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).

3,350,000 European Style Cash Settled Long Certificates relating to

the Class Z ordinary shares of Bilibili Inc.

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$1.20 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 products[1] 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) the Company is controlled through weighted voting rights. Certain individuals who own shares of a class which is being given more votes per share may have the ability to determine the outcome of most matters. If the Company takes actions that the other shareholders do not view as beneficial, the market price of the Underlying Stock and hence the Certificates could be adversely affected;

(e) 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;

(f) 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;

(g) 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;

(h) 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;

(i) 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;

(j) 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;

(k) 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);

(l) 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);

(m) 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;

(n) 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;

(o) 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 sideway trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;

(p) 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);

(q) 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;

(r) 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;

(s) 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;

(t) 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;

(u) 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;

(v) 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;

(w) 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;

(x) 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;

(y) 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;

(z) 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;

(aa) 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;

(bb) 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;

(cc) 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;

(dd) 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;

(ee) 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

(ff) 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:	3,350,000 European Style Cash Settled Long Certificates relating to the Class Z ordinary shares of Bilibili Inc. traded in HKD (the "**Underlying Stock**")
ISIN:	LU2375061384
Company:	Bilibili Inc. (RIC: 9626.HK)
Underlying Price[3] and Source:	HK$116.5 (Reuters)
Calculation Agent:	Société Générale
Strike Level:	Zero
Daily Leverage:	5x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 1.20
Management Fee (p.a.)[4]:	0.40%
Gap Premium (p.a.)[5]:	9.00%, 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 27 February 2025
Expiry Date:	6 March 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:	5 March 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:	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to: Closing Level multiplied by the Notional Amount per Certificate 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.
Hedging Fee Factor:	In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of (1 – Management Fee x (ACT (t-1;t) ÷ 360)) x (1 – Gap Premium (t-1) x (ACT (t-1;t) ÷ 360)), where: “**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

	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 Rate[3]:	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:	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. 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.
Warrant Agent:	The Central Depository (Pte) Limited ("**CDP**")
Clearing System:	CDP
Fees and Charges:	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. 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.
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

$\mathbf{LSL_t}$	means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t). 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: On Observation Date(1): $\mathrm{LSL_1} = 1000$ On each subsequent Observation Date(t): $\mathrm{LSL_t} = \mathrm{Max}\left[\mathrm{LSL_{t-1}} \times \left(1 + \mathrm{LR_{t-1,t}} - \mathrm{FC_{t-1,t}} - \mathrm{RC_{t-1,t}}\right), 0\right]$
$\mathbf{LR_{t-1,t}}$	means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows: $\mathrm{LR_{t-1,t}} = \mathrm{Leverage} \times \left(\frac{\mathrm{S_t}}{\mathrm{S_{t-1}} \times Rfactor_t} - 1\right)$
$\mathbf{FC_{t-1,t}}$	means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows: $\mathrm{FC_{t-1,t}} = (\mathrm{Leverage} - 1) \times \frac{\mathrm{Rate_{t-1}} \times \mathrm{ACT(t-1,t)}}{\mathrm{DayCountBasisRate}}$
$\mathbf{RC_{t-1,t}}$	means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows: $\mathrm{RC_{t-1,t}} = \mathrm{Leverage} \times (\mathrm{Leverage} - 1) \times \left(\left\|\frac{\mathrm{S_t}}{\mathrm{S_{t-1}} \times Rfactor_t} - 1\right\|\right) \times \mathrm{TC}$
TC	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: 0.13% "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.
Leverage	5
$\mathbf{S_t}$	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.

$\mathbf{Rate_t}$ means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula:

$$\mathrm{Rate_t} = \mathrm{CashRate_t} + \%\mathrm{SpreadLevel_t}$$

$\mathbf{Rfactor_t}$ 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:

$$Rfactor_t = 1 - \frac{Div_t}{\mathbf{S_{t-1}}}$$

where

Div_t 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.

$\mathbf{CashRate_t}$ means, in respect of each Observation Date(t), the Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC HIHKDOND= 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.

$\%\mathbf{SpreadLevel_t}$ 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 HIHKD1YD= and (2) Overnight HKD Hong Kong Interbank Offered Rate (HIBOR) Fixing, as published on Reuters RIC HIHKDOND= 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.

Provided that if such difference is negative, $\%\mathbf{SpreadLevel_t}$ 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	means, in respect of the Reference Rate any of the following has occurred or will occur: (i) a Reference Rate Cessation; (ii) an Administrator/Benchmark Event; or (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.
Reference Rate Cessation	means, for a Reference Rate, the occurrence of one or more of the following events: (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; (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 (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 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 ($\mathrm{LSL_{IRD}}$) should be computed as follows:

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

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

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

$\mathbf{ILSL_{IR(k)}}$

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

(1) for k = 1:

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

(2) for k > 1:

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

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

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

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

$\mathbf{IRC_{IR(k-1),IR(k)}}$	means the Intraday Rebalancing Cost of the Leverage Strategy in respect of IR(k) on a given Intraday Restrike Date, calculated as follows: $\mathrm{IRC_{IR(k-1),IR(k)}} = \mathrm{Leverage} \times (\mathrm{Leverage} - 1) \times \left(\left\|\frac{\mathrm{IS_{IR(k)}}}{\mathrm{IS_{IR(k-1)}}} - 1\right\|\right) \times \mathrm{TC}$
$\mathbf{IS_{IR(k)}}$	means the Underlying Stock Price in respect of IR(k) computed as follows: (1) for k=0 $\mathrm{IS_{IR(0)}} = \mathrm{S_{IRD-1}} \times \mathrm{Rfactor_{IRD}}$ (2) for k=1 to n means in respect of IR(k), the lowest price of the Underlying Stock during the respective Intraday Restrike Observation Period (3) with respect to IR(C) $\mathrm{IS_{IR(C)}} = \mathrm{S_{IRD}}$ In each case, subject to the adjustments and provisions of the Conditions.
IR(k)	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; For k=1 to n, means the k^{th} Intraday Restrike Event on the relevant Intraday Restrike Date.
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	means in respect of an Observation Date(t): (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 $\mathbf{IS_{IR(0)}}$ as of such Calculation Time. (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 $\mathbf{IS_{IR(k)}}$ as of such Calculation Time.
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 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.

