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
	Note 附註			
Shareholders' equity		股東權益		
Shareholders' equity		股東權益		
Share capital	12	股本	2,911,143	2,911,143
Capital reserve		資本公積	62,265,717	61,705,893
Less: Treasury shares		減：庫存股	1,809,920	1,809,920
Other comprehensive income		其他綜合收益	870,198	428,332
Special reserve		專項儲備	17,011	12,078
Surplus reserve		盈餘公積	6,838,541	6,838,541
Undistributed profit		未分配利潤	48,572,852	40,943,232
Total shareholders' equity attributable to the parent company		歸屬於母公司股東權益合計	119,665,542	111,029,299
Non-controlling interests		少數股東權益	10,735,614	10,360,538
Total shareholders' equity		股東權益合計	130,401,156	121,389,837
Total liabilities and shareholders' equity		負債和股東權益總計	591,133,407	493,860,646

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

The financial statement was signed by the following persons:

財務報表由以下人士簽署：

Legal representative:

Wang Chuan-fu

法定代表人：

王傳福

Chief Financial Officer:

Zhou Ya-lin

主管會計工作負責人：

周亞琳

Head of Accounting Department:

Liu Hui

會計機構負責人：

劉惠

Consolidated Income Statement

合併利潤表

Six months ended 30 June 2023
截至二零二三年六月三十日止六個月期間
RMB'000 人民幣千元

		Notes 附註	For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
I. Operating revenue	一、營業收入	5	260,124,143	150,607,252
Less: Operating costs	減：營業成本	5	212,451,556	130,265,478
Tax and surcharge	稅金及附加		4,648,323	2,380,322
Selling expenses	銷售費用		10,838,054	4,722,663
Administrative expenses	管理費用		6,818,637	3,670,510
Research and development expenses	研發費用		13,834,648	5,424,256
Finance expenses	財務費用		(1,102,954)	(898,445)
Including: Interest expenses	其中：利息費用		977,473	652,684
Interest income	利息收入		1,168,146	844,379
Add: Other income	加：其他收益		1,857,641	649,549
Investment gain/(loss)	投資收益／(損失)		590,770	(369,664)
Including: Investment gains/(losses) in associates and joint ventures	其中：對聯營企業和合營企業 的投資收益／(損失)		597,938	(404,634)
Loss on derecognition of financial assets measured at amortised cost	以攤餘成本計量的 金融資產終止確 認損失		—	(11,267)
Gains/(losses) from changes in fair value	公允價值變動收益／(損失)		86,896	(16,041)
Impairment losses on credit	信用減值損失		(610,523)	(228,157)
Impairment losses on asset	資產減值損失		(905,154)	(431,992)
Gains/(losses) from disposal of assets	資產處置收益／(損失)		75,774	(24,047)
II. Operating profit	二、營業利潤		13,731,283	4,622,116
Add: Non-operating income	加：營業外收入		305,965	211,760
Less: Non-operating expenses	減：營業外支出		637,328	192,395
III. Total profit	三、利潤總額		13,399,920	4,641,481
Less: Income tax expenses	減：所得稅費用	6	1,960,201	708,345
IV. Net profit	四、淨利潤		11,439,719	3,933,136

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Income Statement

合併利潤表

Six months ended 30 June 2023
截至二零二三年六月三十日止六個月期間
RMB'000 人民幣千元

			For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
		Notes 附註		
V. Classified by continuity of operation	五、按經營持續性分類			
Net profit from continuing operations	持續經營淨利潤		11,439,719	3,933,136
VI. Classified by ownership	六、按所有權歸屬分類			
Net profit attributable to shareholders of the parent company	歸屬於母公司所有者的淨利潤		10,954,145	3,595,279
Non-controlling interests	少數股東損益		485,574	337,857
VII. Earnings per share (RMB/share)	七、每股收益(元/股)			
Basic earnings per share	基本每股收益	8	3.77	1.24
Diluted earnings per share	稀釋每股收益	8	3.77	1.24

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Income Statement

合併利潤表

Six months ended 30 June 2023
截至二零二三年六月三十日止六個月期間
RMB'000 人民幣千元

		Notes 附註	For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
VIII. Other comprehensive income/(loss)	八、 其他綜合收益／(虧損)		450,683	(27,754)
Other comprehensive income/(loss) that cannot be reclassified to profit or loss	不能重分類進損益的其他綜合收益／(虧損)			
Changes in fair value of other equity instrument investments	其他權益工具投資公允價值變動		496,027	94,158
Income tax impact	所得稅影響		(122,515)	(17,589)
Other comprehensive income/(loss) that will be reclassified to profit or loss	將重分類進損益的其他綜合收益／(虧損)			
Exchange difference on foreign currency translation	外幣報表折算差額		29,382	(91,727)
Changes in fair value of receivables financing	應收款項融資公允價值變動		41,092	(10,850)
Provision for credit impairment of receivables financing	應收款項融資信用減值準備		(2,120)	1,698
Other comprehensive income/(loss) attributable to non-controlling interests, net of tax	歸屬於少數股東的其他綜合收益／(虧損)的稅後淨額		8,817	(3,444)
IX. Total comprehensive income	九、 綜合收益總額		11,890,402	3,905,382
Among which:	其中：			
Total comprehensive income attributable to shareholders of the parent company	歸屬於母公司股東的綜合收益總額		11,396,011	3,570,969
Total comprehensive income attributable to non-controlling interests	歸屬於少數股東的綜合收益總額		494,391	334,413

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Statement of Changes in Owners' Equity

合併股東權益變動表

Six months ended 30 June 2023
截至二零二三年六月三十日止六個月期間
RMB'000 人民幣千元

截至二零二三年六月三十日止六個月期間(未經審計)

	Shareholders' equity attributable to the parent company 歸屬於母公司股東權益							
	Share capital 股本	Capital reserve 資本公積	Less: Treasury shares 減：庫存股	Other comprehensive income 其他綜合收益	Special reserve 專項儲備	Surplus reserve 盈餘公積	Undistributed profit 未分配利潤	Sub-total 小計
								Non-controlling interests 少數股東權益
								Total shareholders' equity 股東權益合計
I. Opening balance for the period	2,911,143	61,705,893	1,809,920	428,332	12,078	6,838,541	40,943,232	111,029,299
II. Amount of change in the current period								
(I) Total comprehensive income	-	-	-	441,866	-	-	10,954,145	11,396,011
(II) Capital contribution and reduction by shareholders								
1 Ordinary shares contributed by shareholders	-	-	-	-	-	-	-	-
2 Share-based payment recognized in shareholders' equity	-	559,798	-	-	-	-	-	559,798
3 Others	-	26	-	-	-	-	-	26
(III) Profit distribution								
1 Appropriation to surplus reserve	-	-	-	-	-	-	-	-
2 Distribution to shareholders	-	-	-	-	-	-	(3,324,525)	(127,297)
(IV) Special reserve								
Appropriation for the period	-	-	-	-	4,933	-	-	4,933
III. Closing balance for the period	2,911,143	62,265,717	1,809,920	870,198	17,011	6,838,541	48,572,852	119,665,542
								10,735,614
								130,401,156

後附財務報表附註為本財務報表的組成部分

The accompanying notes form an integral part of these financial statements

Consolidated Statement of Changes in Owners' Equity

合併股東權益變動表

Six months ended 30 June 2023

截至二零二三年六月三十日止六個月期間

RMB'000 人民幣千元

截至二零二二年六月三十日止六個月期間(未經審計)

Shareholders' equity attributable to the parent company
歸屬於母公司股東權益

	Share capital	Capital reserve	Less: Treasury shares	Other comprehensive loss	Special reserve	Surplus reserve	Undistributed profit	Sub-total	Non-controlling interests	Total shareholders' equity
	股本	資本公積	減：庫存股	其他綜合虧損	專項儲備	盈餘公積	未分配利潤	小計	少數股東權益	股東權益合計
I. Opening balance for the period	2,911,143	60,807,219	-	(124,055)	10,369	5,009,088	26,455,907	95,069,671	9,174,538	104,244,209
II. Amount of change in the current period										
(I) Total comprehensive income	-	-	-	(24,310)	-	-	3,535,279	3,570,969	334,413	3,905,382
(II) Capital contribution and reduction by shareholders										
1 Ordinary shares contributed by shareholders	-	-	-	-	-	-	-	-	178,625	178,625
2 Share-based payment recognized in shareholders' equity	-	36,918	-	-	-	-	-	36,918	14,144	51,062
3 Others	-	11,399	1,809,920	-	-	-	-	(1,798,521)	115,817	(1,682,704)
(III) Profit distribution										
1 Appropriation to surplus reserve	-	-	-	-	-	-	-	-	-	-
2 Distribution to shareholders	-	-	-	-	-	-	(305,670)	(305,670)	(79,464)	(385,134)
(IV) Special reserve										
Appropriation for the period	-	-	-	-	5,474	-	-	5,474	-	5,474
(V) Others										
Repurchase rights of minority shareholders of subsidiaries	-	30,200	-	-	-	-	-	30,200	(106,848)	(76,648)
III. Closing balance for the period	2,911,143	60,885,736	1,809,920	(148,365)	15,843	5,009,088	29,745,516	96,609,041	9,631,225	106,240,266

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Cash Flow Statement

合併現金流量表

Six months ended 30 June 2023
截至二零二三年六月三十日止六個月期間
RMB'000 人民幣千元

			For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
	Note 附註			
I. Cash flows from operating activities:	一、經營活動產生的現金流量：			
Cash received from sales of goods and provision of services	銷售商品、提供服務收到的現金		251,313,806	152,837,481
Tax rebates received	收到的稅費返還		7,798,280	4,698,994
Cash received from other activities relating to operations	收到其他與經營活動有關的現金		11,038,425	2,756,183
Sub-total of cash inflows from operating activities	經營活動現金流入小計		270,150,511	160,292,658
Cash paid for goods and services	購買商品、接受服務支付的現金		125,042,780	86,459,497
Cash paid to and on behalf of employees	支付給職工以及為職工支付的現金		37,357,054	21,597,732
Cash paid for various types of taxes	支付的各項稅費		14,055,372	5,947,505
Cash paid for other activities relating to operations	支付其他與經營活動有關的現金		11,724,128	3,102,757
Sub-total of cash outflows from operating activities	經營活動現金流出小計		188,179,334	117,107,491
Net cash flow from operating activities	經營活動產生的現金流量淨額		81,971,177	43,185,167

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Cash Flow Statement

合併現金流量表

Six months ended 30 June 2023
截至二零二三年六月三十日止六個月期間
RMB'000 人民幣千元

	Note 附註	For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
II. Cash flows from investing activities:	二、投資活動產生的現金流量：		
Cash received from disposal of investments	收回投資收到的現金	—	13,779
Cash received from disposals of joint ventures or associates	處置合營或聯營公司所收到的現金	72,968	—
Cash received from gains in investment	取得投資收益收到的現金	154,379	45,062
Net cash received from disposals of subsidiaries and other operating entities	處置子公司及其他營業單位收到的現金淨額	73,840	—
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	處置固定資產、無形資產和其他長期資產收回的現金淨額	241,715	182,747
Cash received from other activities relating to investments	收到其他與投資活動有關的現金	18,467,236	7,602,965
Sub-total of cash inflows from investing activities	投資活動現金流入小計	19,010,138	7,844,553
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	購建固定資產、無形資產和其他長期資產支付的現金	65,936,866	36,128,310
Cash paid for investments	投資支付的現金	960,274	2,463,808
Cash paid for other activities relating to investments	支付其他與投資活動有關的現金	10,649,269	12,060,000
Sub-total of cash outflows from investing activities	投資活動現金流出小計	77,546,409	50,652,118
Net cash flows used in investing activities	投資活動使用的現金流量淨額	(58,536,271)	(42,807,565)
III. Cash flows from financing activities:	三、籌資活動產生的現金流量：		
Cash received from capital injection	吸收投資收到的現金	—	276,625
Cash received from borrowings	取得借款收到的現金	17,114,038	19,435,013
Cash received relating to other financing activities	收到的其他與籌資活動有關的現金	28,233	—

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Consolidated Cash Flow Statement

合併現金流量表

Six months ended 30 June 2023
截至二零二三年六月三十日止六個月期間
RMB'000 人民幣千元

			For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
	Note 附註			
Sub-total of cash inflows from financing activities		籌資活動現金流入小計	17,142,271	19,711,638
Cash paid for repayment of debts		償還債務支付的現金	11,667,955	23,418,888
Cash payments for distribution of dividends, profits or interest expenses		分配股利、利潤或償付利息支付的現金	853,406	736,927
Cash paid relating to other financing activities		支付其他與籌資活動有關的現金	570,698	4,558,149
Sub-total of cash outflows from financing activities		籌資活動現金流出小計	13,092,059	28,713,964
Net cash flows from/(used in) financing activities		籌資活動產生/(使用)的現金流量淨額	4,050,212	(9,002,326)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	四、	匯率變動對現金及現金等價物的影響	560,785	141,750
V. Net increase/(decrease) in cash and cash equivalents	五、	現金及現金等價物淨增加/(減少)額	28,045,903	(8,482,974)
Add: balance of cash and cash equivalents at the beginning of the period		加：期初現金及現金等價物餘額	51,182,457	49,819,860
VI. Balance of cash and cash equivalents at the end of the period	六、	期末現金及現金等價物餘額	79,228,360	41,336,886

The accompanying notes form an integral part of these financial statements

後附財務報表附註為本財務報表的組成部分

Notes to Financial Statements

財務報表附註

30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

1. CORPORATE INFORMATION

BYD Company Limited (the "Company") is a joint stock limited company registered in the People's Republic of China (the "PRC"). The Company's H shares have been listed on The Stock Exchange of Hong Kong Limited since 31 July 2002. The registered office of the Company is located at Yan An Road, Kuichong, Dapeng District, Shenzhen, Guangdong Province, the PRC.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the "Accounting Standards for Business Enterprises- Basic Standard" issued by the Ministry of Finance and the specific accounting standards, application guidelines, interpretations and other relevant regulations issued and revised thereafter (collectively known as the "ASBE").

The financial statements are prepared on a going concern basis. As at 30 June 2023, the Group had net current liabilities of RMB137,682,467,000. In view of such circumstances, the management of the Company has given consideration to the future liquidity and financial resources available to the Group, which mainly include the net cash flows generated from the Group's operating activities and sufficient financial credit facilities, in assessing whether the Group will have sufficient financial resources to continue as a going concern, and will not have any going concern issue as a result of the shortage of working capital. Therefore, the management of the Company is of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

In the preparation of the financial statements, all items are recorded by using historical cost as the basis of measurement except for some financial instruments. Impairment provision is made according to relevant regulation if the assets are impaired.

1. 公司資料

比亞迪股份有限公司(「本公司」)是在中華人民共和國(「中國」)登記的股份有限公司。本公司的H股自二零零二年七月三十一日起在香港聯合交易所有限公司上市。本公司的註冊辦事處位於中國廣東省深圳市大鵬新區葵涌鎮延安路。

2. 編製基礎

本財務報表按照財政部頒佈的《企業會計準則 – 基本準則》以及其後頒佈及修訂的具體會計準則、應用指南、解釋以及其他相關規定(統稱「企業會計準則」)編製。

本財務報表以持續經營為基礎列報。截至二零二三年六月三十日，本集團淨流動負債為人民幣137,682,467千元，鑒於這種情況，本公司管理層在評估本集團是否具備足夠財務資源以持續經營時，已考慮本集團的未來流動資金狀況以及可動用的財務資源，主要包括本集團經營活動產生的現金流量淨額和擁有充足的金融信貸額度，不會因營運資金的短缺而面臨有關持續經營方面的問題，因此，本公司管理層認為以持續經營為基礎編製本財務報表是適當的。

編製本財務報表時，除某些金融工具外，均以歷史成本為計價原則。資產如果發生減值，則按照相關規定計提相應的減值準備。

Notes to Financial Statements

財務報表附註

30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

3. CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Changes in accounting policies

Recognition of deferred income tax relating to the leases

The interpretation No. 16 of Accounting Standards for Business Enterprises issued in November 2022 provides that the exemption from the requirement to initially recognize deferred income tax does not apply to a single transaction that is not a business combination, that affects neither the accounting profit nor taxable income (or deductible tax losses) at the time of the transaction, and that results in the creation of an equivalent amount of taxable temporary differences and deductible temporary differences as a result of the initial recognition of an asset or liability. The Group has applied the provision of the interpretation No.16 since 1 January 2022 that deferred income tax assets and liabilities will be recognized for liabilities and right-of-use assets in relation to a single transaction, respectively, at the beginning of the first accounting period that adopts the interpretation No.16, and the net deferred income tax assets and liabilities after offsetting will be equal to the amounts previously recognized according to net amounts. The consolidated balance sheet presented according to the net amounts after offsetting will not be affected.

3、會計政策和會計估計變更

會計政策變更

與租賃有關遞延所得稅的確認

二零二二年十一月發佈的《企業會計準則解釋第16號》規定，對於不是企業合併、交易發生時既不影響會計利潤也不影響應納稅所得額（或可抵扣虧損）、且初始確認的資產和負債導致產生等額應納稅暫時性差異和可抵扣暫時性差異的單項交易，不適用豁免初始確認遞延所得稅的規定。本集團自二零二二年一月一日執行解釋16號的該項規定，對於在首次執行解釋16號的財務報表列報最早期間的期初，對單項交易涉及的租賃負債和使用權資產分別確認遞延所得稅資產和負債，遞延稅資產和負債互抵後淨額與原先按淨額確認的金額相等，對於按互抵後淨額列示的合併資產負債表項目沒有影響。

Notes to Financial Statements

財務報表附註

30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

3. CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

Changes in accounting estimates

Changes in accounting estimates and their reasons

As the update and iteration of new energy vehicle technologies continue to accelerate, the requirements of power batteries on product structure and performance continue to update. The original power battery production equipment under some of the technology platforms is not able to meet the requirements for the production of new products, therefore, its useful life is below the original depreciation life. To reflect the financial condition and operating results of the Company in a more objective and accurate way, the Company proposed to change the long-term asset depreciation and amortization lives of the above power batteries to 3 years based on the current use condition and useful lives of its fixed assets.

The changes in accounting estimates, with effect from 1 January 2023, have been approved at the 31st meeting of the Seventh Session of the Board and the 14th meeting of the Seventh Session of the Supervisory Committee on 28 March 2023.

Effects of accounting estimates on financial data

The changes in accounting estimates were accounted for based on the prospective application method and did not have any material effect on the consolidated financial statements of the Company for the six months ended 2023.

3、會計政策和會計估計變更(續)

會計估計變更

會計估計變更事項及原因

由於新能源汽車技術升級迭代持續加快，對應動力電池在產品結構及性能等方面的要求不斷升級。原先部分技術平台下的動力電池生產設備已經無法滿足新產品的生產，其壽命已經低於原有折舊年限。為了更加客觀、準確地反映公司財務狀況和經營成果，公司根據自身固定資產的使用現狀和使用壽命，上述動力電池長期資產折舊／攤銷年限擬統一變更為3年。

此次會計估計變更已於二零二三年三月二十八日經本公司第七屆董事會第三十一次會議、第七屆監事會第十四次會議決議通過，自二零二三年一月一日起執行。

會計估計對財務數據的影響

本次會計估計變更採用未來適用法進行會計處理，對本公司二零二三年一至六月合併財務報表無重大影響。

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4. SEGMENT REPORTING

Operating segment

For management purposes, the Group is organised into business units based on their products and services. With the growth of the electric vehicle business, the increase in correlation between the main business of rechargeable batteries and the electric vehicle business, the management consolidated the rechargeable batteries and photovoltaic segment with the automobile, automobile-related products and other products segment. The Group currently has two reportable segments as follows:

- a) the mobile handset components, assembly service and other products segment comprises the manufacture and sale of mobile handset components such as housings and electronic components and the provision of assembly services;
- b) the automobiles and related products and other products segment comprises the manufacture and sale of automobiles and auto-related molds and components and automobile leasing and after sales services, automobile power batteries, energy storage products, consumer batteries and photovoltaic products, rail transport and its related business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit. The adjusted profit before tax is measured consistently with the Group's profit before tax except that gains or losses arising from changes in fair value, finance costs (excluding interest expenses on lease liabilities and exchange gains or losses), non-operating income, other income, losses on disposal of assets, non-operating expenses, investment income (excluding investment income from associates and joint ventures), income from sales of properties, the corresponding costs and tax, as well as administrative expenses incurred by the Company as the Group's headquarter are excluded from such measurement.

Segment assets exclude deferred tax assets, goodwill, financial assets held for trading, other equity instrument investments, other non-current financial assets, investment properties and assets occupied by the Company as the Group's headquarter as these assets are managed on a group basis.

4、分部報告

經營分部

出於管理目的，本集團根據產品和服務劃分業務單元。隨著電動汽車業務的增長，二次充電電池主要業務和電動汽車業務關聯度增加，管理層將二次充電電池及光伏分部與汽車、汽車相關產品及其他產品分部合併列示。本集團目前有二個報告分部，分別如下：

- a) 手機部件、組裝及其他產品分部包括製造和銷售外殼等手機及電子產品部件並提供整機組裝服務；
- b) 汽車、汽車相關產品及其他產品分部包括製造和銷售汽車、汽車相關的模具及零部件、汽車租賃和汽車的售後服務、汽車動力電池、儲能產品、消費類電池以及光伏產品、軌道交通及其相關業務。

管理層出於配置資源和評價業績的決策目的，對各業務單元的經營成果分開進行管理。分部業績以報告的分部利潤為基礎進行評價。該指標系對利潤總額進行調整後的指標，除不包括公允價值變動損益、財務費用（除租賃負債利息支出和匯兌損益）、營業外收入、其他收益、資產處置損失、營業外支出、投資收益（除對聯營企業和合營企業的投資收益外）、銷售房產收入、對應的成本和稅費以及本公司作為集團總部發生的管理費用之外，該指標與本集團利潤總額是一致的。

分部資產不包括遞延所得稅資產、商譽、交易性金融資產、其他權益工具投資、其他非流動金融資產、投資性房地產和本公司作為集團總部佔用的資產，原因在於這些資產均由本集團統一管理。

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4. SEGMENT REPORTING (CONTINUED)

Operating segment (continued)

Segment liabilities exclude deferred tax liabilities, tax payable, other current liabilities, other non-current liabilities, short-term borrowings, long-term borrowings, bonds payable, interest payable and dividends payable in other payables, financial liabilities held for trading and liabilities assumed by the Company as the Group's headquarter as these liabilities are managed on a group basis.