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.

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:	Bilibili Inc.
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	3,350,000 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

Daily Fees	=	**Daily Management Fee Adjustment**
		1 – Management Fee x ACT (t-1;t) / 360
		x
		Daily Gap Premium Adjustment
		1 – Gap Premium (t-1) x ACT (t-1;t) / 360

Illustration of the Calculation of Cash Settlement Amount

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

		t[7]=0		t=1		t=2		t=i
Value of Certificates	=	Notional Amount	x	Leverage Strategy daily performance[8] x Daily Fees	x	Leverage Strategy daily performance x Daily Fees	x …	Leverage Strategy Daily performance x Daily Fees

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

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

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:	Class Z ordinary shares of Bilibili Inc. 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:	**1.20 SGD**
Notional Amount per Certificate:	**1.20 SGD**
Management Fee (p.a.):	**0.40%**
Gap Premium (p.a.):	**9.00%**
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:

HFF(0) = 100%

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

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

$$\text{HFF}(1) = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 9.00\% \times \frac{1}{360}\right)$$

$$\text{HFF}(1) = 100\% \times 99.9989\% \times 99.9750\% \approx 99.9739\%$$

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

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

$$\text{HFF}(2) = 99.9739\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 9.00\% \times \frac{3}{360}\right)$$

$$\text{HFF}(2) = 99.9739\% \times 99.9967\% \times 99.9250\% \approx 99.8956\%$$

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 99.6090% as illustrated below:

Date	HFF
3/7/2018	100.0000%
4/7/2018	99.9739%
5/7/2018	99.9478%
6/7/2018	99.9217%
9/7/2018	99.8434%
10/7/2018	99.8173%
11/7/2018	99.7913%
12/7/2018	99.7652%
13/7/2018	99.7392%
16/7/2018	99.6611%
17/7/2018	99.6350%
18/7/2018	99.6090%

Cash Settlement Amount

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

Closing Level = [(Final Reference Level x Final Exchange Rate) / (Initial Reference Level x Initial Exchange Rate) – Strike Level] x Hedging Fee Factor

= [(1200 x 1) / (1000 x 1) – 0] x 99.6090%

= 119.53%

Cash Settlement Amount = Closing Level x Notional Amount per Certificate

= 119.53% x 1.20 SGD

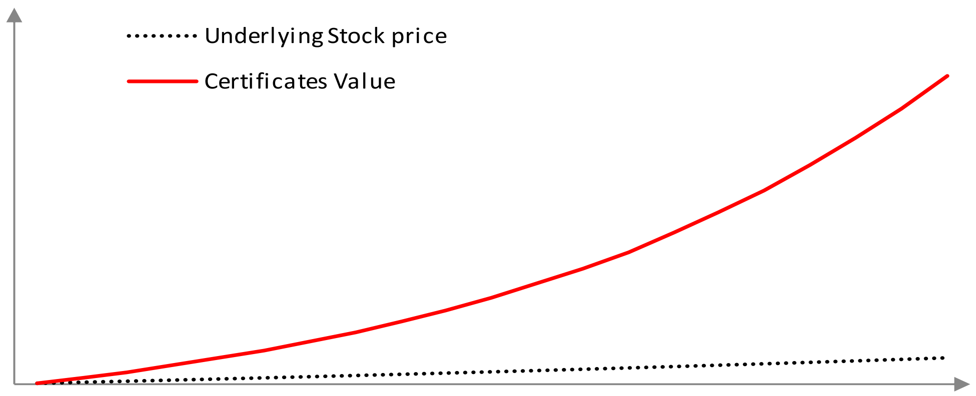
= 1.434 SGD

Illustration on how returns and losses can occur under different scenarios

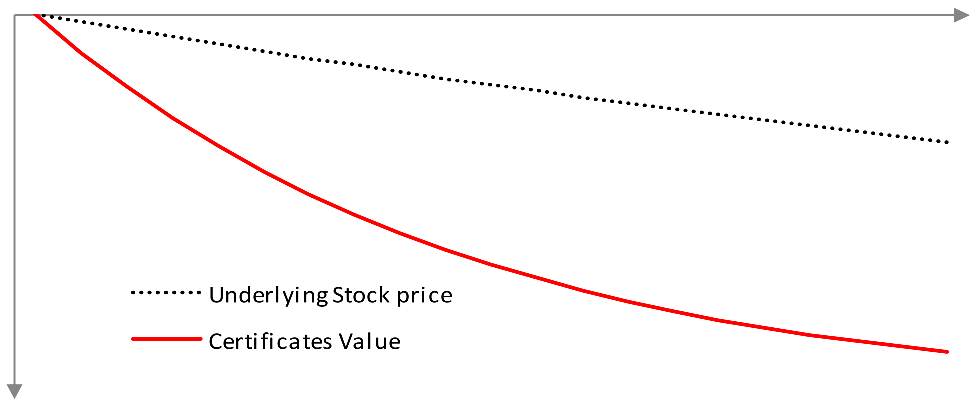
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, dividends,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

1. Illustrative examples

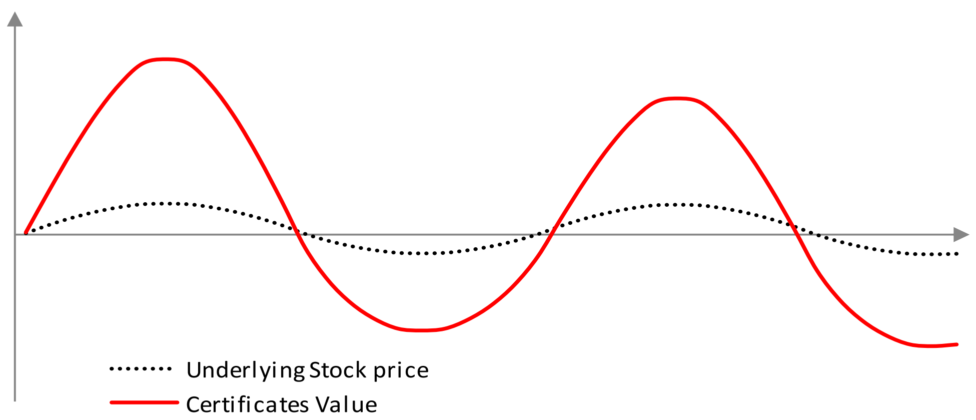
Scenario 1 – Upward Trend



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	1.20	1.32	1.45	1.60	1.76	1.93
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	1.20	1.08	0.97	0.87	0.79	0.71
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	1.20	1.32	1.19	1.31	1.18	1.29
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.

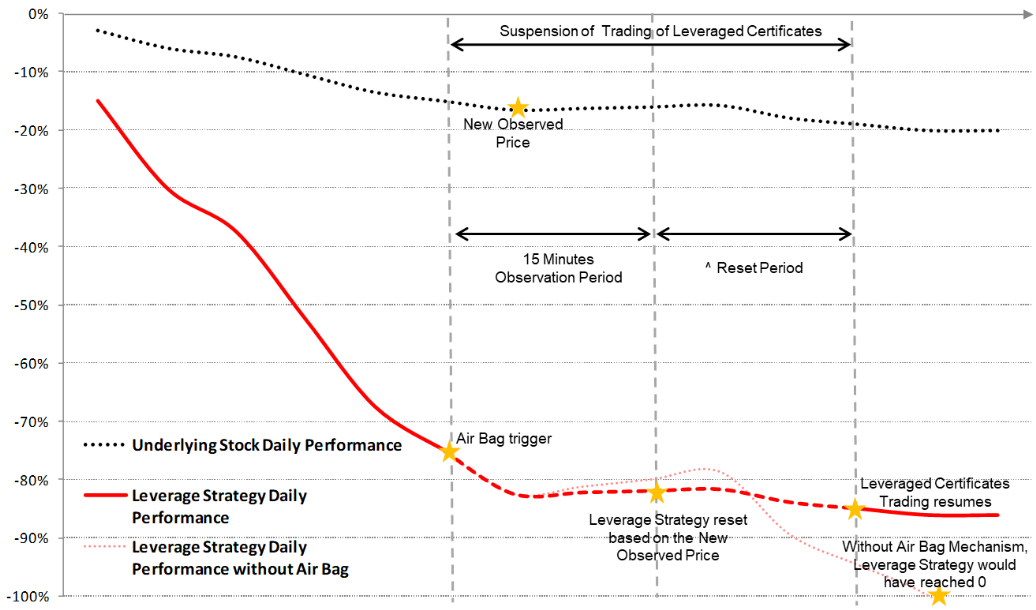
With **Market Close** defined as:

- 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

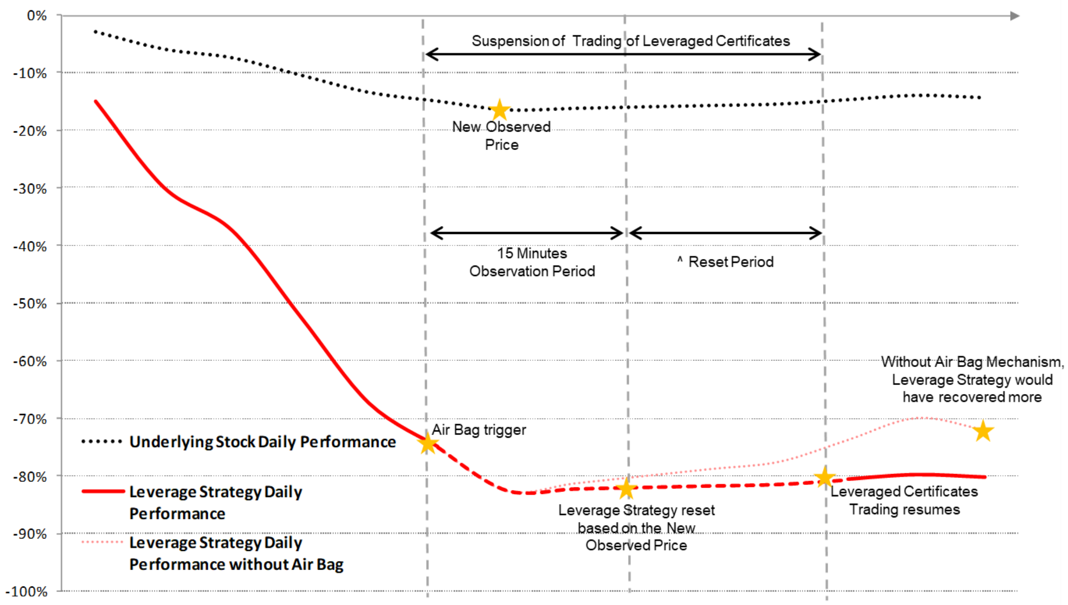
Illustrative examples of the Air Bag Mechanism[9]

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.