Transfer pricing in operating segments is determined with reference to the agreed price among operating segments.

4、分部報告(續)

經營分部(續)

分部負債不包括遞延所得稅負債、應交稅費、其他流動負債、其他非流動負債、短期借款、長期借款、應付債券、其他應付款中的應付利息和應付股利、交易性金融負債和本公司作為集團總部而負擔的負債，原因在於這些負債均由本集團統一管理。

經營分部間的轉移定價，按照經營分部間的協議價格制定。

For the six months ended 30 June 2023 (Unaudited)	截至二零二三年六月三十日 止六個月期間(未經審計)	Mobile handset components, assembly service and other products 手機部件、 組裝及 其他產品	Automobiles and related products and other products 汽車、 汽車相關產品 及其他產品	Adjustments and eliminations 調整和抵銷	Total 合計
Revenue from external trading	對外交易收入	51,090,165	208,823,603	210,375	260,124,143
Revenue from inter-segment trading	分部間交易收入	5,248,582	2,924,979	(8,173,561)	-
Total	合計	56,338,747	211,748,582	(7,963,186)	260,124,143
Investment loss/(income) in joint ventures and associates	對合營和聯營企業的投資 損失/(收益)	-	-597,938	-	-597,938
Depreciation and amortization	折舊和攤銷	1,561,892	16,563,268	-	18,125,160
Total profit/(losses)	利潤/(虧損)總額	1,425,768	12,355,046	(380,894)	13,399,920
Income tax expense	所得稅費用	178,588	1,781,613	-	1,960,201
Capital expenditure	資本性支出	2,078,439	81,517,697	-	83,596,136
As of 30 June 2023 (Unaudited)	截至二零二三年六月三十日 (未經審計)				
Total assets	資產總額	62,118,380	518,685,011	10,330,016	591,133,407
Total liabilities	負債總額	23,443,124	399,274,267	38,014,860	460,732,251
Other disclosures	其他披露				
Long-term equity investments in joint ventures and associates	對合營和聯營企業的長期股權投資	-	16,473,886	-	16,473,886

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4. SEGMENT REPORTING (CONTINUED)

Operating segment (continued)

4、分部報告(續)

經營分部(續)

		Mobile handset components, assembly service and other products 手機部件、 組裝及 其他產品	Automobiles and related products and other products 汽車、 汽車相關產品 及其他產品	Adjustments and eliminations 調整和抵銷	Total 合計
For the six months ended 30 June 2022 (Unaudited)	截至二零二二年六月三十日 止六個月期間(未經審計)				
Revenue from external trading	對外交易收入	41,069,650	109,267,418	270,184	150,607,252
Revenue from inter-segment trading	分部間交易收入	2,915,152	1,865,967	(4,781,119)	-
Total	合計	43,984,802	111,133,385	(4,510,935)	150,607,252
Investment loss in joint ventures and associates	對合營和聯營企業的投資損失	-	404,634	-	404,634
Depreciation and amortization	折舊和攤銷	1,554,151	7,601,059	-	9,155,210
Total profit/(losses)	利潤/(虧損)總額	674,802	3,856,265	110,414	4,641,481
Income tax expense	所得稅費用	56,114	569,730	82,501	708,345
Capital expenditure	資本性支出	2,275,406	37,751,788	-	40,027,194
As of 31 December 2022 (Audited)	截至二零二二年十二月三十一日 (經審計)				
Total assets	資產總額	54,625,520	419,691,469	19,543,657	493,860,646
Total liabilities	負債總額	22,020,698	326,023,534	24,426,577	372,470,809
Other disclosures	其他披露				
Long-term equity investments in joint ventures and associates	對合營和聯營企業的長期股權投資	-	15,485,402	-	15,485,402

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4. SEGMENT REPORTING (CONTINUED)

Other information

Geographical information

Operating revenue

4、分部報告(續)

其他信息

地區信息

營業收入

		For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
PRC (including Hong Kong, Macau and Taiwan)	中國(包括港澳台地區)	195,714,569	117,224,189
Overseas	境外	64,409,574	33,383,063
		260,124,143	150,607,252

Revenue from external transactions is attributed to the location of customers.

對外交易收入歸屬於客戶所處區域。

Total non-current assets

非流動資產總額

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
PRC (including Hong Kong, Macau and Taiwan)	中國(包括港澳台地區)	303,415,350	238,541,045
Overseas	境外	3,825,394	3,078,914
		307,240,744	241,619,959

Non-current assets exclude goodwill, other equity instrument investments, other non-current financial assets, long-term receivables and deferred tax assets attributed to the region where the assets are located.

非流動資產歸屬於該資產所處區域，不包括商譽、其他權益工具投資、其他非流動金融資產、長期應收款和遞延所得稅資產。

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4. SEGMENT REPORTING (CONTINUED)

Other information (continued)

Information about major customers

For the six months ended 30 June 2023, operating revenue of RMB27,246,971,000 (for the six months ended 30 June 2022: RMB17,888,497,000) was derived from sales to a single customer.

4、分部報告(續)

其他信息(續)

主要客戶信息

截至二零二三年六月三十日止六個月期間，營業收入人民幣27,246,971千元(截至二零二二年六月三十日止六個月期間：人民幣17,888,497千元)為對某一單個客戶的收入。

5. OPERATING REVENUE AND COST

5、營業收入及成本

		For the six months ended 30 June 2023 截至二零二三年六月三十日止 六個月期間 (Unaudited) (未經審計)		For the six months ended 30 June 2022 截至二零二二年六月三十日止 六個月期間 (Unaudited) (未經審計)	
		REVENUE 收入	COST 成本	REVENUE 收入	COST 成本
Revenue from principal operations	主營業務收入	254,744,317	208,184,122	146,774,501	127,333,625
Other operating revenue	其他業務收入	5,379,826	4,267,434	3,832,751	2,931,853
		260,124,143	212,451,556	150,607,252	130,265,478

Operating Revenue is as follows:

營業收入列示如下：

		For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
Sale of goods and construction services	銷售商品及建造服務	258,701,798	150,395,902
Rendering of services	提供服務	1,266,532	211,350
Rental income	租賃收入	155,813	—
		260,124,143	150,607,252

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5. OPERATING REVENUE AND COST (CONTINUED)

Disaggregation of revenue from contracts with customers is as follows:

5、營業收入及成本(續)

與客戶之間合同產生的營業收入分解情況如下：

January to June 2023 (Unaudited) Reportable segments	二零二三年一至六月(未經審計) 報告分部	Mobile handset components, assembly service and other products 手機部件、組裝及其他產品	Automobiles and related products, and other products 汽車、汽車相關產品及其他產品	Others 其他	Total 合計
Principal place of operation	主要經營地區				
PRC (including Hong Kong, Macau and Taiwan)	中國(包括港澳台地區)	13,659,142	181,706,895	209,894	195,575,931
Overseas	境外	37,403,329	26,989,070	—	64,392,399
		51,062,471	208,695,965	209,894	259,968,330
Major product types	主要產品類型				
Sale of goods and construction services	銷售商品及建造服務	51,040,237	207,451,667	209,894	258,701,798
Rendering of services	提供服務	22,234	1,244,298	—	1,266,532
		51,062,471	208,695,965	209,894	259,968,330
Timing of revenue recognition	收入確認時間				
At a point in time	在某一時點確認收入	51,053,339	207,560,428	209,894	258,823,661
Over time	在某一段內確認收入	9,132	1,135,537	—	1,144,669
		51,062,471	208,695,965	209,894	259,968,330

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5. OPERATING REVENUE AND COST (CONTINUED)

Disaggregation of revenue from contracts with customers is as follows (continued):

5、營業收入及成本(續)

與客戶之間合同產生的營業收入分解情況如下(續)：

January to June 2022 (Unaudited)	二零二二年一至六月(未經審計)	Mobile handset components, assembly service and other products 手機部件、組裝及其他產品	Automobiles and related products, and other products 汽車、汽車相關產品及其他產品	Others 其他	Total 合計
Reportable segments	報告分部				
Principal place of operation	主要經營地區				
PRC (including Hong Kong, Macau and Taiwan)	中國(包括港澳台地區)	15,062,768	101,891,237	270,184	117,224,189
Overseas	境外	26,006,882	7,376,181	–	33,383,063
		41,069,650	109,267,418	270,184	150,607,252
Major product types	主要產品類型				
Sale of goods and construction services	銷售商品及建造服務	41,003,536	109,122,959	269,407	150,395,902
Rendering of services	提供服務	66,114	144,459	777	211,350
		41,069,650	109,267,418	270,184	150,607,252
Timing of revenue recognition	收入確認時間				
At a point in time	在某一時點確認收入	41,003,536	108,532,875	268,788	149,805,199
Over time	在某一段內確認收入	66,114	734,543	1,396	802,053
		41,069,650	109,267,418	270,184	150,607,252

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5. OPERATING REVENUE AND COST (CONTINUED)

Sales of goods

The performance obligation is satisfied when delivering goods to customers. Some contract customers are entitled to rebates, which require estimation of variable consideration and consideration of constraint on the amount of variable consideration. The settlement of the contract price is subject to the arrangement in the contract.

Construction services

The performance obligation is satisfied over time as services are rendered and are billed based on construction progress. The customers usually retain a certain percentage of the retention money, which is usually paid after the expiration of the warranty period.

Rendering of services

The performance obligation is satisfied over time as services are rendered and the settlement of the contract price is subject to the agreement in the contract.

6. INCOME TAX EXPENSES

5、營業收入及成本(續)

銷售商品

向客戶交付商品時履行履約義務。部分合同客戶有權享受返利，因此需要估計可變對價並考慮可變對價金額的限制。合同價款結算以合同約定為準。

建造服務

在提供服務的時間內履行履約義務，合同價款通常隨工程進度支付。通常客戶保留一定比例的質保金，質保金通常在質保期滿後支付。

提供服務

在提供服務的時間內履行履約義務，合同價款結算以合同約定為準。

6、所得稅費用

		For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
Current income tax expenses	當期所得稅費用	3,008,479	1,149,820
Deferred income tax expenses	遞延所得稅費用	(1,048,278)	(441,475)
		1,960,201	708,345

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6. INCOME TAX EXPENSES (CONTINUED)

6、所得稅費用(續)

The relationship between income tax and total profit is as follows:

所得稅費用與利潤總額的關係列示如下：

		For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
Total profit	利潤總額	13,399,920	4,641,481
Income tax at the statutory tax rate (Note 1)	按法定稅率計算的所得稅(註1)	3,349,980	1,160,370
Effect of different tax rates applicable to certain subsidiaries	某些子公司適用不同稅率的影響	(1,024,471)	(422,542)
Profit or loss attributable to joint ventures and associates	歸屬於合營企業和聯營企業的損益	(146,874)	24,056
Non-deductible expenses	不可抵扣的費用	189,501	(34,461)
Tax losses and temporary differences not recognised	未確認的稅務虧損及暫時性差異	1,545,087	988,442
Deductible tax losses utilised from previous years	利用以前年度可抵扣虧損	(709,162)	(397,667)
Effect of changes in tax rate on the balance of deferred income tax at the beginning of the period	稅率變動時對期初遞延所得稅餘額的影響	49,946	2,598
Super-deduction of research and development expenses	研發費加計扣除	(1,293,806)	(612,451)
Income tax charge at the Group's effective tax rate	按本集團實際稅率計算的所得稅費用	1,960,201	708,345

Note 1: The Group's income tax has been provided at the statutory rate based on the estimated taxable profits arising in the PRC.

註1：本集團所得稅按在中國境內取得的估計應納稅所得額及法定稅率計提。

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7. DIVIDENDS

7、股息

		For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
Final dividend declared – RMB1.142 (2022: RMB0.105) per ordinary share	已宣派末期 – 每股普通股 人民幣1.142元 (二零二二年：人民幣0.105元)	3,324,525	305,670

8. EARNINGS PER SHARE

8、每股收益

		For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
Basic earnings per share Continuing operations	基本每股收益 持續經營	3.77	1.24
Diluted earnings per share Continuing operations	稀釋每股收益 持續經營	3.77	1.24

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8. EARNINGS PER SHARE (CONTINUED)

Basic earnings per share is calculated by dividing the net profit for the Period attributable to ordinary shareholders of the Company, less distribution to holders of other equity instruments by the weighted average number of ordinary shares outstanding. The number of newly issued ordinary shares shall be calculated and determined from the date of consideration receivable (generally the date of share issuance) according to the specific terms of the issuance contract.

The numerator of diluted earnings per share is determined based on the net profit for the Period attributable to ordinary shareholders of the Company after adjusting for (1) interest on dilutive potential ordinary shares recognized as an expense for the Period, (2) gains or expenses that will be incurred upon conversion of dilutive potential ordinary shares and (3) the income tax effects of the above adjustments.

The denominator of diluted earnings per share is equal to the sum of (1) the weighted average number of ordinary shares in issue of the parent company in basic earnings per share and (2) increase in the weighted average number of ordinary shares assuming conversion of dilutive potential ordinary shares into ordinary shares.

In calculating the weighted average number of ordinary shares increased upon conversion of dilutive potential ordinary shares into ordinary shares in issue, the dilutive potential ordinary shares issued in previous periods are assumed to be converted at the beginning of the Period; the dilutive potential ordinary shares issued in the Period are assumed to be converted on the issue date.

8、每股收益(續)

基本每股收益按照屬於本公司普通股股東的當期淨利潤，減去對其他權益工具持有者的分配，除以發行在外的普通股的加權平均數計算。新發行普通股股數，根據發行合同的具體條款，從應收對價之日(一般為股票發行日)起計算確定。

稀釋每股收益的分子以歸屬於本公司普通股股東的當期淨利潤，調整下述因素後確定：(1)當期已確認為費用的稀釋性潛在普通股的利息；(2)稀釋性潛在普通股轉換時將產生的收益或費用；以及(3)上述調整相關的所得稅影響。

稀釋每股收益的分母等於下列兩項之和：(1)基本每股收益中母公司已發行普通股的加權平均數；及(2)假定稀釋性潛在普通股轉換為普通股而增加的普通股的加權平均數。

在計算稀釋性潛在普通股轉換為已發行普通股而增加的普通股股數的加權平均數時，以前期間發行的稀釋性潛在普通股，假設在當期期初轉換；當期發行的稀釋性潛在普通股，假設在發行日轉換。

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8. EARNINGS PER SHARE (CONTINUED)

The calculations of basic and diluted earnings per share are based on:

8、每股收益(續)

基本與稀釋每股收益的具體計算如下：

		For the six months ended 30 June 2023 截至 二零二三年 六月三十日止 六個月期間 (Unaudited) (未經審計)	For the six months ended 30 June 2022 截至 二零二二年 六月三十日止 六個月期間 (Unaudited) (未經審計)
Revenue	收益		
Net profit for the Period attributable to ordinary shareholders of the Company	歸屬於本公司普通股股東的當期淨利潤	10,954,145	3,595,279
Adjusted net profit for the Period attributable to ordinary shareholders of the Company	調整後歸屬於本公司普通股股東的當期淨利潤	10,954,145	3,595,279
Shares	股份		
Weighted average number of outstanding ordinary shares of the Company (thousands)	本公司發行在外普通股的加權平均數(千股)	2,905,632	2,910,225

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9. TRADE RECEIVABLES

The credit terms offered to major customers of the Group are generally 30 to 360 days. Trade receivables are non-interest-bearing. The aging of trade receivables is recognized based on the time of revenue recognition.

The aging analysis of trade receivables is as follows:

9、應收賬款

本集團提供給主要客戶的信用期通常為30天至360天。應收賬款並不計息。應收賬款賬齡按收入確認的時間予以確認。

應收賬款的賬齡分析如下：

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Within 1 year	1年以內	41,929,050	27,927,498
1 to 2 years	1年至2年	3,206,344	6,184,489
2 to 3 years	2年至3年	2,545,215	3,849,206
Over 3 years	3年以上	4,220,620	3,656,999
Total	合計	51,901,229	41,618,192
Less: Provision for bad debts of trade receivables	減：應收賬款壞賬準備	2,842,369	2,789,698
		49,058,860	38,828,494

The subsidies for new energy vehicle sales are included in the above trade receivables.

上述應收賬款含應收新能源汽車補貼款。

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9. TRADE RECEIVABLES (CONTINUED)

9、應收賬款(續)

		30 June 2023 (Unaudited) 二零二三年六月三十日(未經審計)			
		Book balance 賬面餘額	Percentage (%) 比例(%)	Amount of bad debts 壞賬金額	Percentage of provision (%) 計提比例(%)
Individually assessed expected credit losses provision for bad debts	單項評估預期信用損失計提壞賬準備	1,057,964	2.04	1,043,340	98.62
Provision for bad debts based on expected credit losses assessed by credit risk portfolio	按信用風險組合評估預期信用 損失計提壞賬準備	50,843,265	97.96	1,799,029	3.54
		51,901,229	100.00	2,842,369	

		31 December 2022 (Audited) 二零二二年十二月三十一日(經審計)			
		Book balance 賬面餘額	Percentage (%) 比例(%)	Amount of bad debts 壞賬金額	Percentage of provision (%) 計提比例(%)
Individually assessed expected credit losses provision for bad debts	單項評估預期信用損失計提壞賬準備	1,058,458	2.54	1,037,179	97.99
Provision for bad debts based on expected credit losses assessed by credit risk portfolio	按信用風險組合評估預期信用 損失計提壞賬準備	40,559,734	97.46	1,752,519	4.32
		41,618,192	100.00	2,789,698	

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9. TRADE RECEIVABLES (CONTINUED)

The Group's trade receivables with provision for bad debts based on credit risk portfolio are as follows:

9、應收賬款(續)

本集團按信用風險組合計提壞賬準備的應收賬款情況如下：

		30 June 2023 (Unaudited) 二零二三年六月三十日(未經審計)		
		Book balance of estimated default 估計 發生違約的 賬面餘額	Expected credit loss rate (%) 預期信用 損失率(%)	Credit loss throughout the lifetime 整個 存續期間 信用損失
Within 1 year (inclusive)	1年以內(含1年)	41,920,962	0.79	332,609
1-2 years (inclusive)	1-2年(含2年)	3,193,622	5.00	159,756
2-3 years (inclusive)	2-3年(含3年)	2,486,454	6.95	172,780
3-4 years (inclusive)	3-4年(含4年)	1,863,604	8.22	153,231
4-5 years (inclusive)	4-5年(含5年)	616,820	35.48	218,850
Over 5 years	5年以上	761,803	100.00	761,803
		50,843,265		1,799,029

		31 December 2022 (Audited) 二零二二年十二月三十一日(經審計)		
		Book balance of estimated default 估計發生違約的 賬面餘額	Expected credit loss rate (%) 預期信用 損失率(%)	Credit loss throughout the lifetime 整個 存續期間 信用損失
Within 1 year (inclusive)	1年以內(含1年)	27,915,925	1.12	313,871
1-2 years (inclusive)	1-2年(含2年)	6,121,236	4.98	304,956
2-3 years (inclusive)	2-3年(含3年)	3,810,277	4.47	170,265
3-4 years (inclusive)	3-4年(含4年)	1,403,412	13.38	187,781
4-5 years (inclusive)	4-5年(含5年)	1,009,241	47.16	476,003
Over 5 years	5年以上	299,643	100.00	299,643
		40,559,734		1,752,519

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9. TRADE RECEIVABLES (CONTINUED)

As at 30 June 2023, the individual provision made for bad debts of trade receivables is as follows:

9、應收賬款(續)

於二零二三年六月三十日，單項計提壞賬準備的應收賬款情況如下：

		Book balance	Provision for bad debts	Expected credit loss rate (%)	Reason of provision
		賬面餘額	壞賬準備	預期信用 損失率(%)	計提理由
Customer 1	客戶一	156,202	156,202	100.00	Expected to be unrecoverable 預計無法收回
Customer 2	客戶二	110,377	110,377	100.00	Expected to be unrecoverable 預計無法收回
Customer 3	客戶三	84,616	84,616	100.00	Expected to be unrecoverable 預計無法收回
Customer 4	客戶四	80,034	80,034	100.00	Expected to be unrecoverable 預計無法收回
Customer 5	客戶五	74,601	74,601	100.00	Expected to be unrecoverable 預計無法收回
Others	其他	552,134	537,510	97.35	
Total	合計	1,057,964	1,043,340		

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9. TRADE RECEIVABLES (CONTINUED)

As at 31 December 2022, the individual provision made for bad debts of trade receivables is as follows:

9、應收賬款(續)

於二零二二年十二月三十一日，單項計提壞賬準備的應收賬款情況如下：

		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Expected credit loss rate (%) 預期信用 損失率(%)	Reason of provision 計提理由
Customer 1	客戶一	156,202	156,202	100.00	Expected to be unrecoverable 預計無法收回
Customer 2	客戶二	110,377	110,377	100.00	Expected to be unrecoverable 預計無法收回
Customer 3	客戶三	84,616	84,616	100.00	Expected to be unrecoverable 預計無法收回
Customer 4	客戶四	74,601	74,601	100.00	Expected to be unrecoverable 預計無法收回
Customer 5	客戶五	69,488	69,488	100.00	Expected to be unrecoverable 預計無法收回
Others	其他	563,174	541,895	96.22	
Total	合計	1,058,458	1,037,179		

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9. TRADE RECEIVABLES (CONTINUED)

The movements of provision for bad debts of trade receivables are as follows:

9、應收賬款(續)

應收賬款壞賬準備的變動如下：

		Balance at beginning of the Period/year 期／年初 餘額	Charge for the Period/year 本期／年 計提	Reversal for the Period/year 本期／年 轉回	Write-off during the Period/year 本期／年 轉銷	Exchange differences on translation of foreign operations 外幣報表 折算差額	Balance at the end of the Period/year 期／年末 餘額
30 June 2023 (Unaudited)	二零二三年六月三十日 (未經審計)	2,789,698	441,321	(376,161)	(13,829)	1,340	2,842,369
31 December 2022 (Audited)	二零二二年十二月三十一日 (經審計)	2,154,399	999,965	(270,293)	(99,036)	4,663	2,789,698

There was no significant change in the balance of provision for bad debts of trade receivables during the Period. (2022: There was no significant change in the balance of provision for bad debts of trade receivables during the year.)