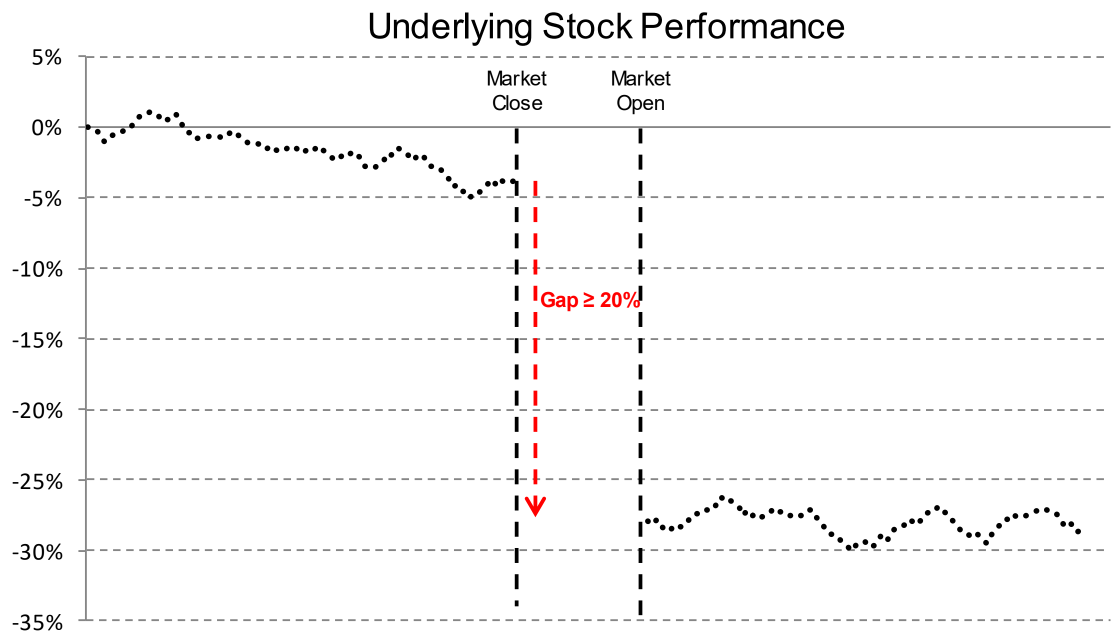
[9] The illustrative examples are not exhaustive.

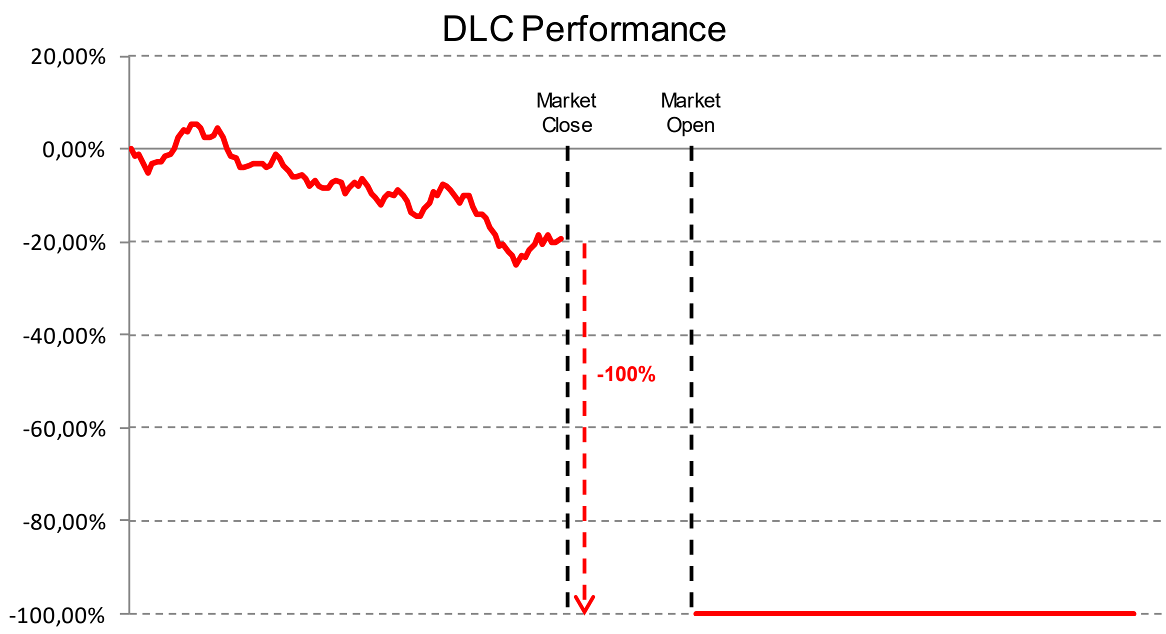
Scenarios where the investor may lose the entire value of the investment

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

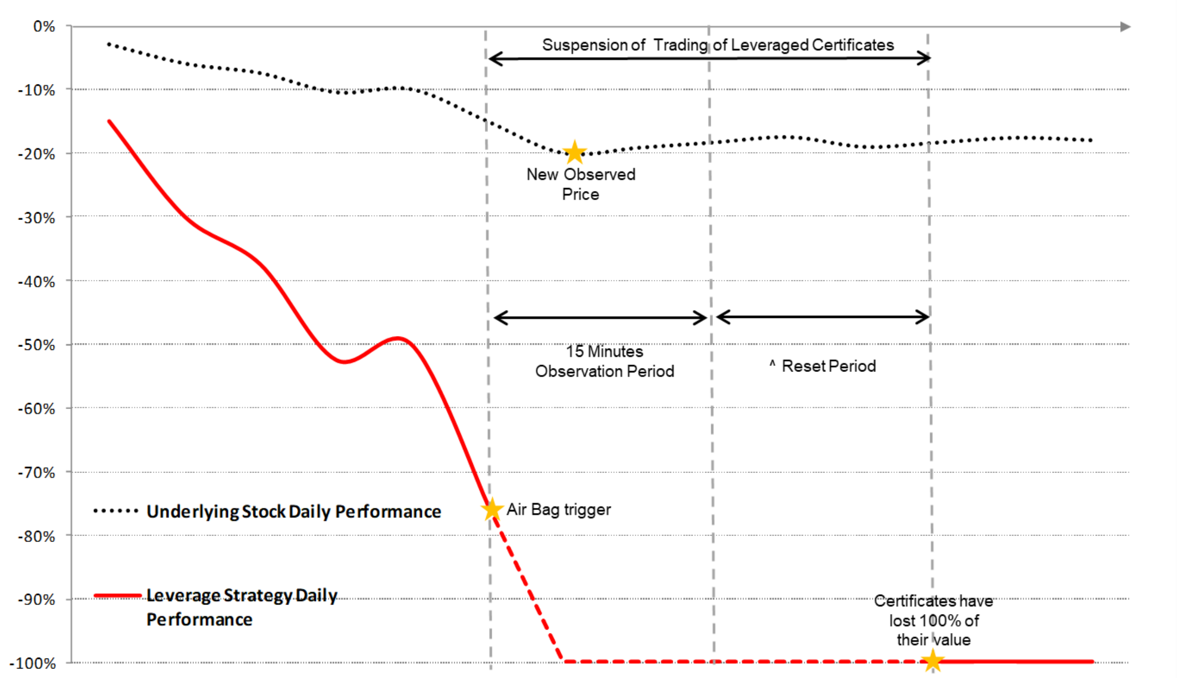
On any business day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous day. The difference between the previous closing price and the opening price of the Underlying Stock is termed a "gap". If the opening price of the Underlying Stock is 20% or more 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:

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

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:

$\mathrm{DivExc_t}$ 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. <u>Stock split</u>

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

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

$\mathrm{S_t}$ = \$51

$\mathrm{Div_t} = \$0$

$\mathrm{DivExc_t} = \$0$

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:

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

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)
1.20	1.32	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. <u>Share Consolidation</u>

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

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

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

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:

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

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)
1.20	1.26	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. <u>Rights Issues</u>

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

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

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

R = $40 (i.e. subscription price of $40)

M = 0.5 (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:

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

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)
1.20	1.50	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. <u>Bonus Issues</u>

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

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

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

R = $0

M = 0.2 (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:

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

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)
1.20	1.32	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. <u>Extraordinary Dividend</u>

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

S_{t-1} = $100

S_t = $84

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

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

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:

$$\mathrm{LR}_{t-1,t} = \mathrm{Leverage} \times \left(\frac{\mathrm{S}_t}{\mathrm{S}_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{84}{100 \times 80\%} - 1\right) = 25\%$$

S_{t-1}	$\mathrm{S}_{t-1} \times Rfactor_t$	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)
1.20	1.50	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://ir.bilibili.com/. The Issuer has not independently verified any of such information.*

Bilibili Inc. (the "**Company**") is a China-based company principally engaged in the Internet and other related businesses. The Company operates its business through four segments. The Mobile Games segment mainly publishes mobile games on its platform for third-party game developers which are free to download and play with Bilibili accounts. The Advertising segment is mainly engaged in display advertising arrangements business. The Live broadcasting and Value-added services (VAS) segment mainly generates revenue from subscription fee of premium membership program, sales of in-channel virtual items and sales of paid content and virtual items on its video, audio and comic platforms. The E-commerce and Others segment mainly engages in the online sales of anime, comics and games (AGG)-related merchandise and offline performance events and activities.

The information set out in Appendix I of this document relates to the unaudited interim consolidated 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 released on 29 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 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 INTERIM CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023 OF BILIBILI INC. AND ITS SUBSIDIARIES

The information set out below is a reproduction of the unaudited interim consolidated 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 released on 29 August 2023 in relation to the same.