For the period ended 30 June 2023, there was no significant reversal or recovery of trade receivables.

In 2022, there was no significant reversal or recovery of trade receivables.

本期應收賬款壞賬準備餘額無重大變動。(二零二二年：本年應收賬款壞賬準備餘額無重大變動。)

於截至二零二三年六月三十日期間，無重大應收賬款轉回或收回情況。

於二零二二年度，無重大應收賬款轉回或收回情況。

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9. TRADE RECEIVABLES (CONTINUED)

As at 30 June 2023, the top five trade receivables (excluding new energy subsidies) amounts are as follows:

9、應收賬款(續)

於二零二三年六月三十日，應收賬款(不含新能源補貼款)金額前五名如下：

		Amount	Provision for bad debts	Percentage of total trade receivables (%)
		金額	壞賬準備金額	佔應收賬款 總額的比例(%)
The largest customer in balance of trade receivables	應收賬款餘額第一大客戶	3,097,515	6,849	5.97
The second largest customer in balance of trade receivables	應收賬款餘額第二大客戶	1,543,712	13,276	2.97
The third largest customer in balance of trade receivables	應收賬款餘額第三大客戶	1,485,170	2,504	2.86
The fourth largest customer in balance of trade receivables	應收賬款餘額第四大客戶	1,114,954	2,646	2.15
The fifth largest customer in balance of trade receivables	應收賬款餘額第五大客戶	968,890	2,132	1.87
		8,210,241	27,407	15.82

As at 31 December 2022, the top five trade receivables (excluding new energy subsidies) amounts are as follows:

於二零二二年十二月三十一日，應收賬款(不含新能源補貼款)金額前五名如下：

		Amount	Provision for bad debts	Percentage of total trade receivables (%)
		金額	壞賬準備金額	佔應收賬款 總額的比例(%)
The largest customer in balance of trade receivables	應收賬款餘額第一大客戶	1,947,047	3,284	4.68
The second largest customer in balance of trade receivables	應收賬款餘額第二大客戶	1,016,648	5,148	2.44
The third largest customer in balance of trade receivables	應收賬款餘額第三大客戶	916,048	1,989	2.20
The fourth largest customer in balance of trade receivables	應收賬款餘額第四大客戶	840,657	80,649	2.02
The fifth largest customer in balance of trade receivables	應收賬款餘額第五大客戶	748,966	1,672	1.80
		5,469,366	92,742	13.14

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9. TRADE RECEIVABLES (CONTINUED)

In the ordinary course of business, the Group has factored a part of receivables to financial institutions without recourse for its short-term financing needs, and has entered into nonrecourse receivables factoring agreements with financial institutions (the "Receivables Factoring"). Under certain receivables factoring agreements, the Group is not required to undertake the risks of debtors' default and delayed repayment after the transfer of receivables, and all risks and rewards relating to the ownership of receivables transferred, which satisfies the condition of derecognising financial assets, and the Group derecognises the receivables under such factoring agreements at their carrying amounts. As at 30 June 2023, there were no trade receivables transferred under such factoring agreements (31 December 2022: RMB14,210,487,000) or loss related to derecognition (31 December 2022: RMB22,719,000).

10. BILLS PAYABLES

Commercial acceptance bills	商業承兌匯票
Bank acceptance bills	銀行承兌匯票

9、應收賬款(續)

本集團在日常業務中因短期融資需求將部分應收賬款以無追索權方式轉讓予金融機構，與金融機構訂立無追索權的應收賬款保理協議(以下簡稱「應收賬款保理」)。在若干應收賬款保理協議下，本集團不需要承擔應收賬款轉讓後的債務人違約風險和延遲還款風險以及已轉移應收賬款所有權之所有的風險和報酬，符合金融資產終止確認條件，本集團對該保理協議下的應收賬款按照賬面價值終止確認。於二零二三年六月三十日，無因相關保理協議而轉讓的應收賬款(二零二二年十二月三十一日：人民幣14,210,487千元)，無終止確認相關的損失(二零二二年十二月三十一日：人民幣22,719千元)。

10、應付票據

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Commercial acceptance bills	商業承兌匯票	3,011,021	2,724,260
Bank acceptance bills	銀行承兌匯票	592,366	604,159
		3,603,387	3,328,419

As at 30 June 2023, the outstanding balance of notes payable due was RMB13,108,000 (31 December 2022: RMB15,900,000).

於二零二三年六月三十日，到期未付的應付票據餘額為人民幣13,108千元(二零二二年十二月三十一日：人民幣15,900千元)。

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11. TRADE PAYABLES

11、應付賬款

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Within one year	1年以內	164,483,002	139,585,845
1 to 2 years	1年至2年	547,268	387,596
2 to 3 years	2年至3年	115,352	136,435
Over 3 years	3年以上	344,207	327,434
		165,489,829	140,437,310

The trade payables are non-interest-bearing and are normally settled within six months. The aging of trade payables is based on the time of recognizing the purchase of materials and goods or accepting services.

應付賬款不計息，並通常在6個月內清償。應付賬款的賬齡是以購買材料、商品或接受勞務等確認的時間為基準。

As at 30 June 2023 and 31 December 2022, the Group had no significant trade payables aged over one year.

於二零二三年六月三十日及二零二二年十二月三十一日，無賬齡超過1年的重要應付賬款。

12. SHARE CAPITAL

12、股本

The registered and paid-in capital of the Company is analysed as follows:

本公司註冊及實收股本分析如下：

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Registered and paid-in capital	註冊及實收股本	2,911,143	2,911,143
Nominal value per share	每股面值	RMB1 1元	RMB1 1元

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12. SHARE CAPITAL (CONTINUED)

The class and structure of shares are as follows:

30 June 2023 (Unaudited)

12、股本(續)

股份種類及其結構如下：

二零二三年六月三十日(未經審計)

		Number of shares increased (decreased) during the Period 本期增(減)股數			
		Number of shares at the beginning of the Period 期初股數	Non-public offering 非公開發行	Others 其他	Number of shares at the end of the Period 期末股數
Restricted shares	有限售條件股份				
Shares held by domestic corporate	境內法人持股	—	—	—	—
Shares held by domestic natural persons	境內自然人持股	648,378,251	—	—	648,378,251
Total restricted shares	有限售條件股份合計	648,378,251	—	—	648,378,251
Non-restricted shares	無限售條件股份				
RMB ordinary shares	人民幣普通股	1,164,764,604	—	—	1,164,764,604
Foreign shares listed overseas	境外上市的外資股	1,098,000,000	—	—	1,098,000,000
Total non-restricted shares	無限售條件股份合計	2,262,764,604	—	—	2,262,764,604
Total number of shares	股份總數	2,911,142,855	—	—	2,911,142,855

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12. SHARE CAPITAL (CONTINUED)

31 December 2022 (Audited)

12、股本(續)

二零二二年十二月三十一日(經審計)

		Number of shares increased (decreased) in the year 本年增(減)股數			Number of shares at the end of the year 年末股數
		Number of shares at the beginning of the year 年初股數	Non-public offering 非公開發行	Others 其他	
Restricted shares	有限售條件股份				
Shares held by domestic natural persons	境內自然人持股	658,084,620	-	(9,706,369)	648,378,251
Total restricted shares	有限售條件股份合計	658,084,620	-	(9,706,369)	648,378,251
Non-restricted shares	無限售條件股份				
RMB ordinary shares	人民幣普通股	1,155,058,235	-	9,706,369	1,164,764,604
Foreign shares listed overseas	境外上市的外資股	1,098,000,000	-	-	1,098,000,000
Total non-restricted shares	無限售條件股份合計	2,253,058,235	-	9,706,369	2,262,764,604
Total number of shares	股份總數	2,911,142,855	-	-	2,911,142,855

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13. SHARE-BASED PAYMENTS

1. Overview

Equity-settled share-based payments are as follows:

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Accumulated balance of equity-settled share-based payments credited to capital reserve	以權益結算的股份支付計入資本公積的累計餘額	1,349,851	781,996
Total expenses recognised for equity-settled share-based payments in the Period/year	本期／年以權益結算的股份支付確認的費用總額	567,855	591,309

2. Share-based payment plan

(1) 2022 Employee Share Ownership Plan of the Group

On 22 April 2022, BYD Company Limited held the twenty-first meeting of the seventh session of the board of directors of BYD Company Limited (the "Company"), at which the resolution in relation to the 2022 Employee Share Ownership Plan (Draft) of BYD Company Limited and its summary was considered and approved. It was proposed to implement the 2022 Employee Share Ownership Plan of BYD Company Limited (the "Employee Share Ownership Plan") for the employee representative supervisors and senior management of BYD Company Limited and the mid-level management and core backbone employees of BYD Group. The Employee Share Ownership Plan was considered and approved at the 2022 First Extraordinary General Meeting of the Company held on 27 May 2022. The Company repurchased a total of 5,511,024 A shares through the designated securities account for repurchase by way of centralised bidding transactions, accounting for 0.189% of the total share capital of the Company. The repurchase was completed in June 2022 and the transfer registration was completed in July 2022.

13. 股份支付

1. 概況

以權益結算的股份支付如下：

2. 股份支付計劃

(1) 二零二二年本集團之員工持股計劃

二零二二年四月二十二日，比亞迪股份有限公司召開比亞迪股份有限公司（以下簡稱「公司」）第七屆董事會第二十一次會議，審議通過了《比亞迪股份有限公司二零二二年員工持股計劃（草案）》及其摘要的議案，擬對比亞迪股份有限公司職工代表監事、高級管理人員以及比亞迪集團的中層管理人員、核心骨幹員工實施《比亞迪股份有限公司二零二二年員工持股計劃》（以下簡稱「員工持股計劃」）。公司於二零二二年五月二十七日召開二零二二年第一次臨時股東大會，審議通過了員工持股計劃。公司通過回購專用證券賬戶以集中競價交易的方式累計回購A股股份的數量為5,511,024股，佔公司總股本的0.189%，並於二零二二年六月完成回購，二零二二年七月完成過戶登記。

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13. SHARE-BASED PAYMENTS (CONTINUED)

2. Share-based payment plan (continued)

- (1) *2022 Employee Share Ownership Plan of the Group (continued)*

The term of the Employee Share Ownership Plan shall be 48 months from the date on which the Employee Share Ownership Plan is considered and approved at the general meeting and the Company announces that the last batch of the underlying shares is transferred to the Employee Share Ownership Plan.

The underlying shares held by the Employee Share Ownership Plan will be unlocked in three tranches, namely 12 months, 24 months and 36 months from the date of the Company's announcement of the last transfer of the underlying shares to the Employee Share Ownership Plan, and the percentage of the underlying shares to be unlocked in each tranche will be 30%, 30% and 40%, respectively.

The company performance indicator for the unlocking of shares is the growth rate of operating income and the individual performance indicator should reach the "to be improved" level or above.

13. 股份支付(續)

2. 股份支付計劃(續)

- (1) 二零二二年本集團之員工持股計劃(續)

本員工持股計劃的存續期為48個月，自本員工持股計劃經股東大會審議通過且公司公告最後一筆標的股票過戶至本員工持股計劃名下之日起算。

本員工持股計劃持有的標的股票分三期解鎖，解鎖時點分別為自公司公告最後一筆標的股票過戶至本員工持股計劃名下之日起滿12個月、24個月、36個月，每期解鎖的標的股票比例分別為30%、30%、40%。

股票解鎖的公司業績指標為營業收入增長率，個人業績指標須達到「待改進」級別及以上。

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13. SHARE-BASED PAYMENTS (CONTINUED)

2. Share-based payment plan (continued)

- (1) 2022 Employee Share Ownership Plan of the Group (continued)

The specific conditions for the vesting of share options granted during each lock-up period are as follows:

Unlocking Period 解鎖期	Proportion of the number of shares unlocked to the total number of underlying shares transferred under the Employee Share Ownership Plan 解鎖股票數量 佔本員工持股計劃 受讓標的股票 總數的比例	Unlocking date 解鎖時點	Performance appraisal indicators 業績考核指標
First Unlocking Period 第一個解鎖期	30%	12 months from the date of the Company's announcement of the last transfer of the underlying shares to the Employee Share Ownership Plan 自公司公告最後一筆標的股票過戶至本員工持股計劃名下之日起算滿12個月	Based on the operating income in 2021, the growth rate of operating income in 2022 shall not be lower than 30% 以二零二一年營業收入為基數，二零二二年的營業收入增長率不低於30%
Second Unlocking Period 第二個解鎖期	30%	24 months from the date of the Company's announcement of the last transfer of the underlying shares to the Employee Share Ownership Plan 自公司公告最後一筆標的股票過戶至本員工持股計劃名下之日起算滿24個月	Based on the operating income in 2022, the growth rate of operating income in 2023 shall not be lower than 20% 以二零二二年營業收入為基數，二零二三年的營業收入增長率不低於20%
Third Unlocking Period 第三個解鎖期	40%	36 months from the date of the Company's announcement of the last transfer of the underlying shares to the Employee Share Ownership Plan 自公司公告最後一筆標的股票過戶至本員工持股計劃名下之日起算滿36個月	Based on the operating income in 2023, the growth rate of operating income in 2024 shall not be lower than 20% 以二零二三年營業收入為基數，二零二四年的營業收入增長率不低於20%

13. 股份支付(續)

2. 股份支付計劃(續)

- (1) 二零二二年本集團之員工持股計劃(續)

授予的股票各鎖定期可行權的具體條件如下：

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13. SHARE-BASED PAYMENTS (CONTINUED)

2. Share-based payment plan (continued)

- (1) *2022 Employee Share Ownership Plan of the Group (continued)*

The fair value of shares to be issued upon the exercise the share options granted under the Employee Share Ownership Plan at the date of grant was RMB1,863,773,000, which was calculated based on the closing price of the shares of BYD Company Limited of RMB338.19 per share on 15 July 2022. The subscription price of the Employee Share Ownership Plan is RMB0 per share, and no capital contribution is required to be made by the participants. Among them, the share-based payment fee recognized by the Group in January-June 2023 was RMB538,768,000 (January-June 2022: RMB0).

- (2) *2020 Share Option Incentive Scheme of the Group's subsidiary BYD Semiconductor*

On 10 May 2021 and 16 June 2021, the Company held the 11th Meeting of the Seventh Session of the Board and the extraordinary general meeting, respectively, at which the Resolution on the Proposed Share Option Scheme of BYD Semiconductor Company Limited was considered and approved, and the adoption of the 2020 Share Option Scheme of BYD Semiconductor Company Limited (the "Subsidiary Share Option Scheme") was approved. The Subsidiary Share Option Scheme granted 33,088,200 share options to 36 incentive participants, including directors (excluding independent non-executive directors), senior management and core personnel (excluding supervisors) of BYD Semiconductor, representing 7.353% of the then registered capital of BYD Semiconductor.

13. 股份支付(續)

2. 股份支付計劃(續)

- (1) 二零二二年本集團之員工持股計劃(續)

授予的員工持股計劃份額在授予日公允價值為人民幣1,863,773千元，以比亞迪股份有限公司二零二二年七月十五日股票收盤價338.19元／股為基礎計算。本員工持股計劃認購價0元／股，參與對象無需出資。其中，本集團於二零二三年一至六月確認的股份支付費用為人民幣538,768千元(二零二二年一至六月：0元)。

- (2) 二零二零年本集團之子公司比亞迪半導體股權期權激勵計劃

二零二一年五月十日及二零二一年六月十六日，本公司分別召開第七屆董事會第十一次會議及臨時股東大會，審議通過了《關於比亞迪半導體股份有限公司擬實施股權激勵計劃的議案》，批准採納比亞迪半導體股份有限公司二零二零年股權期權激勵計劃(「子公司股權期權計劃」)。子公司期權激勵計劃向包括比亞迪半導體的董事(不包括獨立非執行董事)、高級管理人員、核心骨幹人員(但不包括監事)在內的36個激勵對象授予3,308.82萬份股權期權，佔比亞迪半導體當時註冊資本的比例為7.353%。

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13. SHARE-BASED PAYMENTS (CONTINUED)

2. Share-based payment plan (continued)

(2) *2020 Share Option Incentive Scheme of the Group's subsidiary BYD Semiconductor (continued)*

The share options granted under the Subsidiary Share Option Scheme shall be exercised in three tranches, and the corresponding vesting periods shall be 24 months, 36 months and 48 months from the Date of Grant, respectively. The share options granted shall commence from the date of grant and shall be exercised in tranches during the following three exercise periods. For the first, second and third exercise periods, 30%, 30% and 40% of the share options are exercisable subject to the satisfaction of performance conditions. The exercise price is RMB5 per share. Options which fail to obtain the right to exercise due to failure to meet the performance conditions or those which have not been exercised in the current period after the end of the exercise period shall become null and void and be repurchased without consideration and cancelled by BYD Semiconductor.

Performance indicators for the exercise of share options include company performance indicators and individual performance indicators. In particular, individual performance indicator should reach the "to be improved" level or above and company performance indicators include:

- (1) Revenue from operations;
- (2) Net profit.

13. 股份支付(續)

2. 股份支付計劃(續)

(2) 二零二零年本集團之子公司比亞迪半導體股權期權激勵計劃(續)

本次子公司股權期權計劃授予的股權期權分三次行權，對應的等待期分別為自授予日起24個月、36個月、48個月。授予的股權期權於授予日開始，在之後的三個行權期分次行權。第一、第二和第三個行權期分別有30%、30%、40%的期權在滿足業績條件前提下獲得可行權的權利。行權價格為5元人民幣／股，未滿足業績條件而未能獲得行權權利的期權或者行權期結束後當期未行權的股權期權將立刻作廢，由比亞迪半導體無償收回並統一註銷。

股權期權行權的業績指標包括公司業績指標及個人業績指標，其中個人業績指標須達到「待改進」級別及以上，公司業績指標包括：

- (1) 營業收入；
- (2) 淨利潤。

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13. SHARE-BASED PAYMENTS (CONTINUED)

2. Share-based payment plan (continued)

(2) 2020 Share Option Incentive Scheme of the Group's subsidiary BYD Semiconductor (continued)

Specific conditions for each exercise period of the share options granted:

Exercise period 行權期	Exercise proportion 行權比例	Exercise time 行權時間	Exercise conditions 行權條件
First exercise period ("Phase I")	30%	2022.5.12– 2023.5.11	The growth rate of operating revenue and net profit for the accounting year prior to the exercise date of the first exercise period shall not be less than 20% as compared with the previous year
第一個行權期(「第一期」)	30%	2022.5.12– 2023.5.11	第一個行權期可行權日前一會計年度的營業收入和淨利潤較上一年度的增長率不低於20%
Second exercise period ("Phase II")	30%	2023.5.12– 2024.5.11	The growth rate of operating revenue and net profit for the accounting year prior to the exercise date of the second exercise period shall not be less than 20% as compared with the previous year
第二個行權期(「第二期」)	30%	2023.5.12– 2024.5.11	第二個行權期可行權日前一會計年度的營業收入和淨利潤較上一年度的增長率不低於20%
Third exercise period ("Phase III")	40%	2024.5.12– 2025.5.12	The growth rate of operating revenue and net profit for the accounting year prior to the exercise date of the third exercise period shall not be less than 20% as compared with the previous year
第三個行權期(「第三期」)	40%	2024.5.12– 2025.5.12	第三個行權期可行權日前一會計年度的營業收入和淨利潤較上一年度的增長率不低於20%

As at 30 June 2023, the exercise conditions of the first exercise period of the Subsidiary Share Option Scheme had been fulfilled, and there were 9,826,400 exercisable share options in total, of which a total of 6,218,800 share options had been exercised and the remaining 3,607,700 share options had been cancelled as they were not exercised during the exercise period.

13. 股份支付(續)

2. 股份支付計劃(續)

(2) 二零二零年本集團之子公司比亞迪半導體股權期權激勵計劃(續)

授予的股權期權各行權期可行權的具體條件：

截至二零二三年六月三十日，子公司股權期權計劃第一個行權期的行權條件成就，可行權的股權期權合計982.64萬份，共計621.88萬份股權期權獲行權，剩餘360.77萬份股權期權因逾期未行權已注銷。

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13. SHARE-BASED PAYMENTS (CONTINUED)

2. Share-based payment plan (continued)

- (2) *2020 Share Option Incentive Scheme of the Group's subsidiary BYD Semiconductor (continued)*

The appraised value of the equity-settled share options granted was RMB337,098,000. Among them, the Group recognised a share option expense of RMB29,087,000 for the Period (January-June 2022: RMB51,062,000).

The appraised value of the Share Options on the Date of Grant is estimated using the binomial model, taking into account the terms and conditions upon which the Share Options were granted. The following table lists the input variables to the model used:

Exercise period	行權期	Phase I 第一期	Phase II 第二期	Phase III 第三期
Expected volatility	預計波動率	52.80%	51.99%	57.88%
Risk-free interest rate	無風險利率	1.60%	1.81%	2.02%

Expected volatility is an assumption based on the future trend reflected by historical volatility, and hence may not be the actual result. No other feature of the options granted was incorporated into the measurement of fair value.

13. 股份支付(續)

2. 股份支付計劃(續)

- (2) 二零二零年本集團之子公司比亞迪半導體股權期權激勵計劃(續)

授予的以權益結算的股權期權的評估價值為人民幣337,098千元。其中本集團於本期確認的股權期權費用為人民幣29,087千元(二零二一年一至六月：人民幣51,062千元)。

股權期權於授予日的評估價值，採用二項式模型，結合授予股權期權的條款和條件，作出估計。下表列示了所用模型的輸入變量：

預計波動率是基於歷史波動率能反映出未來趨勢的假設，但並不一定是實際的結果。公允價值未考慮所授予股票期權的其他特徵。

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13. SHARE-BASED PAYMENTS (CONTINUED)

2. Share-based payment plan (continued)

- (2) *2020 Share Option Incentive Scheme of the Group's subsidiary BYD Semiconductor (continued)*

Pursuant to the Subsidiary Share Option Scheme, if the Company is converted into a joint stock company, the number and exercise price of the share options will be adjusted according to the proportion of the number of shares after the conversion. On 3 December 2020, the first session of the board of directors of BYD Semiconductor passed the Resolution in relation to the Company's Adjustment on the 2020 Share Option Incentive Scheme and the Implementation, Assessment and Management Measures of the Share Option Incentive Scheme, which adjusted the First Share Option Incentive Scheme implemented by BYD Semiconductor Co., Ltd. The resolution changed the number of share options granted to employees from "30,019,760" to "33,088,235" and the exercise price of the share options from "RMB5.00/per each contributed yuan" to "RMB4.54/per share" according to the movement in the percentage of shares converted as a result of the conversion of BYD Semiconductor into a joint stock company.

13. 股份支付(續)

2. 股份支付計劃(續)

- (2) 二零二零年本集團之子公司比亞迪半導體股權期權激勵計劃(續)

子公司股權期權計劃約定如公司改制為股份公司，將根據股份制改制後的股數比例對期權數量及行權價格進行調整。二零二零年十二月三日，比亞迪半導體第一屆董事會決議通過了《關於調整公司二零二零年股權期權激勵計劃和股權期權激勵計劃實施考核管理辦法的議案》，該議案對比亞迪半導體有限公司實施的首次股權激勵計劃進行了調整。該議案根據公司股份制改制的股數變動比例，將授予員工的股權期權數量由「30,019,760份」變更為「33,088,235股」，並將期權的行權價格由「5.00元／每1元出資」變更為「4.54元／每股」。

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14. CONTINGENT LIABILITIES

Contingent liabilities arising from pending litigation or arbitration and its financial impact

Action against Foxconn

On 11 June 2007, an action (the "June 2007 Action") was commenced in the Hong Kong High Court (the "Court") by a subsidiary of Foxconn International Holdings Limited and a company jointly controlled by its ultimate holding company (the "Plaintiffs") against the Company and certain subsidiaries of the Group (the "Defendants") for using confidential information alleged to have been obtained improperly from the Plaintiffs. The Plaintiffs discontinued the June 2007 Action on 5 October 2007 without any liability to the Defendants. On the same day, the Plaintiffs initiated a new set of legal proceedings in the Hong Kong High Court (the "October 2007 Action"). The Defendants named in the October 2007 Action are the same as the Defendants in the June 2007 Action, and the claims made by the Plaintiffs in the October 2007 Action are based on the same facts and grounds in the June 2007 Action. The remedies sought by the Plaintiffs in the October 2007 Action include an injunction restraining the Defendants from using the alleged confidential information, an order for the disgorgement of profit made by the Defendants through the use of the confidential information, damages based on the loss suffered by the Plaintiffs and exemplary damages. The total damages sought by the Plaintiffs in the October 2007 Action have not been quantified. On 2 October 2009, the Defendants instituted a counter-action against Foxconn International Holdings Limited and certain of its subsidiaries for their intervention, by means of illegal measures, in the operations involving the Company and certain of its subsidiaries, collusion, written and verbal defamation, and the economic loss as a result of the said activities since 2006.

As at the reporting date, the case remains in the process of legal proceedings. With the assistance of the legal adviser responsible for the case on behalf of the Company, the Board is of the view that the estimate ultimate outcome and amount to settle the obligation, if any, of the litigation cannot be made reliably up to date.

14. 或有事項

未決訴訟或仲裁形成的或有負債及其財務影響

富士康訴訟案件

於二零零七年六月十一日，富士康國際控股有限公司旗下一間下屬子公司及一間與其同受最終控股公司控制的公司（「原告」）向香港高等法院（「法院」）展開訴訟（「二零零七年六月訴訟」），指控本公司及本集團若干下屬子公司（「被告」）使用指稱自原告處非法獲得的機密資料。原告已於二零零七年十月五日停止二零零七年六月訴訟，針對被告的二零零七年六月訴訟被全面撤銷，同時該訴訟未判令被告承擔任何責任。同日，原告向香港高等法院提起新一輪的法律程序（「二零零七年十月訴訟」）。二零零七年十月訴訟的被告與二零零七年六月訴訟的被告相同，且原告在二零零七年十月訴訟中提出的申索均基於二零零七年六月訴訟中的相同事實及理由。原告在二零零七年十月訴訟中提出的補救方法包括強令禁止被告使用有關機密資料、強令被告交出因使用機密資料所獲得的利潤以及賠償原告遭受的損失及支付懲罰性賠償金。原告在二零零七年十月訴訟中主張的賠償金總金額尚未確定。二零零九年十月二日，被告對富士康國際控股有限公司及其某些附屬子公司提起反訴，對該等公司自二零零六年以來利用不合法手段干涉本公司及控股子公司的經營、共謀行為、書面及口頭誹謗，導致經濟損失的行為提出訴訟請求。

截至本報告日，該案件仍在訴訟程序中。在代表本公司負責該案件的法律顧問協助下，董事會認為，該訴訟的最終結果及賠償義務（如有）不能可靠的估計。

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14. CONTINGENT LIABILITIES (CONTINUED)

The contingent liabilities arising from the guarantee provided by the Group and its financial impact are as follows:

14、或有事項(續)

本集團提供擔保形成的或有負債及其財務影響列示如下：

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Guarantees that the Company can provide to banks for financing granted to subsidiaries	就授予子公司的融資能夠向銀行提供的擔保	106,016,296	102,279,134
		106,016,296	102,279,134

As at 30 June 2023, the actual guarantees provided by the Company for its subsidiaries and related parties were RMB33,764,846,000 and RMB16,677,101,000 (31 December 2022: RMB23,180,113,000 and RMB13,468,762,000).

於二零二三年六月三十日，本公司為其子公司及關聯方實際提供的擔保為人民幣33,764,846千元及人民幣16,677,101千元(二零二二年十二月三十一日：人民幣23,180,113千元及人民幣13,468,762千元)。

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14. CONTINGENT LIABILITIES (CONTINUED)

The Group entered into cooperation contracts and documents with certain customers (including end customers) and third parties or related financial institutions. According to the arrangements of the relevant cooperation contracts and documents, the Company undertakes repurchase obligations to these financial institutions. If a customer defaults or specific conditions stipulated in the contract occur, the Company inherits all the creditor's rights and related interests, and has the right to take relief measures such as recovery and sale of new energy vehicles to repay the remaining debts owed by the customer to the financing institution, and reserves the right to claim the remaining creditor's rights. Management believes that the recovered assets can be sold, and the proceeds of the sale will basically cover the remaining arrears to the financing institutions. As of 30 June 2023, the Group's maximum exposure to these obligations was RMB2,591,253,000 (31 December 2022: RMB3,395,512,000), and there was no customer default or specific conditions as stipulated in the contracts which the Company was required to make any payment.

The Group recognised a loss allowance of RMB96,246,000 (2022: RMB78,794,000) for financial guarantee contracts based on expected credit losses.

15. COMMITMENTS

Contracted, but not provided for	已簽約但未撥備
Capital commitments	資本承諾
Investment commitments*	投資承諾*

14. 或有事項(續)

本集團與某些客戶(含終端客戶)及第三方或關聯融資機構簽訂合作合同及文件，根據相關合作合同及文件的安排，本公司向該等融資機構承擔回購義務，若客戶違約或發生合同約定的特定條件，本公司繼承全部債權以及相關權益，並有權自行採取收回並變賣新能源汽車等救濟措施，以償付客戶對融資機構的剩餘欠款，並保留任何對剩餘欠款債權餘額進行追索的權利。管理層認為，收回的資產能夠變賣，而變賣收入基本能夠支付對融資機構的剩餘欠款。截至二零二三年六月三十日，本集團對該等義務的最大敞口為人民幣2,591,253千元(二零二二年十二月三十一日：人民幣3,395,512千元)，且未發生因客戶違約或合同約定的特定條件而令本公司需予以支付任何款項的情況。

本集團以預期信用損失為基礎，對財務擔保合同進行減值處理並確認損失準備人民幣96,246千元(二零二二年：人民幣78,794千元)。

15. 承諾事項

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Contracted, but not provided for	已簽約但未撥備		
Capital commitments	資本承諾	40,602,694	41,434,155
Investment commitments*	投資承諾*	681,633	759,139
		41,284,327	42,193,294

* The commitments above do not include investment commitments to joint ventures.

* 以上承諾事項不含對合營企業的投資承諾。

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16. RELATED PARTIES TRANSACTIONS

16、關聯交易

(1) Related party transactions of goods and services

Sales of goods and rendering of services to related parties

(1) 關聯方商品及勞務交易

向關聯方銷售商品及提供勞務

		January-June 2023 二零二三年 一至六月 (Unaudited) (未經審計)	January-June 2022 二零二二年 一至六月 (Unaudited) (未經審計)
Details of transactions 關聯交易內容			
Shenzhen DENZA New Energy Automotive Co., Ltd. 深圳騰勢新能源汽車有限公司	Sales of goods and rendering of services 出售商品和提供勞務	—	240,971
Tianjin BYD Automobile Co., Ltd. 天津比亞迪汽車有限公司	Sales of goods and rendering of services 出售商品和提供勞務	8	191
Shenzhen Shell BYD Electric Vehicle Investment Co., Ltd. and its subsidiaries 深圳殼牌比亞迪電動汽車投資有限公司及其子公司	Sales of goods and rendering of services 出售商品和提供勞務	1,409	10,510
Shenzhen BYD International Financial Leasing Co., Ltd. 深圳比亞迪國際融資租賃有限公司	Rendering of services 提供勞務	15	13
BYD Auto Finance Co., Ltd. 比亞迪汽車金融有限公司	Sales of goods and rendering of services 出售商品和提供勞務	194,223	206,856
Hangzhou BYD Xihu New Energy Auto Co., Ltd. 杭州西湖比亞迪新能源汽車有限公司	Sales of goods and rendering of services 出售商品和提供勞務	34	439
Guangzhou Guang Qi BYD New Energy Bus Co., Ltd. 廣州廣汽比亞迪新能源客車有限公司	Sales of goods and rendering of services 出售商品和提供勞務	1,623	2,723
Shenzhen Didi New Energy Vehicle Technology Co., Ltd. and its subsidiaries 深圳市迪滴新能源汽車科技有限公司及其子公司	Sales of goods and rendering of services 出售商品和提供勞務	6,138	4,599
Shenzhen Energy Sales & Service Co., Ltd. and its subsidiaries 深電能科技集團有限公司及其子公司	Sales of goods and rendering of services 出售商品和提供勞務	419	1,814
Xi'an Infrastructure Yadi Automobile Service Co., Ltd. 西安城投亞迪汽車服務有限責任公司	Sales of goods and rendering of services 出售商品和提供勞務	—	17

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16. RELATED PARTIES TRANSACTIONS

16、關聯交易

(1) Related party transactions of goods and services (continued)

Sales of goods and rendering of services to related parties (continued)

(1) 關聯方商品及勞務交易(續)

向關聯方銷售商品及提供勞務(續)

		January-June 2023 二零二三年 一至六月 (Unaudited) (未經審計)	January-June 2022 二零二二年 一至六月 (Unaudited) (未經審計)
	Details of transactions 關聯交易內容		
Shenzhen Faurecia Automotive Parts Co., Ltd. and its subsidiaries 深圳佛吉亞汽車部件有限公司及其子公司	Sales of goods and rendering of services 出售商品和提供勞務	221,970	155,944
Shenzhen UBTECH Robotics Co., Ltd. 深圳市優必選科技股份有限公司	Sales of goods and rendering of services 出售商品和提供勞務	971	240
Beijing Hualin Loading Co., Ltd. 北京華林特裝車有限公司	Sales of goods 出售商品	—	367
Tianjin Hongdi Financial Lease Co., Ltd. 天津宏迪融資租賃有限公司	Sales of goods and rendering of services 出售商品和提供勞務	4	39
Meihao Travel (Hangzhou) Automotive Technology Co., Ltd. 美好出行(杭州)汽車科技有限公司	Sales of goods and rendering of services 出售商品和提供勞務	1,393	26,246
BYD TOYOTA EV Technology Co., Ltd. 比亞迪豐田電動車科技有限公司	Sales of goods and rendering of services 出售商品和提供勞務	572,385	1,249
Dongguan Tec-Rich Engineering Co., Ltd. 東莞市德瑞精密設備有限公司	Rendering of services 提供勞務	7	6
Youngy Investment Holding Group Co., Ltd. 融捷投資控股集團有限公司	Sales of goods and rendering of services 出售商品和提供勞務	3	9
ONYX International Inc. Co., Ltd. 廣州文石信息科技有限公司	Sales of goods and rendering of services 出售商品和提供勞務	—	752
Shenzhen Microgrid Digital Technology Co., Ltd. 深圳市微網數電科技有限公司	Sales of goods and rendering of services 出售商品和提供勞務	278	9,849

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16. RELATED PARTIES TRANSACTIONS

16、關聯交易

(1) Related party transactions of goods and services (continued)

Sales of goods and rendering of services to related parties (continued)

(1) 關聯方商品及勞務交易(續)

向關聯方銷售商品及提供勞務(續)

		January-June 2023 二零二三年 一至六月 (Unaudited) (未經審計)	January-June 2022 二零二二年 一至六月 (Unaudited) (未經審計)
Details of transactions 關聯交易內容			
Shenzhen Dipai Zhixing Technology Co., Ltd. 深圳市迪派智行科技有限公司	Sales of goods and rendering of services 出售商品和提供勞務	7,640	330
LA SkyRail Express Holding LLC	Sales of goods and rendering of services 出售商品和提供勞務	61,725	—
Sichuan Road and Bridge Group Co., Ltd. 四川路橋建設集團股份有限公司	Sales of goods 出售商品	64,652	—
Chengxin Lithium Group Co., Ltd. and its subsidiaries 盛新鋰能集團股份有限公司及其子公司	Sales of goods 出售商品	945	—
Shenzhen Shangshui Intelligent Co., Ltd. 深圳市尚水智能股份有限公司	Sales of goods 出售商品	26	—
Guangdong CHNBEL Energy Technology Co., Ltd. 廣東中貝能源科技有限公司	Rendering of services 提供勞務	99	—
YOUNGY Co., Ltd. 融捷股份有限公司	Sales of goods 出售商品	208	—
		1,136,175	663,164

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

16、關聯交易(續)

(1) Related party transactions of goods and services (continued)

Purchase of goods and accepting service from related parties

(1) 關聯方商品及勞務交易(續)

向關聯方採購商品和接受勞務

		January-June 2023 二零二三年 一至六月 (Unaudited) (未經審計)	January-June 2022 二零二二年 一至六月 (Unaudited) (未經審計)
	Details of transactions 關聯交易內容		
Tianjin BYD Automobile Co., Ltd. 天津比亞迪汽車有限公司	Purchase of goods and accepting service 採購商品和接受勞務	19	15,596
Shenzhen DENZA New Energy Automotive Co., Ltd. 深圳騰勢新能源汽車有限公司	Purchase of goods and accepting service 採購商品和接受勞務	—	190
Guangzhou Guang Qi BYD New Energy Bus Co., Ltd. 廣州廣汽比亞迪新能源客車有限公司	Purchase of goods and accepting service 採購商品和接受勞務	768	29,428
Shenzhen Energy Sales & Service Co., Ltd. and its subsidiaries 深電能科技集團有限公司及其子公司	Accepting service 接受勞務	—	5
BYD Auto Finance Co., Ltd. 比亞迪汽車金融有限公司	Accepting service 接受勞務	458,636	188,200
Hangzhou BYD Xihu New Energy Auto Co., Ltd. 杭州西湖比亞迪新能源汽車有限公司	Accepting service 接受勞務	1,612	325
Shenzhen Faurecia Automotive Parts Co., Ltd. and its subsidiaries 深圳佛吉亞汽車部件有限公司及其子公司	Purchase of goods 採購商品	3,974,100	2,362,462
Shenzhen Shell BYD Electric Vehicle Investment Co., Ltd. and its subsidiaries 深圳殼牌比亞迪電動汽車投資有限公司及其子公司	Accepting service and purchase of fuel and power such as water, electricity and gas 接受勞務及購買水電燃氣等燃料和動力	—	1,381
Chengdu Youngy Lithium Technology Co., Ltd. 成都融捷鋰業科技有限公司	Purchase of goods 採購商品	30,654	86,137

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

16、關聯交易(續)

(1) Related party transactions of goods and services (continued)

Purchase of goods and accepting service from related parties (continued)

(1) 關聯方商品及勞務交易(續)

向關聯方採購商品和接受勞務(續)

		January-June 2023 二零二三年 一至六月 (Unaudited) (未經審計)	January-June 2022 二零二二年 一至六月 (Unaudited) (未經審計)
	Details of transactions 關聯交易內容		
Meihao Travel (Hangzhou) Automotive Technology Co., Ltd. 美好出行(杭州)汽車科技有限公司	Accepting service 接受勞務	2,231	—
Sichuan Changhehua Lithium Technology Co., Ltd. 四川長和華鋰科技有限公司	Purchase of goods 採購商品	—	202,028
Dongguan Tec-Rich Engineering Co., Ltd. 東莞市德瑞精密設備有限公司	Purchase of goods 採購商品	878	144
Foshan Greifen New Energy Co., Ltd. and its subsidiaries 佛山市格瑞芬新能源有限公司及其子公司	Purchase of goods 採購商品	192,055	—
Chengxin Lithium Group Co., Ltd. and its subsidiaries 盛新鋰能集團股份有限公司及其子公司	Purchase of goods 採購商品	1,137,775	—
Guangdong CHNBEL Energy Technology Co., Ltd. 廣東中貝能源科技有限公司	Purchase of goods 採購商品	21,062	—
Shenzhen Shangshui Intelligent Co., Ltd. 深圳市尚水智能股份有限公司	Purchase of goods 採購商品	927	—
BYD UZBEKISTAN FACTORY LLC	Accepting service 接受勞務	55,990	—
Wuxi Yiwen Electronic Technology Co., Ltd. 無錫邑文電子科技有限公司	Purchase of goods 採購商品	16	—
		5,876,723	2,885,896

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

(2) Leases with related parties

As lessees

January-June 2023 (Unaudited)

16、關聯交易(續)

(2) 關聯方租賃

作為承租人

二零二三年一至六月(未經審計)

	Type of leased assets	Lease payments for short-term leases and leases of low-value assets with simplified approach 簡化處理的短期租賃和低價值資產租賃的租金費用	Variable lease payments not included in the measurement of lease liabilities 未納入租賃負債計量的可變租賃付款額	Rental paid 支付的租金	Interest expenses on lease liabilities 承擔的租賃負債利息支出	Additions to right-of-use assets 增加的 使用權資產
租賃資產種類						
Hangzhou BYD Xihu New Energy Auto Co., Ltd. 杭州西湖比亞迪新能源汽車有限公司	Housing 房屋	-	-	555	36	-
Tianjin BYD Automobile Co., Ltd. 天津比亞迪汽車有限公司	Housing 房屋	-	-	1,718	35	3,442
		-	-	2,273	71	3,442

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

(2) Leases with related parties (continued)

As lessees (continued)

January-June 2022 (Unaudited)

16、關聯交易(續)

(2) 關聯方租賃(續)

作為承租人(續)

二零二二年一至六月(未經審計)

	Type of leased assets	Lease payments for short-term leases and leases of low-value assets with simplified approach 簡化處理的 短期租賃和 低價值資產 租賃的租金 費用	Variable lease payments not included in the measurement of lease liabilities 未納入 租賃負債 計量的可變 租賃付款額	Rental paid 支付的 租金	Interest expenses on lease liabilities 承擔的 租賃負債 利息支出	Additions to right-of-use assets 增加的 使用權資產
Hangzhou BYD Xihu New Energy Auto Co., Ltd. 杭州西湖比亞迪新能源汽車有限公司	Housing 房屋	-	-	1,666	111	-
Tianjin BYD Automobile Co., Ltd. 天津比亞迪汽車有限公司	Housing 房屋	-	-	733	78	-
Xi'an Infrastructure Yadi Automobile Service Co., Ltd. 西安城投亞迪汽車服務有限責任公司	Equipment 設備	-	-	19	-	-
		-	-	2,418	189	-

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

(3) Providing guarantees to related parties

Loan guarantees

30 June 2023 (Unaudited)

16、關聯交易(續)

(3) 為關聯方提供擔保

借款擔保

二零二三年六月三十日(未經審計)