Unaudited Interim Condensed Consolidated Balance Sheet

(All amounts in thousands, except for share data)

	Notes	December 31, 2022 RMB	**June 30, 2023 RMB**	**June 30, 2023 US$ Note 2(d)**
Assets				
Current assets:				
Cash and cash equivalents		10,172,584	**5,686,852**	**784,253**
Time deposits		4,767,972	**5,712,014**	**787,723**
Restricted cash		14,803	**167,810**	**23,142**
Accounts receivable, net	4	1,328,584	**1,367,815**	**188,630**
Amount due from related parties	19	1,594,920	**1,207,285**	**166,492**
Prepayments and other current assets	5	1,950,573	**1,669,096**	**230,179**
Short-term investments	6	4,623,452	**2,899,822**	**399,904**
Total current assets		24,452,888	**18,710,694**	**2,580,323**
Non-current assets:				
Property and equipment, net	7	1,227,163	**929,803**	**128,226**
Production cost, net		1,929,622	**2,014,100**	**277,757**
Intangible assets, net	8	4,326,790	**3,952,713**	**545,104**
Deferred tax assets		43,591	**43,591**	**6,011**
Goodwill		2,725,130	**2,725,130**	**375,813**
Long-term investments, net	9	5,651,018	**5,223,492**	**720,352**
Other long-term assets		1,474,368	**1,295,834**	**178,704**
Total non-current assets		17,377,682	**16,184,663**	**2,231,967**
Total assets		41,830,570	**34,895,357**	**4,812,290**

Unaudited Interim Condensed Consolidated Balance Sheet

(All amounts in thousands, except for share data)

	Notes	December 31, 2022 RMB	**June 30, 2023 RMB**	**June 30, 2023 US$ Note 2(d)**
Liabilities				
Current liabilities:				
Accounts payable	11	4,291,656	**4,171,625**	**575,293**
Salary and welfare payable		1,401,526	**994,074**	**137,089**
Taxes payable	12	316,244	**300,330**	**41,417**
Short-term loan and current portion of long-term debt	13	6,621,386	**4,611,656**	**635,976**
Deferred revenue		2,819,323	**2,690,964**	**371,101**
Accrued liabilities and other payables	14	1,534,962	**1,609,350**	**221,940**
Amount due to related parties	19	108,307	**101,458**	**13,992**
Total current liabilities		17,093,404	**14,479,457**	**1,996,808**
Non-current liabilities:				
Long-term debt	15	8,683,150	**3,197,625**	**440,973**
Other long-term liabilities		814,429	**685,593**	**94,549**
Total non-current liabilities		9,497,579	**3,883,218**	**535,522**
Total liabilities		26,590,983	**18,362,675**	**2,532,330**

Unaudited Interim Condensed Consolidated Balance Sheet

(All amounts in thousands, except for share data)

	Notes	December 31, 2022 RMB	**June 30, 2023 RMB**	**June 30, 2023 US$ Note 2(d)**
Shareholders' equity				
Ordinary shares:				
Class Y Ordinary Shares (US$0.0001 par value; 100,000,000 shares authorized, 83,715,114 shares issued and outstanding as of December 31, 2022; US$0.0001 par value; 100,000,000 shares authorized, 83,715,114 shares issued and outstanding as of June 30, 2023)		52	**52**	**7**
Class Z Ordinary Shares (US$0.0001 par value; 9,800,000,000 shares authorized, 316,202,303 shares issued, 310,864,471 shares outstanding as of December 31, 2022; US$0.0001 par value; 9,800,000,000 shares authorized, 331,546,303 shares issued, 327,376,931 shares outstanding as of June 30, 2023)		201	**213**	**29**
Additional paid-in capital		36,623,161	**39,874,079**	**5,498,887**
Statutory reserves		36,173	**36,173**	**4,988**
Accumulated other comprehensive income		58,110	**278,052**	**38,345**
Accumulated deficit		(21,479,869)	**(23,654,262)**	**(3,262,072)**
Total Bilibili Inc.'s shareholders' equity		15,237,828	**16,534,307**	**2,280,184**
Noncontrolling interests		1,759	**(1,625)**	**(224)**
Total shareholders' equity		15,239,587	**16,532,682**	**2,279,960**
Total liabilities and shareholders' equity		41,830,570	**34,895,357**	**4,812,290**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Condensed Consolidated Statement of Operations and Comprehensive Loss

(All amounts in thousands, except for share and per share data)

	Notes	For the Six Months Ended June 30, 2022 RMB	2023 RMB	2023 US$ Note 2(d)
Net revenues				
Mobile games		2,404,054	**2,022,503**	**278,916**
Value-added services		4,155,650	**4,457,965**	**614,781**
Advertising		2,199,022	**2,844,644**	**392,294**
IP derivatives and others (formerly known as E-commerce and others)		1,204,304	**1,048,698**	**144,622**
Total net revenues	16	9,963,030	**10,373,810**	**1,430,613**
Cost of revenues		(8,417,504)	**(8,042,344)**	**(1,109,090)**
Gross profit		1,545,526	**2,331,466**	**321,523**
Operating expenses:				
Sales and marketing expenses		(2,425,888)	**(1,798,383)**	**(248,008)**
General and administrative expenses		(1,160,961)	**(1,111,394)**	**(153,268)**
Research and development expenses		(2,140,551)	**(2,074,033)**	**(286,022)**
Total operating expenses		(5,727,400)	**(4,983,810)**	**(687,298)**
Loss from operations		(4,181,874)	**(2,652,344)**	**(365,775)**
Other (expense)/income:				
Investment (loss)/income, net (including impairments)		(544,273)	**8,321**	**1,148**
Interest income		90,268	**298,300**	**41,137**
Interest expense		(123,612)	**(105,682)**	**(14,574)**
Exchange losses		(21,526)	**(16,552)**	**(2,283)**
Debt extinguishment gain		475,790	**282,442**	**38,951**
Others, net		67,251	**63,328**	**8,733**
Total other (expense)/income, net		(56,102)	**530,157**	**73,112**
Loss before tax		(4,237,976)	**(2,122,187)**	**(292,663)**
Income tax	10	(56,601)	**(55,590)**	**(7,666)**