	Guarantee amount	Commencement date of guarantee	Maturity date of guarantee	Whether guarantee has been performed
	擔保金額	擔保起始日	擔保到期日	擔保是否履行完畢
BYD Auto Finance Co., Ltd. 比亞迪汽車金融有限公司	16,555,000	12 July 2022– 28 June 2023 二零二二年七月十二日至 二零二三年六月二十八日	27 October 2023– 28 June 2027 二零二三年十月二十七日至 二零二七年六月二十八日	No 否
Tianjin Hongdi Financial Lease Co., Ltd. 天津宏迪融資租賃有限公司	62,545	30 June 2023 二零二三年六月三十日	N/A 不適用	No 否
MCC Ramu New Energy Technology Co., Ltd. 中冶瑞木新能源科技有限公司	56,000	11 January 2019 二零一九年一月十一日	4 April 2030 二零三零年四月四日	No 否
Hubei Energy Storage Co., Ltd. 儲能電站(湖北)有限公司	3,556	1 February 2019 二零一九年二月一日	1 February 2026 二零二六年二月一日	No 否

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

16、關聯交易(續)

(3) Providing guarantees to related parties (continued)

(3) 為關聯方提供擔保(續)

Loan guarantees (continued)

借款擔保(續)

31 December 2022 (Audited)

二零二二年十二月三十一日(經審計)

	Guarantee amount 擔保金額	Commencement date of guarantee 擔保起始日	Maturity date of guarantee 擔保到期日	Whether guarantee has been performed 擔保是否履行完畢
BYD Auto Finance Co., Ltd. 比亞迪汽車金融有限公司	13,292,650	28 January 2022 – 16 December 2022 二零二二年一月二十八日至 二零二二年十二月十六日	27 October 2023 – 15 December 2026 二零二三年十月二十七日至 二零二六年十二月十五日	No 否
Tianjin Hongdi Financial Lease Co., Ltd. 天津宏迪融資租賃有限公司	112,788	31 December 2022 二零二二年十二月三十一日	N/A 不適用	No 否
MCC Ramu New Energy Technology Co., Ltd. 中冶瑞木新能源科技有限公司	57,500	11 January 2019 二零一九年一月十一日	4 April 2030 二零三零年四月四日	No 否
Hubei Energy Storage Co., Ltd. 儲能電站(湖北)有限公司	5,824	1 February 2019 二零一九年二月一日	1 February 2026 二零二六年二月一日	No 否

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

(4) Transfer of related parties assets

16、關聯交易(續)

(4) 關聯方資產轉讓

		January-June 2023 二零二三年 一至六月 (Unaudited) (未經審計)	January-June 2022 二零二二年 一至六月 (Unaudited) (未經審計)
	Details of transaction 交易內容		
Shenzhen Shangshui Intelligent Co., Ltd. 深圳市尚水智能股份有限公司	Purchase of fixed assets 購買固定資產	371,360	—
Dongguan Tec-Rich Engineering Co., Ltd. 東莞市德瑞精密設備有限公司	Purchase of fixed assets 購買固定資產	258,704	66,163
Tianjin Sanying Precision Instruments Co., Ltd. 天津三英精密儀器股份有限公司	Purchase of fixed assets 購買固定資產	15,230	—
Tianjin BYD Automobile Co., Ltd. 天津比亞迪汽車有限公司	Purchase of fixed assets 購買固定資產	2,294	—
Hangzhou BYD Xihu New Energy Auto Co., Ltd. 杭州西湖比亞迪新能源汽車有限公司	Purchase of fixed assets 購買固定資產	2,751	5,422
Shenzhen DENZA New Energy Automotive Co., Ltd. 深圳騰勢新能源汽車有限公司	Disposal of fixed assets 出售固定資產	—	5,100
Hangzhou BYD Xihu New Energy Auto Co., Ltd. 杭州西湖比亞迪新能源汽車有限公司	Disposal of fixed assets 出售固定資產	—	61
		650,339	76,746

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

16、關聯交易(續)

(5) Others

(5) 其他

		January-June 2023 二零二三年 一至六月 (Unaudited) (未經審計)	January-June 2022 二零二二年 一至六月 (Unaudited) (未經審計)
Key Management Compensation	關鍵管理人員薪酬	50,636	35,791

Notes:

註釋：

- (1) The share-based payment expense recognised from January to June 2023 for the 2022 Employee Share Ownership Plan granted to key management personnel of the Company was RMB29,555,000. The above compensation does not include this amount.
- (2) Related party transactions of goods: During the period, the Group conducted transactions of goods and services with related parties based on market prices.
- (3) Assets transfer of related parties: The pricing principle of the Group's sale and purchase of fixed assets to and from related parties during the year was determined based on the market price.

- (1) 本公司關鍵管理人員獲授的二零二二年員工持股計劃於二零二三年一至六月確認的股份支付費用為人民幣29,555千元，上述薪酬未包含該項金額。
- (2) 關聯方商品交易：本期本集團以市場價為基礎與關聯方進行商品交易。
- (3) 關聯方資產轉讓：本集團本年向關聯方出售、購買固定資產的交易定價原則依據市場價格確定。

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

(5) Others (continued)

Notes:

(4) Repurchase obligation

The Group entered into cooperation contracts and documents with certain related parties and third parties or related financing institutions. According to the arrangements of the relevant cooperation contracts and documents, the Company undertakes the repurchase obligations to these financing institutions. If the related parties violated the contracts or the specific conditions stipulated in the contracts occurred, the Company would inherit all the creditor's rights and relevant rights and interests, and have the right to take recovery and sale of new energy vehicles and other relief measures on its own to repay the remaining arrears owed by the customers to the financing institutions, and would reserve the right to pursue recourse for the balance of the creditor's rights if the proceeds from sales were insufficient to repay the remaining arrears. Management believes that the recovered assets can be sold, and the proceeds of the sale will basically cover the remaining arrears to the financing institutions. As at 30 June 2023, there was no default of related parties or specific conditions agreed in the contract that required the Company to make payments.

- a. As at 30 June 2023, the Company's maximum exposure of such obligations to Shenzhen Didi New Energy Vehicle Technology Co., Ltd. and its subsidiaries was RMB188,785,000 (31 December 2022: RMB465,489,000).
- b. As at 30 June 2023, the Company's maximum exposure of such obligations to YOUNGY Co., Ltd. and its subsidiaries was RMB0 (31 December 2022: RMB16,215,000).

16. 關聯交易(續)

(5) 其他(續)

註釋：

(4) 回購義務

本集團與部分關聯方及第三方或關聯融資機構簽訂合作合同及文件。根據相關合作合同及文件的安排，本公司向該等融資機構承擔回購義務，若關聯方違反約定或合同約定的特定條件，本公司繼承全部債權以及相關權益，並有權自行採取收回並變賣新能源汽車等救濟措施，以償付客戶對融資機構的剩餘欠款，並保留任何變賣收入不足償付剩餘欠款的債權餘額進行追索的權利。管理層認為，收回的資產能夠變賣，而變賣收入基本能夠支付對融資機構的剩餘欠款。截至二零二三年六月三十日，未發生關聯方違約或合同約定的特定條件而令本公司支付款項的情況。

- a. 截至二零二三年六月三十日，本公司對深圳市迪滴新能源汽車科技有限公司及其子公司該等義務的最大敞口為人民幣188,785千元(二零二二年十二月三十一日：人民幣465,489千元)。
- b. 截至二零二三年六月三十日，本公司對融捷股份有限公司該等義務的最大敞口為人民幣0元(二零二二年十二月三十一日：人民幣16,215千元)。

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

16、關聯交易(續)

(6) Balance of related parties receivables

(6) 關聯方應收款項餘額

		30 June 2023 二零二三年六月三十日 (Unaudited) (未經審計)		31 December 2022 二零二二年十二月三十一日 (Audited) (經審計)	
		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Book balance 賬面餘額	Provision for bad debts 壞賬準備
Tianjin BYD Automobile Co., Ltd.	天津比亞迪汽車有限公司	629,473	31,936	727,819	32,011
Shan Mei Ling Qiu Bi Xing Industry Development Co., Ltd.	山煤靈丘比星實業開發有限公司	8,500	8,500	8,500	8,500
BYD Auto Finance Co., Ltd.	比亞迪汽車金融有限公司	76,787	2,253	204,548	6,026
Hangzhou BYD Xihu New Energy Auto Co., Ltd.	杭州西湖比亞迪新能源汽車有限公司	24,472	16,262	24,489	15,585
Guangzhou Guang Qi BYD New Energy Bus Co., Ltd.	廣州廣汽比亞迪新能源客車 有限公司	764,900	211,416	842,536	80,909
Tianjin Hongdi Financial Lease Co., Ltd.	天津宏迪融資租賃有限公司	529	524	541	524
Beijing Hualin Loading Co., Ltd.	北京華林特裝車有限公司	31,355	3,471	35,035	677
Dongguan Tec-Rich Engineering Co., Ltd.	東莞市德瑞精密設備有限公司	34,074	—	91,246	—
Shenzhen Dipai Zhixing Technology Co., Ltd.	深圳市迪派智行科技有限公司	8,125	236	14,664	430
Shenzhen Shell BYD Electric Vehicle Investment Co., Ltd. and its subsidiaries	深圳殼牌比亞迪電動汽車投資 有限公司及其子公司	264	36	64	1
Yinchuan Sky Rail Operation Co., Ltd.	銀川雲軌運營有限公司	33,358	33,358	33,358	33,358
Shenzhen Faurecia Automotive Parts Co., Ltd. and its subsidiaries	深圳佛吉亞汽車部件有限公司及 其子公司	152,059	1,227	262,369	1,808
Shenzhen BYD International Financial Leasing Co., Ltd.	深圳比亞迪國際融資租賃有限公司	3,466	3,466	3,466	3,466
Shenzhen Didi New Energy Vehicle Technology Co., Ltd. and its subsidiaries	深圳市滴滴新能源汽車科技有限公司 及其子公司	15,757	14,267	16,077	14,124
Shenzhen Energy Sales & Service Co., Ltd. and its subsidiaries	深電能科技集團有限公司及其子公司	290	9	24	1
BYD TOYOTA EV Technology Co., Ltd.	比亞迪豐田電動車科技有限公司	164,860	4,713	12,708	110
Meihao Travel (Hangzhou) Automotive Technology Co., Ltd.	美好出行(杭州)汽車科技有限公司	1,145	7	6,323	50
Wuxi Yiwen Electronic Technology Co., Ltd.	無錫邑文電子科技有限公司	19,075	—	14,294	—
Shenzhen Shangshui Intelligent Co., Ltd.	深圳市尚水智能股份有限公司	51,761	—	82,390	—
LA SkyRail Express Holding LLC	LA SkyRail Express Holding LLC	9,493	82	18,727	162
Chengxin Lithium Group Co., Ltd. and its subsidiaries	盛新錳能集團股份有限公司	69,281	—	—	—
BYD UZBEKISTAN FACTORY LLC	BYD UZBEKISTAN FACTORY LLC	239,639	2,061	—	—
Foshan Greifen New Energy Co., Ltd. and its subsidiaries	佛山市格瑞芬新能源有限公司及 其子公司	17	—	—	—
		2,338,680	333,824	2,399,178	197,742

The amounts due from related parties are interest-free, unsecured and have no fixed terms of repayment.

應收關聯方款項均不計利息、無抵押、且無固定還款期。

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

(7) Balance of related parties payables

16、關聯交易(續)

(7) 關聯方應付款項餘額

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
Shenzhen BYD International Financial Leasing Co., Ltd.	深圳比亞迪國際融資租賃有限公司	93,214	93,214
Tianjin BYD Automobile Co., Ltd.	天津比亞迪汽車有限公司	37,035	33,076
Shenzhen Energy Sales & Service Co., Ltd.	深電能科技集團有限公司	969	614
BYD Auto Finance Co., Ltd.	比亞迪汽車金融有限公司	31,043	133
Guangzhou Guang Qi BYD New Energy Bus Co., Ltd.	廣州廣汽比亞迪新能源客車有限公司	204,293	236,880
Hangzhou BYD Xihu New Energy Auto Co., Ltd.	杭州西湖比亞迪新能源汽車有限公司	7,138	4,637
Shenzhen Shell BYD Electric Vehicle Investment Co., Ltd. and its subsidiaries	深圳殼牌比亞迪電動汽車投資有限公司及其子公司	—	1,172
Dongguan Tec-Rich Engineering Co., Ltd.	東莞市德瑞精密設備有限公司	297,649	184,967
Shenzhen Microgrid Digital Technology Co., Ltd.	深圳市微網數電科技有限公司	2,503	2,680
Shenzhen Faurecia Automotive Parts Co., Ltd. and its subsidiaries	深圳佛吉亞汽車部件有限公司及其子公司	2,067,949	2,787,171
Shenzhen UBTECH Robotics Co., Ltd.	深圳市優必選科技股份有限公司	—	270
Shenzhen Didi New Energy Vehicle Technology Co., Ltd. and its subsidiaries	深圳市迪滴新能源汽車科技有限公司及其子公司	339	67
BYD TOYOTA EV Technology Co., Ltd.	比亞迪豐田電動車科技有限公司	33,560	41,818
Shenzhen Dipai Zhixing Technology Co., Ltd.	深圳市迪派智行科技有限公司	—	43
Shenzhen Shangshui Intelligent Co., Ltd.	深圳市尚水智能股份有限公司	449,921	300,699
Chengxin Lithium Group Co., Ltd. and its subsidiaries	盛新鋰能集團股份有限公司及其子公司	—	471,605
Sichuan Road and Bridge Group Co., Ltd.	四川路橋建設集團股份有限公司	17,924	89,670
Youngy Investment Holding Group Co., Ltd.	融捷投資控股集團有限公司	—	4
Foshan Greifen New Energy Co., Ltd. and its subsidiaries	佛山市格瑞芬新能源有限公司及其子公司	330,333	402,003
Wuxi Yiwen Electronic Technology Co., Ltd.	無錫邑文電子科技有限公司	1,009	14,170
Tianjin Sanying Precision Instruments Co., Ltd.	天津三英精密儀器股份有限公司	25,165	—
Hebei Haiwei Electronic New Material Technology Co., Ltd.	河北海偉電子新材料科技股份有限公司	16,185	—
Guangdong CHNBEL Energy Technology Co., Ltd.	廣東中貝能源科技有限公司	20,316	—
		3,636,545	4,664,893

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16. RELATED PARTIES TRANSACTIONS (CONTINUED)

16、關聯交易(續)

(8) Monetary funds deposited with related parties

(8) 存放關聯方的貨幣資金

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審計)	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審計)
BYD Auto Finance Co., Ltd.	比亞迪汽車金融有限公司	7,066,214	4,738,542

The annual interest rate of the above deposits for the current period is 3.1%-3.2% above the benchmark interest rate published by the People's Bank of China for deposits of the same period, and an interest income of RMB129,476,000 was recognised in January to June 2023 (2022: 3%-3.2%, and an interest income of RMB194,163,000 was recognised in January to June 2022).

本期上述存款年利率按照中國人民銀行公佈的同期存款基準利率上浮為3.1%-3.2%，二零二三年一至六月確認利息收入人民幣129,476千元(二零二二年度：3%-3.2%，二零二二年一至六月確認利息收入人民幣194,163千元)。

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17. DISCLOSURE OF FAIR VALUE

(1) Assets and liabilities measured at fair value
30 June 2023 (Unaudited)

17、公允價值披露

(1) 以公允價值計量的資產和負債
二零二三年六月三十日(未經審計)

		Fair value measurement using 公允價值計量使用的輸入值			
		Quoted prices in active markets 活躍市場報價 Level 1 第一層次	Significant observable inputs 重要可 觀察輸入值 Level 2 第二層次	Significant unobservable inputs 重要不可 觀察輸入值 Level 3 第三層次	Total 合計
Financial assets held for trading	交易性金融資產	-	13,064,442	-	13,064,442
Other equity instrument investments	其他權益工具投資	1,306,210	2,121,852	1,769,852	5,197,914
Other current assets	其他流動資產	-	46,090	-	46,090
Other non-current financial assets	其他非流動金融資產	-	1,102,693	1,326,401	2,429,094
Receivables financing	應收款項融資	-	7,682,528	-	7,682,528
		1,306,210	24,017,605	3,096,253	28,420,068
Financial liabilities held for trading	交易性金融負債	-	140,697	-	140,697
		-	140,697	-	140,697

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17. DISCLOSURE OF FAIR VALUE (CONTINUED)

(1) Assets and liabilities measured at fair value (continued)

31 December 2022 (Audited)

17、公允價值披露(續)

(1) 以公允價值計量的資產和負債(續)

二零二二年十二月三十一日(經審計)

		Fair value measurement using 公允價值計量使用的輸入值			
		Quoted prices in active markets 活躍市場報價 Level 1 第一層次	Significant observable inputs 重要可 觀察輸入值 Level 2 第二層次	Significant unobservable inputs 重要不可 觀察輸入值 Level 3 第三層次	Total 合計
Financial assets held for trading	交易性金融資產	-	20,626,930	-	20,626,930
Other equity instrument investments	其他權益工具投資	912,173	1,679,286	1,827,125	4,418,584
Other current assets	其他流動資產	-	213,257	-	213,257
Other non-current financial assets	其他非流動金融資產	-	908,294	1,238,846	2,147,140
Receivables financing	應收款項融資	-	12,894,284	-	12,894,284
		912,173	36,322,051	3,065,971	40,300,195
Financial liabilities held for trading	交易性金融負債	-	54,605	-	54,605
		-	54,605	-	54,605

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17. DISCLOSURE OF FAIR VALUE (CONTINUED)

(2) Assets and liabilities disclosed at fair value

30 June 2023 (Unaudited)

		Fair value measurement using 公允價值計量使用的輸入值			
		Quoted prices in active markets 活躍市場報價 Level 1 第一層次	Significant observable inputs 重要可 觀察輸入值 Level 2 第二層次	Significant unobservable inputs 重要不可 觀察輸入值 Level 3 第三層次	Total 合計
Long-term receivables	長期應收款	-	4,985,692	-	4,985,692
Other non-current liabilities	其他非流動負債	-	3,160,311	-	3,160,311
Bank borrowings and bond payables	銀行借款及應付債券	-	23,909,600	-	23,909,600
		-	32,055,603	-	32,055,603

31 December 2022 (Audited)

二零二二年十二月三十一日(經審計)

		Fair value measurement using 公允價值計量使用的輸入值			
		Quoted prices in active markets 活躍市場報價 Level 1 第一層次	Significant observable inputs 重要可 觀察輸入值 Level 2 第二層次	Significant unobservable inputs 重要不可 觀察輸入值 Level 3 第三層次	Total 合計
Long-term receivables	長期應收款	-	1,118,637	-	1,118,637
Other non-current liabilities	其他非流動負債	-	3,079,533	-	3,079,533
Bank borrowings and bond payables	銀行借款及應付債券	-	18,517,461	-	18,517,461
		-	22,715,631	-	22,715,631

17. 公允價值披露(續)

(2) 以公允價值披露的資產和負債

二零二三年六月三十日(未經審計)

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二零二三年六月三十日
RMB'000 人民幣千元

17. DISCLOSURE OF FAIR VALUE (CONTINUED)

(3) Fair value valuation

Management has assessed that the fair values of monetary funds, trade receivables, other receivables, bills payables, trade payables, bank borrowings and other payables approximate to their carrying amounts due to short term to maturities.

Management measures long-term receivables, lease liabilities and other non-current liabilities using their present values. The fair values approximate to their carrying amounts.

The Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments and reports directly to the person in charge of accounting institution. At each balance sheet date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the person in charge of accounting institution.

The fair values of the financial assets and financial liabilities are determined at the amount at which the assets could be exchanged or the liabilities settled between knowledgeable, willing parties in an arm's length transaction, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair values of the long-term receivables, long-term borrowings and bond payables have been calculated by discounting the future cash flows using market rate of return currently available for other financial instruments with similar contractual terms, credit risk and remaining maturities. On 30 June 2023, the Group's own non-performance risk for long-term borrowings and bond payables was assessed to be insignificant.

17、公允價值披露(續)

(3) 公允價值估值

管理層已經評估了貨幣資金、應收賬款、其他應收款、應付票據、應付賬款、銀行借款、其他應付款等，因剩餘期限不長，公允價值與賬面價值相若。

對於長期應收款、租賃負債和其他非流動負債，管理層以現值計量，公允價值與賬面價值相若。

本集團的財務部負責制定金融工具公允價值計量的政策和程序，並直接向主管會計機構負責人報告。每個資產負債表日，財務部分析金融工具價值變動，確定估值適用的主要輸入值，並經主管會計機構負責人審核批准。

金融資產和金融負債的公允價值，以在公平交易中，熟悉情況的交易雙方自願進行資產交換或者債務清償的金額確定，而不是被迫出售或清算情況下的金額。以下方法和假設用於估計公允價值。

長期應收款、長期借款、應付債券採用未來現金流量折現法確定公允價值，以有相似合同條款、信用風險和剩餘期限的其他金融工具的市場收益率作為折現率。二零二三年六月三十日，針對長期借款、應付債券等自身不履約風險評估為不重大。

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財務報表附註

30 June 2023

二零二三年六月三十日

RMB'000 人民幣千元

17. DISCLOSURE OF FAIR VALUE (CONTINUED)

(3) Fair value valuation (continued)

The fair values of listed equity instrument investments are based on quoted market prices. For restricted shares and unlisted equity instrument investments, the Group adopts recent transaction method or the valuation techniques to determine the fair values. Valuation techniques include market multiples and option pricing model, etc. The fair value measurement of these financial instruments may involve important unobservable inputs such as enterprise value/revenue ("EV/Revenue") ratio and liquidity discount. The fair value of the financial instruments measured in Level 3 on a recurring basis was not significantly sensitive to a reasonable change in these unobservable inputs. The Group believes that the estimated fair values resulting from the valuation technique and the related changes in fair values are reasonable, and they were the most appropriate values at the balance sheet date.

The Group enters into derivative financial instruments contracts which are the foreign currency forward contracts with banks and adopts valuation techniques similar to forward pricing and present value methods for measurement. The model incorporates various market observable inputs including the credit quality of counterparties, spot and forward foreign exchange rates and yield curve. The carrying amounts of foreign currency forward contracts are the same as their fair values.

For the wealth management products at fair value through profit or loss, the Group will estimate their fair values by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

17、公允價值披露(續)

(3) 公允價值估值(續)

上市的權益工具投資，以市場報價確定公允價值。對於限售股票、非上市的權益工具投資，利用近期交易法或者採用估值技術來確定其公允價值，估值技術包括市場乘數法、期權定價模型等。其公允價值的計量採用了重要的不可觀察參數，比如企業價值／收入（「EV/Revenue」）比率、流動性折扣等。持續第三層次公允價值計量的金融工具對這些不可觀察輸入值的合理變動無重大敏感性。本集團相信，以估值技術估計的公允價值及其變動，是合理的，並且亦是於資產負債表日最合適的價值。

本集團與銀行訂立了衍生金融工具合同，為外匯遠期合同，採用類似於遠期定價以及現值方法的估值技術進行計量。模型涵蓋了多個市場可觀察到的輸入值，包括交易對手的信用質量、即期和遠期匯率和利率曲線。外匯遠期合同的賬面價值與公允價值相同。

以公允價值計量且其變動計入損益的理財產品，本集團會利用條款及風險相類似的工具之市場利率按照貼現現金流量估值模型估算公允價值。

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二零二三年六月三十日
RMB'000 人民幣千元

17. DISCLOSURE OF FAIR VALUE (CONTINUED)

(4) Unobservable inputs

Below is the summary of significant unobservable inputs for main fair value measurement in Level 3:

30 June 2023 (Unaudited)

	Fair value at the end of the Period 期末公允價值	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入值	Effects on fair value 對公允價值的影響
Other equity instrument investments 其他權益工具投資	223,242	Market approach 市場法	Average EV/Revenue ratio 平均企業價值／收入比率	The higher the ratio, the higher the fair value 比率越高，公允價值越高
Other equity instrument investments 其他權益工具投資	1,546,610	Option pricing model 期權定價模型	Volatility of underlying asset price 標的資產價格的波動率	The higher the volatility, the lower the fair value 波動率越高，公允價值越低
Other non-current financial assets 其他非流動金融資產	1,326,401	Investment underlying net value method 投資標的淨值法	Net value of investment underlying 投資標的的淨值	The higher the net value, the higher the fair value 淨值越高，公允價值越高

31 December 2022 (Audited)

二零二二年十二月三十一日(經審計)

	Fair value at the end of the year 年末公允價值	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入值	Effects on fair value 對公允價值的影響
Other equity instrument investments 其他權益工具投資	1,413,857	Market approach 市場法	Average EV/Revenue ratio 平均企業價值／收入比率	The higher the ratio, the higher the fair value 比率越高，公允價值越高
Other equity instrument investments 其他權益工具投資	413,268	Option pricing model 期權定價模型	Volatility of underlying asset price 標的資產價格的波動率	The higher the volatility, the lower the fair value 波動率越高，公允價值越低
Other non-current financial assets 其他非流動金融資產	1,238,846	Investment underlying net value method 投資標的淨值法	Net value of investment underlying 投資標的的淨值	The higher the net value, the higher the fair value 淨值越高，公允價值越高

17. 公允價值披露(續)

(4) 不可觀察輸入值

如下為主要的第三層次公允價值計量的重要不可觀察輸入值概述：

二零二三年六月三十日(未經審計)

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30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

17. DISCLOSURE OF FAIR VALUE (CONTINUED)

(5) Adjustment of fair value measurement

Below is the adjustment information of continuous fair value measurement in Level 3:

January-June 2023 (Unaudited)

17、公允價值披露(續)

(5) 公允價值計量的調節

持續的第三層次公允價值計量的調節信息如下：

二零二三年一至六月(未經審計)

		Opening balance	Transfer to Level 3	Transfer out of Level 3	Total gains or losses 當期利得或損失總額		Purchases	Closing balance	Changes in unrealised gains or losses of assets held at the end of the period through profit or loss 期末持有的資產計入損益的當期未實現利得或損失的變動
		期初餘額	轉入第三層次	轉出第三層次	Through profit or loss 計入損益	Through other comprehensive income 計入其他綜合收益	購買	期末餘額	
Other equity instrument investments	其他權益工具投資	1,827,125	-	(24,670)	-	(32,603)	-	1,769,852	-
Other non-current financial assets	其他非流動金融資產	1,238,846	13,710	-	(25,353)	-	99,198	1,326,401	(25,353)
		3,065,971	13,710	(24,670)	(25,353)	(32,603)	99,198	3,096,253	(25,353)

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30 June 2023
二零二三年六月三十日
RMB'000 人民幣千元

17. DISCLOSURE OF FAIR VALUE (CONTINUED)

(5) Adjustment of fair value measurement (continued)

2022 (Audited)

									Changes in unrealised gains or losses of assets held at the end of the year through profit or loss
		Opening balance	Transfer to Level 3	Transfer out of Level 3	Through profit or loss	Through other comprehensive income	Purchases	Closing balance	年未持有的資產計入損益的當期未實現利得或損失的變動
		年初餘額	轉入第三層次	轉出第三層次	計入損益	計入其他綜合收益	購買	年末餘額	
Other equity instrument investments	其他權益工具投資	803,387	257,797	(33,257)	-	679,603	119,595	1,827,125	-
Other non-current financial assets	其他非流動金融資產	194,787	40,000	-	23,269	-	980,790	1,238,846	23,269
		998,174	297,797	(33,257)	23,269	679,603	1,100,385	3,065,971	23,269

(6) Transfers among fair value hierarchies

During the Period from January to June 2023, the fair value of other equity instrument investments held by the Group was transferred from Level 3 to Level 1 due to the release of lock-up period, with a transfer amount of RMB24,670,000. Certain financial instruments of the Group were valued using Level 3 valuation techniques as there were no observable inputs available, and their fair values were transferred from Level 2 to Level 3, with a transfer amount of RMB13,710,000. Except for this, there were no other significant transfers among fair value hierarchies of financial instruments of the Group during the Period.

In 2022, the other equity instrument investment held by the Group had quotations in an active market due to the release of lock-up period, and its fair value was transferred from Level 3 to Level 1, with a transfer amount of RMB33,257,000. Certain financial instruments of the Group were valued using Level 3 valuation techniques as there were no observable inputs available, and their fair values were transferred from Level 2 to Level 3, with a transfer amount of RMB297,797,000. Except for this, there were no other significant transfers among fair value hierarchies of financial instruments of the Group in 2022.

17. 公允價值披露(續)

(5) 公允價值計量的調節(續)

二零二二年(經審計)

(6) 公允價值層次轉換

於二零二三年一至六月期間，本集團持有的其他權益工具投資因限售期解除，其公允價值從第三層次轉入第一層次，轉移金額為人民幣24,670千元。本集團部分金融工具因無法獲取可觀察輸入值而採用第三層次技術予以估值，並將其公允價值從第二層次轉移到第三層次，轉移金額為人民幣13,710千元。除此之外，本期本集團金融工具的公允價值層次之間無其他重大轉移。

於二零二二年度，本集團持有的其他權益工具投資因限售期解除，存在活躍市場報價，其公允價值從第三層次轉入第一層次，轉移金額為人民幣33,257千元。本集團部分金融工具因無法獲取可觀察輸入值而採用第三層次估值技術予以估值，並將其公允價值從第二層次轉移到第三層次，轉移金額為人民幣297,797千元。除此之外，二零二二年度本集團金融工具的公允價值層次之間無其他重大轉移。

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30 June 2023
二零二三年六月三十日
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18. EVENTS AFTER THE BALANCE SHEET DATE

On August 26, 2023, the Company held the 34th meeting of its seventh board of directors and agreed to sign an acquisition framework agreement between its controlling subsidiary BYD Electronics (International) Co., Ltd. and Jabil Inc. or its subsidiaries, to acquire certain business with a cash consideration of approximately RMB15.8 billion (equivalent to US\$2.2 billion). The business primarily comprises the product manufacturing business in Chengdu and Wuxi, China, including the manufacturing of components for existing customers. This agreement was signed on August 26, 2023.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board on 28 August 2023.

18、資產負債表日後事項

二零二三年八月二十六日，公司召開第七屆董事會第三十四次會議，同意控股子公司比亞迪電子(國際)有限公司與Jabil Inc.或其下屬子公司簽訂收購框架協議，以約人民幣158億元(等值22億美元)現金收購其旗下成都、無錫的產品生產製造業務，包括現有客戶的零部件生產製造業務。該協議於二零二三年八月二十六日簽署。

19、審批財務報表

董事會已於二零二三年八月二十八日審批及授權刊發財務報表。

APPENDIX II

REPRODUCTION OF THE PRESS RELEASE DATED 3 AUGUST 2023 CONTAINING THE GUARANTOR'S CONSOLIDATED FINANCIAL RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2023

The information set out below is a reproduction of the press release dated 3 August 2023 containing the Guarantor's consolidated financial results for the second quarter ended 30 June 2023.

RESULTS AT 30 JUNE 2023

Press release

Paris, 3 August 2023

QUARTERLY RESULTS

Underlying revenues of EUR 6.5 billion⁽¹⁾, down -5.4% vs. Q2 22

Underlying cost-to-income ratio, excluding contribution to the Single Resolution Fund, at **65.8%⁽¹⁾**

Low cost of risk at 12 basis points in Q2 23, with limited defaults and a level of provisions for performing loans of EUR 3.7 billion at end-June 2023

Underlying Group net income of EUR 1.2bn⁽¹⁾ (EUR 900 million on a reported basis)

Underlying profitability (ROTE) at 7.6%⁽¹⁾ (5.6% on a reported basis)

FIRST HALF 2023 RESULTS

Underlying Group net income of EUR 2.7 billion⁽¹⁾ (EUR 1.8 billion on a reported basis)

Underlying profitability (ROTE) at 9.1%⁽¹⁾ (5.6% on a reported basis)

BALANCE SHEET AND LIQUIDITY PROFILE

CET 1 ratio of 13.1%⁽²⁾ at end-June 2023, around 330 basis points above the regulatory requirement

Liquidity Coverage Ratio at 152% at end Q2 23 and liquidity reserves at EUR 284 billion

SHARE BUYBACK PROGRAMME

Launch of the 2022 share buyback programme, for around EUR 440 million

MAJOR MILESTONES ACHIEVED

Merger between the retail banking networks in France, IT migration completed

Boursorama, 5 million clients milestone reached early July 2023, net result of EUR 47 million in Q2 23

Acquisition of LeasePlan by ALD, transaction closed on 22 May 2023

International Retail Banking, agreements in place to sell subsidiaries in Congo, Equatorial Guinea, Mauritania and Chad, and opening of strategic review on the Tunisian subsidiary

Slawomir Krupa, the Group's Chief Executive Officer, commented:

"During the quarter, commercial activity was good in most businesses. Group revenues contracted due to the decline in the net interest margin in France and in market activities' revenues against a backdrop of gradual normalisation after some particularly favourable years. Operating expenses were contained despite persistent inflationary trends. The cost of risk was very low, reflecting the quality of our origination and our loan portfolio. The Group shows a solid balance sheet with a CET 1 ratio at 13.1% and a robust liquidity profile. In addition, we pursued the execution of our ongoing strategic projects, notably the closing of the LeasePlan acquisition by ALD. The new management team has been fully operational since taking office on 24 May this year and is working to prepare the next chapter of the Group's strategy. I will have the pleasure of presenting the new strategic and financial roadmap on 18 September at our Capital Markets Day to be held in London."

(1) Underlying data (see Methodology note No. 5 for the transition from accounting data to underlying data), (2) Including IFRS 9 phasing, or 13.0% fully-loaded

Asterisks* in the document refer to data at constant scope and exchange rates

NB: 2022 data in this document was restated, in compliance with IFRS 17 and IFRS 9 for insurance entities

1. GROUP CONSOLIDATED RESULTS

In EURm	Q2 23	Q2 22	Change		H1 23	H1 22	Change	
Net banking income	6,287	6,901	-8.9%	-10.3%*	12,958	13,944	-7.1%	-6.8%*
<i>Underlying net banking income⁽¹⁾</i>	<i>6,527</i>	<i>6,901</i>	<i>-5.4%</i>	<i>-6.8%*</i>	<i>13,198</i>	<i>13,944</i>	<i>-5.3%</i>	<i>-5.0%*</i>
Operating expenses	(4,441)	(4,325)	+2.7%	+1.1%*	(9,498)	(9,456)	+0.4%	+0.7%*
<i>Underlying operating expenses⁽¹⁾</i>	<i>(4,461)</i>	<i>(4,450)</i>	<i>+0.2%</i>	<i>-1.3%*</i>	<i>(8,662)</i>	<i>(8,598)</i>	<i>+0.7%</i>	<i>+1.0%*</i>
Gross operating income	1,846	2,576	-28.3%	-29.6%*	3,460	4,488	-22.9%	-22.6%*
<i>Underlying gross operating income⁽¹⁾</i>	<i>2,066</i>	<i>2,451</i>	<i>-15.7%</i>	<i>-16.8%*</i>	<i>4,536</i>	<i>5,346</i>	<i>-15.2%</i>	<i>-14.7%*</i>
Net cost of risk	(166)	(217)	-23.5%	-23.2%*	(348)	(778)	-55.3%	-40.9%*
Operating income	1,680	2,359	-28.8%	-30.2%*	3,112	3,710	-16.1%	-19.8%*
<i>Underlying operating income⁽¹⁾</i>	<i>1,900</i>	<i>2,234</i>	<i>-14.9%</i>	<i>-16.2%*</i>	<i>4,188</i>	<i>4,568</i>	<i>-8.3%</i>	<i>-11.5%*</i>
Net profits or losses from other assets	(81)	(3,292)	+97.5%	+97.5%*	(98)	(3,290)	+97.0%	+97.0%*
<i>Underlying net profits or losses from other assets⁽¹⁾</i>	<i>(2)</i>	<i>11</i>	<i>n/s</i>	<i>n/s</i>	<i>(19)</i>	<i>13</i>	<i>n/s</i>	<i>n/s</i>
Income tax	(425)	(327)	+29.9%	+29.9%*	(753)	(660)	+14.1%	+7.8%*
Net income	1,181	(1,256)	n/s	n/s	2,273	(236)	n/s	n/s
O.w. non-controlling interests	281	255	+10.2%	+1.9%*	505	454	+11.2%	+6.9%*
Reported Group net income	900	(1,511)	n/s	n/s	1,768	(690)	n/s	n/s
<i>Underlying Group net income⁽¹⁾</i>	<i>1,159</i>	<i>1,481</i>	<i>-21.7%</i>	<i>-22.1%*</i>	<i>2,667</i>	<i>3,019</i>	<i>-11.7%</i>	<i>-14.5%*</i>
ROE	4.9%	-12.1%			4.9%	-3.5%		
ROTE	5.6%	-13.7%			5.6%	-4.0%		
<i>Underlying ROTE⁽¹⁾</i>	<i>7.6%</i>	<i>10.2%</i>			<i>9.1%</i>	<i>10.5%</i>		

Societe Generale's Board of Directors, which met on 2 August 2023 under the chairmanship of Lorenzo Bini Smaghi, examined the Societe Generale Group's results for Q2 23 and for the first half of 2023.

The various restatements enabling the transition from underlying data to published data are presented in the Methodology notes in Section 9.5.

Net banking income

Net banking income decreased in Q2 23 by -8.9% (-10.3%*) vs. Q2 22, largely due to the decline in the net interest margin in French Retail Banking, a less conducive market environment in Global Banking and Investor Solutions activities and the booking of one-off items under Corporate Centre.

French Retail Banking revenues fell by -13.6% vs. Q2 22 owing mainly to the decrease in the net interest margin, despite solid momentum in fees, a record performance from Private Banking and a strong increase in Boursorama's revenues.

Revenues in International Retail Banking & Financial Services grew by +6.3% (+0.9%*) vs. Q2 22, with a +3.3%* increase in revenues vs. Q2 22 in International Retail Banking, a strong performance by Financial Services that was driven by ALD revenues, up +18.7% vs. Q2 22 following the integration of LeasePlan, and by insurance revenues, which rose by +3.1%* vs. Q2 22.

Global Banking & Investor Services registered revenues down -7.3% in Q2 23 relative to Q2 22 amid a less favourable market environment. Global Markets & Investor Services recorded solid revenues but which were down in comparison to a very strong Q2 22 performance (-12.7%) owing to less conducive market conditions, notably in Fixed Income and Currencies (lower interest rate volatility and slower client activity), while Financing and Advisory continued to post revenue growth, registering an increase of +4.0% vs. Q2 22, driven by a solid performance in the securitisation, investment banking and cash management activities.

Over the first half of 2023, net banking income fell by -7.1% vs. H1 22 (-5.3% on an underlying basis).

Operating expenses

On a reported basis, operating expenses came to EUR 4,441 million in Q2 23, up +2.7% vs. Q2 22. It includes LeasePlan operating expenses for EUR 111 million following its consolidation from 22 May 2023. **On an underlying basis, they totalled EUR 4,461 million** (adjusted for IFRIC 21 linearisation, transformation charges and one-off expenses), i.e. stable relative to Q2 22.

One-off expenses totalled EUR 35 million and included litigation payments.

Over the first half, operating expenses came to EUR 9,498 million, up +0.4% vs. H1 22 (+0.7% on an underlying basis).

Excluding the Single Resolution Fund contribution, the underlying cost-to-income ratio⁽¹⁾ came to 65.8% in Q2 23.

Cost of risk

The cost of risk for Q2 23 was low at 12 basis points, i.e. EUR 166 million. It breaks down into a provision on non-performing loans of EUR 204 million (~14 basis points) and a reversal on performing loans for EUR -38 million (~-3 basis points).

At end-June 2023, the Group's provisions on performing loans amounted to EUR 3,713 million, down EUR -56 million relative to 31 December 2022.

The non-performing loans ratio amounted to 2.9%⁽²⁾ at 30 June 2023. The gross coverage ratio on doubtful loans for the Group stood at 46%⁽³⁾ at 30 June 2023.

Furthermore, the disposal by ALD in April 2023 of its activities in Russia had a limited EUR -79 million impact that was allocated under net losses from other assets in Corporate Centre. The Group retained a residual exposure of around EUR 15 million in Russia relating to the integration of LeasePlan activities by ALD.

Furthermore, the Group's Exposure at Default (EAD) on the Russian offshore portfolio was EUR 1.6 billion at 30 June 2023, i.e. a decrease of -50% since 31 December 2021. This exposure is diversified by sector and in the majority of cases secured by facilities as Pre-Export Finance facilities, facilities that are guaranteed by an Export Credit Agency or Trade Finance facilities. The maximum risk exposure on this portfolio is estimated to be less than EUR 0.5 billion before provision and total provisions stood at EUR 0.4 billion. The Group's residual exposure to Rosbank was extremely limited at less than EUR 0.1 billion.

(1) Underlying data (see Methodology note No. 5 for the transition from accounting data to underlying data)

(2) Ratio calculated according to EBA methodology published on 16 July 2019

(3) Ratio of S3 provisions on the gross carrying amount of the loans before offsetting guarantees and collateral

Group net income

In EURm	Q2 23	Q2 22	H1 23	H1 22
Reported Group net income	900	(1,511)	1768	(690)
Underlying Group net income ⁽¹⁾	1,159	1,481	2,667	3,019

As a %	Q2 23	Q2 22	H1 23	H1 22
ROTE	5.6%	-13.7%	5.6%	-4.0%
Underlying ROTE ⁽¹⁾	7.6%	10.2%	9.1%	10.5%

Earnings per share amounted to EUR 1.73 in H1 23 (EUR -1.17 in H1 22). Underlying earnings per share amounted to EUR 2.45 over the same period (EUR 2.81 in H1 22).

⁽¹⁾ Underlying data (see Methodology note No. 5 for the transition from accounting data to underlying data)

2. THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 68.0 billion at 30 June 2023 (vs. EUR 67.0 billion at 31 December 2022). Net asset value per share was EUR 71.5 and tangible net asset value per share was EUR 61.8.

The consolidated balance sheet totalled EUR 1,578 billion at 30 June 2023 vs. EUR 1,485 billion at 31 December 2022. The total funded balance sheet (see Methodology note 11) stood at EUR 966 billion vs. EUR 930 billion at 31 December 2022. The net amount of customer loan outstandings totalled EUR 501 billion. At the same time, customer deposits amounted to EUR 612 billion, up 3.0% vs. 31 December 2022.

At 18 July 2023, the parent company had issued EUR 39.5 billion of medium/long-term debt, having an average maturity of 4.9 years and an average spread of 79 basis points (over 6-month midswaps, excluding subordinated debt). The subsidiaries had issued EUR 1.9 billion. In all, the Group has issued a total of EUR 41.4 billion in medium/long-term debt.

The Liquidity Coverage Ratio (LCR) was well above regulatory requirements at 152% at end-June 2023 (158% on average for the quarter), vs. 141% at end-December 2022. At the same time, the Net Stable Funding Ratio (NSFR) stood at 113% at end-June 2023 vs. 114% at end-December 2022.

The Group's **risk-weighted assets** (RWA) totalled EUR 385.0 billion at 30 June 2023 following LeasePlan integration (vs. EUR 362.4 billion at end-December 2022) according to CRR2/CRD5 rules. Risk-weighted assets in respect of credit risk account for 84.3% of the total, i.e., EUR 324.6 billion, up by 7.3% vs. 31 December 2022.