Unaudited Interim Condensed Consolidated Statement of Operations and Comprehensive Loss

(All amounts in thousands, except for share and per share data)

		For the Six Months Ended June 30,		
		2022	**2023**	**2023**
		RMB	**RMB**	**US$**
	Notes			**Note 2(d)**
Net loss		(4,294,577)	**(2,177,777)**	**(300,329)**
Net loss attributable to:				
Bilibili Inc.'s shareholders		(4,288,909)	**(2,174,393)**	**(299,862)**
Noncontrolling interests		(5,668)	**(3,384)**	**(467)**
Net loss		(4,294,577)	**(2,177,777)**	**(300,329)**
Other comprehensive income:				
Foreign currency translation adjustments		334,244	**219,942**	**30,331**
Total other comprehensive income		334,244	**219,942**	**30,331**
Total comprehensive loss		(3,960,333)	**(1,957,835)**	**(269,998)**
Total comprehensive loss is attributable to:				
Bilibili Inc.'s shareholders		(3,954,665)	**(1,954,451)**	**(269,531)**
Noncontrolling interests		(5,668)	**(3,384)**	**(467)**
Total comprehensive loss		(3,960,333)	**(1,957,835)**	**(269,998)**
Net loss per share, basic	18	(10.88)	**(5.28)**	**(0.73)**
Net loss per share, diluted		(10.88)	**(5.28)**	**(0.73)**
Net loss per ADS, basic		(10.88)	**(5.28)**	**(0.73)**
Net loss per ADS, diluted		(10.88)	**(5.28)**	**(0.73)**
Weighted average number of ordinary shares, basic	18	394,142,409	**412,013,005**	**412,013,005**
Weighted average number of ordinary shares, diluted		394,142,409	**412,013,005**	**412,013,005**
Weighted average number of ADS, basic		394,142,409	**412,013,005**	**412,013,005**
Weighted average number of ADS, diluted		394,142,409	**412,013,005**	**412,013,005**
Share-based compensation expenses included in:				
Cost of revenues		38,112	**29,902**	**4,124**
Sales and marketing expenses		25,931	**29,166**	**4,022**
General and administrative expenses		282,875	**291,213**	**40,160**
Research and development expenses		187,642	**211,267**	**29,135**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Condensed Consolidated Statement of Changes in Shareholders' Equity

(All amounts in thousands, except for share data)

	Ordinary shares									
	Class Y Ordinary Shares		Class Z Ordinary Shares							
	Shares	Amount RMB	Shares	Amount RMB	Additional paid-in capital RMB	Statutory reserves RMB	Accumulated other comprehensive (loss)/income RMB	Accumulated deficit RMB	Noncontrolling interests RMB	Total shareholders' equity RMB
Balance at December 31, 2021	83,715,114	52	306,889,473	199	35,929,961	24,621	(279,862)	(13,971,304)	12,399	21,716,066
Net loss	–	–	–	–	–	–	–	(4,288,909)	(5,668)	(4,294,577)
Share-based compensation	–	–	–	–	534,560	–	–	–	–	534,560
Share issuance from exercise of share options	–	–	2,443,450	2	–	–	–	–	–	2
Repurchase of shares	–	–	(2,640,832)	(2)	(347,579)	–	–	–	–	(347,581)
Purchase of noncontrolling interests	–	–	45,000	–	–	–	–	–	–	–
Foreign currency translation adjustment	–	–	–	–	–	–	334,244	–	–	334,244
Balance at June 30, 2022	83,715,114	52	306,737,091	199	36,116,942	24,621	54,382	(18,260,213)	6,731	17,942,714

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Condensed Consolidated Statement of Changes in Shareholders' Equity

(All amounts in thousands, except for share data)

	Ordinary shares									
	Class Y Ordinary Shares		Class Z Ordinary Shares							
	Shares	Amount	Shares	Amount	Additional paid-in capital	Statutory reserves	Accumulated other comprehensive (loss)/income	Accumulated deficit	Noncontrolling interests	Total shareholders' equity
		RMB		RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance at December 31, 2022	83,715,114	52	308,223,639	201	36,623,161	36,173	58,110	(21,479,869)	1,759	15,239,587
Net loss	–	–	–	–	–	–	–	(2,174,393)	(3,384)	(2,177,777)
Share-based compensation	–	–	–	–	561,548	–	–	–	–	561,548
Share issuance from exercise of share options	–	–	1,168,460	2	–	–	–	–	–	2
Issuance of Class Z ordinary shares upon new ADS offering ("ADS offering")	–	–	15,344,000	10	2,689,370	–	–	–	–	2,689,380
Foreign currency translation adjustment	–	–	–	–	–	–	219,942	–	–	219,942
Balance at June 30, 2023	83,715,114	52	324,736,099	213	39,874,079	36,173	278,052	(23,654,262)	(1,625)	16,532,682

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Condensed Consolidated Statement of Cash Flows

(All amounts in thousands)