At 30 June 2023, the Group's **Common Equity Tier 1⁽¹⁾** ratio stood at 13.1%, or around 330 basis points above the regulatory requirement of 9.73%. The CET 1 ratio at 30 June 2023 includes an +6 basis-point impact from the phase-in of IFRS 9. Excluding this impact, the fully-loaded ratio amounts to 13.0%. The Tier 1 ratio stood at 15.9% at end-June 2023 (16.3% at end-December 2022), while the total capital ratio amounted to 18.7% (19.4% at end-December 2022), which is above the respective regulatory requirements of 11.63% and 14.16%.

The **leverage ratio** stood at 4.2% at 30 June 2023, which is above the regulatory requirement of 3.5%.

With an RWA level of 32.1% and leverage exposure of 8.5% at end-June 2023, the Group's TLAC ratio is significantly above the respective Financial Stability Board requirements for 2023 of 22.0% and 6.75%. Likewise, MREL-eligible outstandings, which stood at 33.1% of RWA and 8.75% of leverage exposure at end-June 2023, are also far above the respective regulatory requirements of 25.7% and 5.91%.

The Group is rated by four rating agencies: (i) FitchRatings - long-term rating "A-", positive outlook, senior preferred debt rating "A", short-term rating "F1" (ii) Moody's - long-term rating (senior preferred debt) "A1", stable outlook, short-term rating "P-1" (iii) R&I - long-term rating (senior preferred debt) "A", stable outlook; and (iv) S&P Global Ratings - long-term rating (senior preferred debt) "A", stable outlook, short-term rating "A-1".

(1) Pro-forma estimation, subject to ECB notification

3. FRENCH RETAIL BANKING

In EURm	Q2 23	Q2 22	Change	H1 23	H1 22	Change
Net banking income	1,924	2,228	-13.6%	3,850	4,393	-12.4%
<i>Net banking income excl. PEL/CEL</i>	1,920	2,157	-11.0%	3,856	4,299	-10.3%
Operating expenses	(1,443)	(1,490)	-3.2%	(3,101)	(3,182)	-2.5%
<i>Underlying operating expenses⁽¹⁾</i>	(1,548)	(1,548)	+0.0%	(3,078)	(3,069)	+0.3%
Gross operating income	481	738	-34.8%	749	1,211	-38.2%
<i>Underlying gross operating income⁽¹⁾</i>	376	680	-44.8%	772	1,324	-41.6%
Net cost of risk	(109)	(21)	x 5.2	(198)	(68)	x 2.9
Operating income	372	717	-48.1%	551	1,143	-51.8%
Net profits or losses from other assets	(2)	3	n/s	3	3	+0.0%
Reported Group net income	277	534	-48.1%	415	851	-51.2%
<i>Underlying Group net income⁽¹⁾</i>	200	491	-59.4%	433	934	-53.7%
RONE	9.0%	17.4%		6.7%	14.1%	
<i>Underlying RONE⁽¹⁾</i>	6.5%	16.0%		7.0%	15.5%	

SG networks

Average loan outstandings contracted by -2% vs. Q2 22 to EUR 207 billion. Outstanding loans to corporate and professional customers (excluding government-guaranteed PGE loans) were +4.1% higher vs. Q2 22. Home loans decreased by -2.8% vs. Q2 22, in line with the Group's selective origination policy.

Average outstanding deposits, which include all deposits from corporates and professionals clients of the SG network, declined by -2.9% vs. Q2 22 to EUR 239 billion (increase in retail client deposits and decrease in corporate deposits).

The average loan to average deposit ratio stood at 87% in Q2 23.

Life insurance assets under management totalled EUR 111 billion at end-June 2023, which is a +1% improvement over the year (with the unit-linked share accounting for 33%). Gross life insurance inflows amounted to EUR 2.1 billion at Q2 23.

Property & Casualty insurance premiums were up +9% vs. Q2 22, while Personal protection insurance premiums increased +2% vs. Q2 22.

Boursorama

With 129,000 new clients during the quarter, Boursorama strengthened its position as the leading online bank in France, and reached nearly 5 million clients at end-June 2023.

Average loan outstandings were stable on the Q2 22 level at EUR 15 billion, which is consistent with the Group's selective loan production. Home loan outstandings were stable relative to Q2 22, while consumer loan outstandings were down -6% vs. Q2 22.

Average outstanding savings including deposits and financial savings were +39% higher vs. Q2 22 at EUR 53 billion. Deposits stand at EUR 31 billion, a strong rise of +36% vs. Q2 22, notably with continued dynamic collection during the quarter (EUR +1.3 billion). Life insurance outstandings increased by +70% vs. Q2 22 (including ING outstandings), with the unit-linked share accounting for 42%.

(1) Underlying data (see Methodology note No. 5 for the transition from accounting data to underlying data)

Boursorama reinforced its day-to-day banking operations, registering growth in volumes of +37% vs. Q2 22.

In Q2 23, Boursorama posted positive net income of EUR 47 million, recording solid profitability of 66%.

Private Banking

Private Banking activities cover Private Banking activities in and outside of France. Assets under management totalled EUR 143 billion at Q2 23, excluding activities formerly managed by Lyxor. Private Banking's net asset inflows amounted to EUR 2.9 billion at Q2 23. Net banking income stood at EUR 381 million during the quarter, a historical high, representing a +6.7% increase vs. Q2 22. Net banking income for the first half of the year totalled EUR 747 million, up +4.5% vs. H1 22.

Net banking income

Revenues for the quarter totalled EUR 1,920 million, down -11.0% vs. Q2 22, excluding PEL/CEL. Net interest income excluding PEL/CEL was down by -17.4% vs. Q2 22 impacted by higher interest rates on regulated savings schemes, the consequences of the usury rate and the end of the benefit of the TLTRO. Fee income was up by +2.4% relative to Q2 22.

Revenues for the first half of the year totalled EUR 3,856 million, down -10.3% vs. H1 22, restated for the PEL/CEL provision. The net interest margin excluding PEL/CEL was down by -17.9% vs. H1 22. Fee income was up by +1.4% relative to H1 22.

Operating expenses

Over the quarter, operating expenses were EUR 1,443 million (-3.2% vs. Q2 22) and EUR 1,548 million on an underlying basis (flat compared to Q2 22). Reported operating expenses include a EUR 60 million one-off provision reversal. The cost-to-income ratio stood at 75% at Q2 23.

Over the first half, operating expenses totalled EUR 3,101 million (-2.5% vs. H1 22). The cost-to-income ratio stood at 80.5%.

Cost of risk

Over the quarter, the cost of risk amounted to EUR 109 million or 18 basis points, which was slightly higher than in Q1 23 (14 basis points).

Over the first half of the year, the cost of risk totalled EUR 198 million or 16 basis points, which was higher than in H1 22 (6 basis points).

Group net income

For the quarter, the contribution to the Group net income was EUR 277 million in Q2 23, down -48% vs. Q2 22. RONE stood at 9.0% in Q2 23 (6.5% in underlying).

Over the first half of the year, the contribution to Group net income was EUR 415 million in Q2 23, down -51% vs. H1 22. RONE stood at 6.7% in H1 23.

4. INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

In EURm	Q2 23	Q2 22	Change		H1 23	H1 22	Change	
Net banking income	2,363	2,222	+6.3%	+0.9%*	4,575	4,298	+6.4%	+7.7%*
Operating expenses	(1,167)	(976)	+19.6%	+11.3%*	(2,281)	(2,065)	+10.5%	+11.7%*
<i>Underlying operating expenses⁽¹⁾</i>	<i>(1,190)</i>	<i>(1,000)</i>	<i>+19.0%</i>	<i>+10.9%*</i>	<i>(2,235)</i>	<i>(2,017)</i>	<i>+10.8%</i>	<i>+12.2%*</i>
Gross operating income	1,196	1,246	-4.0%	-7.1%*	2,294	2,233	+2.7%	+4.1%*
<i>Underlying gross operating income⁽¹⁾</i>	<i>1,173</i>	<i>1,222</i>	<i>-4.0%</i>	<i>-7.1%*</i>	<i>2,340</i>	<i>2,281</i>	<i>+2.6%</i>	<i>+3.9%*</i>
Net cost of risk	(83)	(97)	-14.4%	-13.2%*	(174)	(422)	-58.8%	-24.3%*
Operating income	1,113	1,149	-3.1%	-6.6%*	2,120	1,811	+17.1%	+7.4%*
Net profits or losses from other assets	0	8	n/s	n/s	(1)	10	n/s	n/s
Reported Group net income	587	687	-14.6%	-15.4%*	1,151	1,047	+9.9%	-0.6%*
<i>Underlying Group net income⁽¹⁾</i>	<i>575</i>	<i>674</i>	<i>-14.7%</i>	<i>-15.6%*</i>	<i>1,175</i>	<i>1,073</i>	<i>+9.5%</i>	<i>-0.7%*</i>
RONE	22.8%	26.0%			20.0%	19.4%		
<i>Underlying RONE⁽¹⁾</i>	<i>22.3%</i>	<i>25.5%</i>			<i>20.4%</i>	<i>19.9%</i>		

International Retail Banking's outstanding loans posted growth of +6.5% vs. Q2 22 to EUR 90.6 billion. Outstanding deposits also advanced, and grew by +3.6% vs. Q2 22 to EUR 83.0 billion.

In Europe, outstanding loans rose by +6.6% compared with end-June 2022 to EUR 65.5 billion, driven by strong momentum in all regions, and particularly in the Czech Republic (+8.2% vs. Q2 22) and Romania (+7.4% vs. Q2 22). Outstanding deposits rose by +2.8% vs. Q2 22 to EUR 55.7 billion, driven by Romania (+7.9% vs. Q2 22) and stabilized over the quarter in the Czech Republic vs. Q2 22.

Commercial performances continued to be steady in Africa, Mediterranean Basin and French Overseas Territories, where loan outstandings rose by +6.4% vs. in Q2 22 to EUR 25 billion. Deposits increased by +5.3% vs. Q2 22 to EUR 27.2 billion. Corporate segment was particularly dynamic with a growth in loans of +6.9% vs. Q2 22 and deposits of +7.3% vs. Q2 22.

In the Insurance activity, life insurance outstandings rose by +1.8% on the Q2 22 level to EUR 133.3 billion. The share of unit-linked products was 38%, up +2.8 points over the same period. Net inflows in life insurance remained positive over the first half of the year at EUR 0.6 billion. Protection insurance saw a +5.3% increase vs. Q2 22, with the activity continuing to be driven by a +11.7% rise in P&C insurance over the same period.

Financial Services also posted very robust growth. The acquisition of LeasePlan by ALD, the long-term vehicle leasing and fleet management activity, closed on 22 May 2023. The new combined entity now has a fleet of around 3.4 million vehicles. The fleet posted annualised growth of +3.0% vs. end-June 2022 (at constant perimeter and excluding entities held for sale).

Equipment Finance outstanding loans grew by +2.8% relative to end-June 2022 to EUR 14.9 billion.

Net banking income

Over the quarter, net banking income amounted to EUR 2,363 million, up by +6.3% vs. Q2 22.

Over the first half of the year, revenues climbed by +6.4% vs. H1 22 to EUR 4,575 million.

International Retail Banking's net banking income stood at EUR 1,268 million in Q2 23 and was stable vs. Q2 22. Over H1 23, net banking income amounted to EUR 2,530 million, down -2.8% vs. H1 22 and up by +4.9%* at constant scope and exchange rate vs. H1 22.

(1) Underlying data (see Methodology note No. 5 for the transition from accounting data to underlying data)

Revenues in Europe were stable over the second quarter of 2023 vs. Q2 22. The rise in fee income offset mixed trends for the net interest margin during the quarter amid a context of high interest rates.

Revenues increased in all regions across Africa, Mediterranean Basin and French Overseas Territories by +10.1% vs. Q2 22, driven by a strong increase in net interest margin of +16% vs. Q2 22.

The **Insurance business** registered net banking income growth of +2.9% to EUR 175 million vs. Q2 22 under IFRS 17. In H1 23, net banking income grew strongly by +18.4% vs. H1 22 to EUR 328 million.

Financial Services' net banking income was significantly higher (+17.3%) vs. Q2 22 at EUR 920 million. This includes LeasePlan revenues which have been integrated since end of May 2023, i.e. around EUR 200 million. At constant perimeter, ALD reported a slight decrease in net banking income, with an unfavourable base effect due to hyperinflation in Turkey in Q2 22. At ALD, income from used-car sales stood at an average EUR 2,614 per vehicle this quarter (excluding the depreciation curve adjustment). In H1 23, Financial Services to Corporates recorded net banking income of EUR 1,717 million, up by +21.1% vs. H1 22.

Operating expenses

Over the quarter, operating expenses amounted to EUR 1,167 million, up by +19.6% vs. Q2 22 (+19.0% in underlying), impacted by LeasePlan operating expenses of EUR 111 million following its consolidation since 22 May 2023 and expenses related to its integration of around EUR 60 million.

Over the first half, operating expenses came to EUR 2,281 million, up +10.5% vs. H1 22.

At **International Retail Banking**, the cost increase remained under control over the quarter at +1.0% vs. Q2 22 despite an inflationary context.

In the **Insurance** business, operating expenses increased by +14.8% vs. Q2 22.

At **Financial Services**, operating expenses increased by +63.8% vs. Q2 22, including LeasePlan costs and expenses related to the integration of LeasePlan. At constant rate and perimeter, they increased by +21.1%* on an underlying basis vs. Q2 22.

Cost of risk

Over the quarter, the cost of risk decreased to 24 basis points (or EUR 83 million) vs. 28 basis points in Q2 22.

Over the first half of the year, the cost of risk stood at 26 basis points vs. 60 basis points in H1 22.

Reported Group net income

Over the quarter, the contribution to Group net income was EUR 587 million in Q2 23, down -14.6% vs. Q2 22. RONE stood at 22.8% in Q2 23 (22.3% in underlying). RONE was 19.1% in International Retail Banking and 27.2% in Financial Services and Insurance at Q2 23.

Over the first half of the year, the contribution to Group net income was EUR 1,151 million, up +9.9% vs. H1 22. RONE stood at 20% vs. 19.4% in H1 22. RONE was 17.5% in International Retail Banking and 22.4% in Financial Services and Insurance in H1 23.

5. GLOBAL BANKING & INVESTOR SOLUTIONS

In EUR m	Q2 23	Q2 22	Variation		H1 23	H1 22	Variation	
Net banking income	2,375	2,563	-7.3%	-6.2%*	5,133	5,318	-3.5%	-3.2%*
Operating expenses	(1,605)	(1,565)	+2.6%	+3.8%*	(3,648)	(3,737)	-2.4%	-2.1%*
<i>Underlying operating expenses⁽¹⁾</i>	<i>(1,668)</i>	<i>(1,755)</i>	<i>-4.9%</i>	<i>-3.9%*</i>	<i>(3,271)</i>	<i>(3,366)</i>	<i>-2.8%</i>	<i>-2.5%*</i>
Gross operating income	770	998	-22.8%	-21.9%*	1,485	1,581	-6.1%	-5.8%*
<i>Underlying gross operating income⁽¹⁾</i>	<i>707</i>	<i>808</i>	<i>-12.5%</i>	<i>-11.2%*</i>	<i>1,862</i>	<i>1,952</i>	<i>-4.6%</i>	<i>-4.4%*</i>
Net cost of risk	27	(69)	n/s	n/s	22	(263)	n/s	n/s
Operating income	797	929	-14.2%	-13.1%*	1,507	1,318	+14.3%	+14.8%*
Reported Group net income	638	742	-14.0%	-12.9%*	1,203	1,044	+15.2%	+15.6%*
<i>Underlying Group net income⁽¹⁾</i>	<i>590</i>	<i>596</i>	<i>-1.0%</i>	<i>+0.6%*</i>	<i>1,489</i>	<i>1,329</i>	<i>+12.0%</i>	<i>+12.3%*</i>
RONE	18.1%	20.3%			16.8%	14.5%		
<i>Underlying RONE⁽¹⁾</i>	<i>16.7%</i>	<i>16.3%</i>			<i>20.8%</i>	<i>18.5%</i>		

Net banking income

Global Banking & Investor Solutions notched up a solid performance in the second quarter, posting revenues of EUR 2,375 million, down -7.3% with respect to a very high Q2 22.

Over the first half, revenues dipped slightly by -3.5% vs. H1 22 (EUR 5,133 million vs. EUR 5,318 million).

Global Markets & Investor Services recorded revenues of EUR 1,521 million in Q2 23, down by -12.7% in comparison to a very high reference point in Q2 22. Over H1 23, revenues totalled EUR 3,452 million, which was -6.9% vs. H1 22.

Global Markets recorded a good performance, with revenues of EUR 1,342 million, down -11.5% vs. Q2 22 in a slower market. Over H1 23, revenues decreased by -7.0% vs. H1 22 to EUR 3,063 million.

The Equities business recorded an overall good level of activity, posting Q2 23 revenues of EUR 785 million, down -5.8% vs. Q2 22. Market conditions were less favourable due to lower volumes and weaker volatility. Over H1 23, revenues were down -12.3% vs. H1 22 to EUR 1,616 million.

Amid less conducive market conditions due to weaker interest rate and currency volatility, FIC activities recorded a -18.4% decrease in revenues in Q2 23 vs. Q2 22, to EUR 557 million. Continued strong dynamics in Financing activities despite lower client activity. Over H1 23, revenues remained stable vs. H1 22 to EUR 1,447 million.

Securities Services' revenues contracted by -20.8% over the quarter to EUR 179 million. Excluding the impact of several participations notably in Euroclear in Q2 22, business activity advanced by +12.2% compared with Q2 22. Over H1 23, revenues declined by -6.0% vs. H1 22 and rose by +6.2% excluding participations. Assets under Custody and Assets under Administration totalled EUR 4,702 billion and EUR 587 billion, respectively.

Financing & Advisory activities registered a solid performance with Q2 revenues of EUR 854 million, up +4.0% vs. Q2 22. Over H1 23, revenues totalled EUR 1,681 million, a +4.3% increase vs. H1 22.

The Global Banking & Advisory business turned in a solid performance, with revenue decreasing slightly by -4.6% vs. a very high Q2 22 reference point. The activity reaped the benefit of robust momentum in Asset Backed Products and Investment Banking, thanks notably to debt capital market activities and telecommunications, media and technology (TMT) sector financing. Asset Finance platform showed

(1) Underlying data (see Methodology note No. 5 for the transition from accounting data to underlying data)

robust performance and Natural Resources activities demonstrated sound resilience. Over H1 23, revenues are down -4.8% vs. H1 22.

Global Transaction and Payment Services once again posted an excellent performance, with revenue growth of +42.4% vs. Q2 22 that took advantage of positive interest rates and sound commercial performances. In H1 23, revenues advanced strongly by +46.5% relative to H1 22.

Operating expenses

Operating expenses came to EUR 1,605 million over the quarter, up slightly by +2.6% vs. Q2 22, mainly due to one-off items for a total amount of EUR 95 million. On an underlying basis, excluding the contribution to the Single Resolution Fund (SRF), they contracted by -3.2%. This brought the underlying cost-to-income ratio, excluding the SRF contribution, to 65.2% in Q2 23.

Over the first half of 2023, operating expenses fell by -2.4% vs. H1 22 and decreased by -0.8% on an underlying basis excluding SRF, resulting in an underlying cost-to-income ratio, excluding the SRF contribution, of 59.0% in H1 23.

Cost of risk

Over the quarter, the cost of risk improved sharply to -7 basis points (or a reversal EUR -27 million) vs. 1 basis point in Q1 23, notably due to reversals on provisions.

Over the first half of the year, the cost of risk stood at -3 basis points vs. 30 basis points in H1 22.

Group net income

The contribution to Group net income was EUR 638 million on a reported basis and EUR 590 million on an underlying basis, respectively down by -14.0% and -1.0% vs. Q2 22.

The contribution was EUR 1,203 million on a reported basis and EUR 1,489 million on an underlying basis for the first half of the year.

Global Banking & Investor Solutions posted strong profitability with a reported RONE of 18.1% and 16.7% on an underlying basis for the quarter (19.3% on an underlying basis, restated for the impact of the SRF contribution).

Over the first half, reported RONE stood at 16.8% and 20.8% on an underlying basis (23.3% on an underlying basis excluding SRF).

6. CORPORATE CENTRE

In EURm	Q2 23	Q2 22	H1 23	H1 22
Net banking income	(375)	(112)	(600)	(65)
<i>Underlying net banking income⁽¹⁾</i>	(135)	(112)	(360)	(65)
Operating expenses	(226)	(294)	(468)	(472)
<i>Underlying operating expenses⁽¹⁾</i>	(55)	(148)	(78)	(145)
Gross operating income	(601)	(406)	(1 068)	(537)
<i>Underlying gross operating income⁽¹⁾</i>	(190)	(260)	(438)	(210)
Net cost of risk	(1)	(30)	2	(25)
Net profits or losses from other assets	(79)	(3,303)	(100)	(3,303)
<i>Underlying profits or losses from other assets⁽¹⁾</i>	-	-	(21)	-
Income tax	103	317	216	336
Reported Group net income	(602)	(3,474)	(1,001)	(3,632)
<i>Underlying Group net income⁽¹⁾</i>	(205)	(280)	(430)	(317)

The Corporate Centre includes:

- the property management of the Group's head office,
- the Group's equity portfolio,
- the Treasury function for the Group,
- certain costs related to cross-functional projects, as well as several costs incurred by the Group that are not re-invoiced to the businesses.

The Corporate Centre's net banking income totalled EUR -375 million in Q2 23 vs. EUR -112 million in Q2 22. It notably included the negative impact from the unwinding of hedges taken out against the TLTRO scheme for around EUR -0.1 billion at Q2 23 (approximately EUR -0.3 billion in 2023) and the negative impact of one-off items for around EUR -240 million. The underlying net banking income stood at EUR -135 million in Q2 23 vs. EUR -112 million in Q2 22.

Operating expenses totalled EUR -226 million in Q2 23 vs. EUR -294 million in Q2 22. In particular, they included the Group's transformation costs for a total amount of EUR -184 million relating to French Retail Banking activities (EUR -122 million), Global Banking & Investor Solutions (EUR -8 million) and the Corporate Centre (EUR -54 million). Underlying costs came to EUR -55 million in Q2 23 vs. EUR -148 million in Q2 22.

Gross operating income totalled EUR -601 million in Q2 23 vs. EUR -406 million in Q2 22. Underlying gross operating income totalled EUR -190 million in Q2 23 vs. EUR -260 million in Q2 22.

The Corporate Centre's contribution to Group net income totalled EUR -602 million in Q2 23 vs. EUR -3,474 million in Q2 22. It includes the negative impact from the disposal of ALD's activities in Russia for EUR -79 million, which was recorded under Net profits or losses from other assets. The Corporate Centre's contribution to Group underlying net income totalled EUR -205 million in Q2 23 vs. EUR -280 million in Q2 22.

(1) Underlying data (see Methodology note No. 5 for the transition from accounting data to underlying data)

7. 2023 and 2024 FINANCIAL CALENDAR

2023 and 2024 financial communications calendar

18 September 2023	Capital Markets Day (London)
3 November 2023	Third quarter and nine-month 2023 results
8 February 2024	Fourth quarter and full year 2023 results
3 May 2024	First quarter 2024 results

The Alternative Performance Measures, notably the notions of net banking income for the pillars, operating expenses, IFRIC 21 adjustment, cost of risk in basis points, ROE, ROTE, RONE, net assets, tangible net assets, and the amounts serving as a basis for the different restatements carried out (in particular the transition from published data to underlying data) are presented in the methodology notes, as are the principles for the presentation of prudential ratios.

This document contains forward-looking statements relating to the targets and strategies of the Societe Generale Group.

These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.

These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:

- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;
- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory and prudential changes, and the success of Societe Generale's strategic, operating and financial initiatives.

More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the section "Risk Factors" in our Universal Registration Document filed with the French Autorité des Marchés Financiers (which is available on <https://investors.societegenerale.com/en>).

Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when considering the information contained in such forward-looking statements. Other than as required by applicable law, Societe Generale does not undertake any obligation to update or revise any forward-looking information or statements. Unless otherwise specified, the sources for the business rankings and market positions are internal.

8. APPENDIX 1: FINANCIAL DATA

GROUP NET INCOME BY CORE BUSINESS

In EUR m	Q2 23	Q2 22	Variation	H1 23	H1 22	Variation
French Retail Banking	277	534	-48.1%	415	851	-51.2%
International Retail Banking and Financial Services	587	687	-14.6%	1,151	1,047	+9.9%
Global Banking and Investor Solutions	638	742	-14.0%	1,203	1,044	+15.2%
Core Businesses	1,502	1,963	-23.5%	2,769	2,942	-5.9%
Corporate Centre	(602)	(3,474)	+82.7%	(1,001)	(3,632)	+72.4%
Group	900	(1,511)	n/s	1,768	(690)	n/s

CONSOLIDATED BALANCE SHEET

In EUR m	30.06.2023	31.12.2022
Cash, due from central banks	215,376	207,013
Financial assets at fair value through profit or loss	496,362	427,151
Hedging derivatives	31,126	32,971
Financial assets at fair value through other comprehensive income	90,556	92,960
Securities at amortised cost	27,595	26,143
Due from banks at amortised cost	83,269	68,171
Customer loans at amortised cost	490,421	506,635
Revaluation of differences on portfolios hedged against interest rate risk	(1,925)	(2,262)
Investments of insurance companies	616	353
Tax assets	4,385	4,484
Other assets	73,792	82,315
Non-current assets held for sale	3,590	1,081
Investments accounted for using the equity method	209	146
Tangible and intangible fixed assets	57,535	33,958
Goodwill	5,523	3,781
Total	1,578,430	1,484,900

In EUR m	30.06.2023	31.12.2022
Due to central banks	9,468	8,361
Financial liabilities at fair value through profit or loss	380,821	304,175
Hedging derivatives	44,156	46,164
Debt securities issued	151,320	133,176
Due to banks	119,923	133,011
Customer deposits	546,655	530,764
Revaluation of differences on portfolios hedged against interest rate risk	(8,367)	(9,659)
Tax liabilities	2,356	1,645
Other liabilities	93,421	107,315
Non-current liabilities held for sale	2,212	220
Insurance contract-related liabilities	138,746	135,875
Provisions	4,577	4,579
Subordinated debt	15,158	15,948
Total liabilities	1,500,446	1,411,574
Shareholders' equity	-	-
Shareholders' equity, Group share	-	-
Issued common stocks and capital reserves	21,267	21,248
Other equity instruments	10,136	9,136
Retained earnings	34,485	34,479
Net income	1,768	1,825
Sub-total	67,656	66,688
Unrealised or deferred capital gains and losses	351	282
Sub-total equity, Group share	68,007	66,970
Non-controlling interests	9,977	6,356
Total equity	77,984	73,326
Total	1,578,430	1,484,900

9. APPENDIX 2: METHODOLOGY

1 - The financial information presented for the second quarter and first half 2023 was examined by the Board of Directors on 2 August, 2023 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. The limited review procedures on the condensed interim financial statements at 30 June 2023 carried by the Statutory Auditors are currently underway.

2 - Net banking income

The pillars' net banking income is defined on page 41 of Societe Generale's 2023 Universal Registration Document. The terms "Revenues" or "Net Banking Income" are used interchangeably. They provide a normalised measure of each pillar's net banking income taking into account the normative capital mobilised for its activity.

3 - Operating expenses

Operating expenses correspond to the "Operating Expenses" as presented in notes 5 and 8.2 to the Group's consolidated financial statements as at December 31st, 2022. The term "costs" is also used to refer to Operating Expenses. The Cost/Income Ratio is defined on page 41 of Societe Generale's 2023 Universal Registration Document.

4 - IFRIC 21 adjustment

The IFRIC 21 adjustment corrects the result of the charges recognised in the accounts in their entirety when they are due (generating event) so as to recognise only the portion relating to the current quarter, i.e. a quarter of the total. It consists in smoothing the charge recognised accordingly over the financial year in order to provide a more economic idea of the costs actually attributable to the activity over the period analysed.

The contributions to **Single Resolution Fund ("SRF")** are part of IFRIC 21 adjusted charges, they include contributions to national resolution funds within the EU.

5 – Exceptional items – Transition from accounting data to underlying data

It may be necessary for the Group to present underlying indicators in order to facilitate the understanding of its actual performance. The transition from published data to underlying data is obtained by restating published data for exceptional items and the IFRIC 21 adjustment.

Moreover, the Group restates the revenues and earnings of the French Retail Banking pillar for PEL/CEL provision allocations or write-backs. This adjustment makes it easier to identify the revenues and earnings relating to the pillar's activity, by excluding the volatile component related to commitments specific to regulated savings.

The reconciliation enabling the transition from published accounting data to underlying data is set out in the table below:

in EURm	Q2 23	Q2 22	H1 23	H1 22
Exceptional Net banking income (+)	240	0	240	0
One-off items ⁽¹⁾	240	0	240	0
Exceptional operating expenses (-)	(20)	(125)	836	859
IFRIC linearisation	(239)	(284)	435	557
Transformation costs ⁽¹⁾	184	159	366	302
<i>Of which related to French Retail Banking</i>	122	97	262	201
<i>Of which related to Global Banking & Investor Solutions</i>	8	25	19	39
<i>Of which related to Corporate Centre</i>	54	37	85	62
One-off items	35	0	35	0
Exceptional Net profit or losses from other assets (+/-)	79	3,303	79	3,303
Net losses from the disposal of Russian activities ⁽¹⁾	0	3,303	0	3,303
Net losses from the disposal of ALD Russia ⁽¹⁾	79	0	79	0
Total exceptional items (pre-tax)	299	3,178	1,155	4,162
Total exceptional items (post-tax)	259	2,992	899	3,709
Reported Net income - Group Share	900	(1,511)	1,768	(690)
Total exceptional items - Group share (post-tax)	259	2,992	899	3,709
Underlying Net income - Group Share	1,159	1,481	2,667	3,019

(1) Allocated to Corporate Centre

6 - Cost of risk in basis points, coverage ratio for doubtful outstandings

The cost of risk is defined on pages 42 and 691 of Societe Generale's 2023 Universal Registration Document. This indicator makes it possible to assess the level of risk of each of the pillars as a percentage of balance sheet loan commitments, including operating leases.

In EURm		Q2 23	Q2 22	H1 23	H1 22
French Retail Banking	Net Cost Of Risk	109	21	198	68
	Gross loan Outstandings	249,843	245,710	251,266	244,177
	Cost of Risk in bp	18	3	16	6
International Retail Banking and Financial Services	Net Cost Of Risk	83	97	174	422
	Gross loan Outstandings	137,819	141,075	136,404	140,811
	Cost of Risk in bp	24	28	26	60
Global Banking and Investor Solutions	Net Cost Of Risk	(27)	69	(22)	263
	Gross loan Outstandings	165,847	176,934	171,719	173,842
	Cost of Risk in bp	(7)	16	(3)	30
Corporate Centre	Net Cost Of Risk	1	30	(2)	25
	Gross loan Outstandings	18,873	14,943	17,705	14,678
	Cost of Risk in bp	2	79	(2)	34
Societe Generale Group	Net Cost Of Risk	166	217	348	778
	Gross loan Outstandings	572,382	578,662	577,093	573,508
	Cost of Risk in bp	12	15	12	27

The **gross coverage ratio for doubtful outstandings** is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as in default within the meaning of the regulations, without taking account of any guarantees provided. This coverage ratio measures the maximum residual risk associated with outstandings in default ("doubtful").

7 - ROE, ROTE, RONE

The notions of ROE (Return on Equity) and ROTE (Return on Tangible Equity), as well as their calculation methodology, are specified on page 43 of Societe Generale's 2023 Universal Registration Document. This measure makes it possible to assess Societe Generale's return on equity and return on tangible equity.

RONE (Return on Normative Equity) determines the return on average normative equity allocated to the Group's businesses, according to the principles presented on page 43 of Societe Generale's 2023 Universal Registration Document.

Group net income used for the ratio numerator is book Group net income adjusted for "interest net of tax payable on deeply subordinated notes and undated subordinated notes, interest paid to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisations" and "unrealised gains/losses booked under shareholders' equity, excluding conversion reserves" (see methodology note No. 9). For ROTE, income is also restated for goodwill impairment.

Details of the corrections made to book equity in order to calculate ROE and ROTE for the period are given in the table below:

ROTE calculation: calculation methodology

End of period (in EURm)	Q2 23	Q2 22	H1 23	H1 22
Shareholders' equity Group share	68,007	65,023	68,007	65,023
Deeply subordinated and undated subordinated notes	(10,815)	(8,683)	(10,815)	(8,683)
Interest payable to holders of deeply & undated subordinated notes, issue premium amortisation ⁽¹⁾	(28)	(8)	(28)	(8)
OCI excluding conversion reserves	688	577	688	577
Distribution provision ⁽²⁾	(982)	(1,193)	(982)	(1,193)
Distribution N-1 to be paid	(441)	(914)	(441)	(914)
ROE equity end-of-period	56,430	54,801	56,430	54,801
Average ROE equity	56,334	55,009	56,203	54,887
Average Goodwill	(4,041)	(3,646)	(3,847)	(3,636)
Average Intangible Assets	(3,117)	(2,710)	(2,997)	(2,729)
Average ROTE equity	49,176	48,653	49,359	48,522
Group net Income	900	(1,511)	1,768	(690)
Interest paid and payable to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisation	(216)	(159)	(379)	(278)
Cancellation of goodwill impairment	-	-	-	2
Ajusted Group net Income	684	(1,670)	1,390	(966)
Average ROTE equity	49,176	48,653	49,359	48,522
ROTE	5.6%	-13.7%	5.6%	-4.0%
Underlying Group net income	1,159	1,481	2,667	3,019
Interest paid and payable to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisation	(216)	(159)	(379)	(278)
Cancellation of goodwill impairment	-	-	-	2
Ajusted Underlying Group net Income	943	1,322	2,288	2,743
Average ROTE equity (underlying)	49,435	51,645	50,257	52,231
Underlying ROTE	7.6%	10.2%	9.1%	10.5%

RONE calculation: Average capital allocated to Core Businesses (in EURm)

In EURm	Q2 23	Q2 22	Change	H1 23	H1 22	Change
French Retail Banking	12,338	12,296	+0.3%	12,365	12,058	+2.5%
International Retail Banking and Financial Services	10,310	10,565	-2.4%	11,510	10,795	+6.6%
Global Banking and Investor Solutions	14,132	14,644	-3.5%	14,347	14,385	-0.3%
Core Businesses	36,780	37,505	-1.9%	38,222	37,238	+2.6%
Corporate Center	19,554	17,504	+11.7%	17,981	17,649	+1.9%
Group	56,334	55,009	+2.4%	56,203	54,887	+2.4%

(1) Interest net of tax

(2) The dividend to be paid is calculated based on a pay-out ratio of 50% of the underlying Group net income, after deduction of deeply subordinated notes and on undated subordinated notes

8 - Net assets and tangible net assets

Net assets and tangible net assets are defined in the methodology, page 45 of the Group's 2023 Universal Registration Document. The items used to calculate them are presented below:

End of period (in EURm)	H1 23	Q1 23	2022
Shareholders' equity Group share	68,007	68,747	66,970
Deeply subordinated and undated subordinated notes	(10,815)	(10,823)	(10,017)
Interest of deeply & undated subordinated notes, issue premium amortisation ⁽¹⁾	(28)	(102)	(24)
Book value of own shares in trading portfolio	134	130	67
Net Asset Value	57,298	57,952	56,996
Goodwill	(4,429)	(3,652)	(3,652)
Intangible Assets	(3,356)	(2,878)	(2,875)
Net Tangible Asset Value	49,513	51,423	50,469
Number of shares used to calculate NAPS ⁽²⁾	801,471	801,471	801,147
Net Asset Value per Share	71.5	72.3	71.1
Net Tangible Asset Value per Share	61.8	64.2	63.0

(1) Interest net of tax

(2) The number of shares considered is the number of ordinary shares outstanding as at end of period, excluding treasury shares and buybacks, but including the trading shares held by the Group.

9 - Calculation of Earnings Per Share (EPS)

The EPS published by Societe Generale is calculated according to the rules defined by the IAS 33 standard (see page 44 of Societe Generale's 2023 Universal Registration Document). The corrections made to Group net income in order to calculate EPS correspond to the restatements carried out for the calculation of ROE and ROTE. As specified on page 45 of Societe Generale's 2023 Universal Registration Document, the Group also publishes EPS adjusted for the impact of non-economic and exceptional items presented in methodology note No. 5 (underlying EPS).

The calculation of Earnings Per Share is described in the following table:

Average number of shares (thousands)	H1 23	Q1 23	2022
Existing shares	822,101	829,046	845,478
Deductions			
Shares allocated to cover stock option plans and free shares awarded to staff	6,845	6,899	6,252
Other own shares and treasury shares	13,892	20,838	16,788
Number of shares used to calculate EPS ⁽¹⁾	801,363	801,309	822,437
Group net Income (in EUR m)	1,768	868	1,825
Interest on deeply subordinated notes and undated subordinated notes (in EUR m)	(379)	(163)	(596)
Adjusted Group net income (in EUR m)	1,390	705	1,230
EPS (in EUR)	1.73	0.88	1.50
Underlying EPS (in EUR)	2.45	1.05	5.87

10 - The Societe Generale Group's Common Equity Tier 1 capital is calculated in accordance with applicable CRR2/CRD5 rules. The phased-in and fully loaded solvency ratios are presented pro forma for current earnings, net of dividends, for the current financial year, unless specified otherwise. The leverage ratio is also calculated according to applicable CRR2/CRD5 rules including the phased-in following the same rationale as solvency ratios.

11 - Funded balance sheet, loan to deposit ratio

The **funded balance sheet** is based on the Group financial statements. It is obtained in two steps:

- A first step aiming at reclassifying the items of the financial statements into aggregates allowing for a more economic reading of the balance sheet. Main reclassifications:
 - Insurance: grouping of the accounting items related to insurance within a single aggregate in both assets and liabilities.
 - Customer loans: include outstanding loans with customers (net of provisions and write-downs, including net lease financing outstanding and transactions at fair value through profit and loss); excludes financial assets reclassified under loans and receivables in accordance with the conditions stipulated by IFRS 9 (these positions have been reclassified in their original lines).
 - Wholesale funding:
 - Includes interbank liabilities and debt securities issued.
 - Financing transactions have been allocated to medium/long-term resources and short-term resources based on the maturity of outstanding, more or less than one year.
 - Reclassification under customer deposits of the share of issues placed by French Retail Banking networks (recorded in medium/long-term financing), and certain transactions carried out with counterparties equivalent to customer deposits (previously included in short term financing).
 - Deduction from customer deposits and reintegration into short-term financing of certain transactions equivalent to market resources.

(1) The number of shares considered is the average number of ordinary shares outstanding during the period, excluding treasury shares and buybacks, but including the trading shares held by the Group

- A second step aiming at excluding the contribution of insurance subsidiaries, and netting derivatives, repurchase agreements, securities borrowing/lending, accruals and “due to central banks”.

The Group **loan/deposit ratio** is determined as the division of the customer loans by customer deposits as presented in the funded balance sheet.

NB (1) The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules.

(2) All the information on the results for the period (notably: press release, downloadable data, presentation slides and supplement) is available on Societe Generale’s website www.societegenerale.com in the “Investor” section.

10. APPENDIX 3 : PUBLICATION OF NEW QUARTERLY SERIES

Societe Generale is releasing restated quarterly statements reflecting the impacts from the merger of Societe Generale and Credit du Nord in France to create a unique brand name, SG.

Following the completion of the merger of French networks in France, the Group proceeded to some non-material adjustments in its organization with the transfer of Societe des Banques de Monaco and the premium client base from Credit du Nord to private banking operations in France and the transfer of employee savings’ activities operated by Services Epargne Entreprises⁽¹⁾ (“S2E”) from French networks in France to insurance activities within International retail banking and financial services in order to reinforce already existing synergies with financial savings.

The historical quarterly financial reporting has been restated in compliance with the following changes in governance.

This organisational change comprises some immaterial adjustments to the cost sharing of some activities of Global Markets and Investor Services and Global Banking and Advisory. All of the above items have no impact on the performance of the Group nor on the Corporate Centre.

The series of 2022 and Q1 23 quarterly results have been adjusted consequently and are available on the Societe Generale website. (The figures included in this press release are unaudited.)

(1) S2E manages all middle and back office administrative processing of employee savings accounts on behalf of its four custodial account holder clients (Societe Generale, BNP Paribas, HSBC and AXA). Societe Generale holds a 39.92% stake in the capital of S2E.

Financial impact in FY 2022 on French Retail Banking, International Retail Banking and Financial Services and Global Banking & Investor Solutions

In EURm

	Group			French Retail Banking		
	Reported 12/05/2023	Reported 03/08/2023	Gap	Reported 12/05/2023	Reported 03/08/2023	Gap
Net Banking Income	27,155	27,155	-	8,706	8,684	-22
Operating expenses	-17,994	-17,994	-	-6,403	-6,380	23
Gross operating income	9,161	9,161	-	2,303	2,304	1
Group net income	1,825	1,825	-	1,399	1,400	1

	International Retail Banking & Financial Services			Global Banking & Investor Solutions			Corporate Centre		
	Reported 12/05/2023	Reported 03/08/2023	Gap	Reported 12/05/2023	Reported 03/08/2023	Gap	Reported 12/05/2023	Reported 03/08/2023	Gap
Net Banking Income	8,595	8,617	22	10,082	10,082	-	-228	-228	-
Operating expenses	-4,009	-4,032	-23	-6,634	-6,634	-	-948	-948	-
Gross operating income	4,586	4,585	-1	3,448	3,448	-	-1,176	-1,176	-
Group net income	2,226	2,225	-1	2,427	2,427	-	-4,227	-4,227	-

	Global Markets & Investor Services			Financing & Advisory			Global Banking & Investor Solutions		
	Reported 12/05/2023	Reported 03/08/2023	Gap	Reported 12/05/2023	Reported 03/08/2023	Gap	Reported 12/05/2023	Reported 03/08/2023	Gap
Net Banking Income	6,708	6,708	-	3,374	3,374	-	10,082	10,082	-
Operating expenses	-4,705	-4,708	-3	-1,929	-1,926	3	-6,634	-6,634	-
Gross operating income	2,003	2,000	-3	1,445	1,448	3	3,448	3,448	-
Group net income	1,524	1,522	-2	903	905	2	2,427	2,427	-

Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth. Committed to the positive transformations of the world's societies and economies, Societe Generale and its teams seek to build, day after day, together with its clients, a better and sustainable future through responsible and innovative financial solutions.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 117,000 members of staff in 66 countries and supports on a daily basis 25 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- **French Retail Banking** with the SG bank, resulting from the merger of the two Societe Generale and Crédit du Nord networks, and Boursorama. Each offers a full range of financial services with omnichannel products at the cutting edge of digital innovation;
- **International Retail Banking, Insurance and Financial Services**, with networks in Africa, Central and Eastern Europe and specialised businesses that are leaders in their markets;
- **Global Banking and Investor Solutions**, which offers recognised expertise, key international locations and integrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (Europe), FTSE4Good (Global and Europe), Bloomberg Gender-Equality Index, Refinitiv Diversity and Inclusion Index, Euronext Vigeo (Europe and Eurozone), STOXX Global ESG Leaders indexes, and the MSCI Low Carbon Leaders Index (World and Europe).

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