	For the Six Months Ended June 30,		
	2022	**2023**	**2023**
	RMB	**RMB**	**US$**
			Note 2(d)
Cash flows from operating activities:			
Net loss	(4,294,577)	**(2,177,777)**	**(300,329)**
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation of property and equipment	358,358	**402,827**	**55,552**
Amortization of intangible assets	1,248,729	**993,357**	**136,990**
Amortization of right-of-use assets	123,022	**89,023**	**12,277**
Amortization of debt issuance costs	24,048	**12,361**	**1,705**
Share-based compensation expenses	534,560	**561,548**	**77,441**
Allowance for doubtful accounts	80,483	**–**	**–**
Inventory provision	85,348	**30,328**	**4,182**
Deferred income taxes	(18,009)	**(11,250)**	**(1,551)**
Unrealized exchange losses	288	**1,484**	**205**
Unrealized fair value changes of investments	349,314	**(154,724)**	**(21,337)**
Loss on disposal of property and equipment	255	**646**	**89**
Gain on disposal of long-term investments and subsidiaries	(19,161)	**–**	**–**
Termination expenses of certain game projects	109,054	**–**	**–**
Loss from equity method investments	74,289	**80,391**	**11,086**
Revaluation of previously held equity interests	(152,153)	**75,000**	**10,343**
Impairments of long-term investments	99,280	**69,949**	**9,646**
Gain of convertible senior notes repurchase	(475,790)	**(282,442)**	**(38,951)**
Changes in operating assets and liabilities:			
Accounts receivable	(104,104)	**(55,833)**	**(7,700)**
Amount due from related parties	(63,015)	**27,693**	**3,819**
Prepayments and other assets	(195,501)	**168,806**	**23,279**
Other long-term assets	(218,243)	**162,872**	**22,461**
Accounts payable	553,373	**(113,788)**	**(15,692)**
Salary and welfare payable	(137,284)	**(407,452)**	**(56,190)**
Taxes payable	52,869	**(15,914)**	**(2,195)**
Deferred revenue	131,731	**(128,359)**	**(17,702)**
Accrued liabilities and other payables	(358,746)	**143,128**	**19,738**
Amount due to related parties	3,054	**(5,446)**	**(751)**
Other long-term liabilities	104,012	**(117,586)**	**(16,216)**
Net cash used in operating activities	(2,104,516)	**(651,158)**	**(89,801)**

Unaudited Interim Condensed Consolidated Statement of Cash Flows

(All amounts in thousands)

	For the Six Months Ended June 30,		
	2022	**2023**	**2023**
	RMB	**RMB**	**US$**
			Note 2(d)
Cash flows from investing activities:			
Purchase of property and equipment	(220,450)	**(51,521)**	**(7,105)**
Purchase of intangible assets	(852,199)	**(698,543)**	**(96,333)**
Purchase of short-term investments	(52,192,830)	**(6,682,864)**	**(921,609)**
Maturities of short-term investments	58,166,512	**8,893,434**	**1,226,461**
Cash consideration paid for purchase of subsidiaries, net of cash acquired	(1,093,353)	**(70,000)**	**(9,653)**
Cash paid for long-term investments including loans	(1,276,691)	**(45,994)**	**(6,343)**
Repayment of loans from investees	547,744	**275,078**	**37,935**
Cash received from disposal/return of investments	124,954	**82,856**	**11,426**
Placements of time deposits	(6,934,107)	**(5,503,040)**	**(758,904)**
Maturities of time deposits	3,082,530	**4,810,737**	**663,431**
Net cash (used in)/provided by investing activities	(647,890)	**1,010,143**	**139,306**
Cash flows from financing activities:			
Proceeds of short-term loans	711,371	**548,521**	**75,645**
Repayment of short-term loans	(494,428)	**(493,624)**	**(68,074)**
Purchase of noncontrolling interests	(56,741)	**—**	**—**
Proceeds from exercise of employees' share options	2	**2**	*
Proceeds from issuance of ordinary shares net of issuance costs	—	**2,689,380**	**370,882**
Repurchase of convertible senior notes	(1,268,630)	**(7,581,959)**	**(1,045,600)**
Repurchase of shares	(347,581)	**—**	**—**
Net cash used in financing activities	(1,456,007)	**(4,837,680)**	**(667,147)**
Effect of exchange rate changes on cash and cash equivalents and restricted cash held in foreign currencies	176,776	**145,970**	**20,132**
Net decrease in cash and cash equivalents and restricted cash	(4,031,637)	**(4,332,725)**	**(597,510)**
Cash and cash equivalents and restricted cash at beginning of the period	7,523,108	**10,187,387**	**1,404,905**
Cash and cash equivalents and restricted cash at end of the period	3,491,471	**5,854,662**	**807,395**

Unaudited Interim Condensed Consolidated Statement of Cash Flows

(All amounts in thousands)

	For the Six Months Ended June 30,		
	2022	**2023**	**2023**
	RMB	**RMB**	**US$**
			Note 2(d)
Supplemental disclosures of cash flows information:			
Cash paid for income taxes, net of tax refund	58,470	**84,210**	**11,613**
Cash paid for interest expense	109,912	**95,924**	**13,229**
Supplemental schedule of non-cash investing and financing activities:			
Property and equipment purchases financed by accounts payable	465,836	**87,364**	**12,048**
Acquisitions and investments financed by payables	124,865	**10,000**	**1,379**
Intangible assets purchases financed by payables	715,244	**461,623**	**63,661**

* Less than 1

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Notes to Unaudited Interim Condensed Consolidated Financial Information

1. OPERATIONS

Bilibili Inc. (the "Company" or "Bilibili") is an iconic brand and a leading video community for young generations in China. Incorporated as a limited liability company in the Cayman Islands in December 2013, the Company, through its consolidated subsidiaries, variable interest entities ("VIEs") and subsidiaries of the VIEs (collectively referred to as the "Group"), is primarily engaged in the operation of providing online entertainment services to users in the People's Republic of China (the "PRC" or "China").

In April 2018, the Company completed its IPO on the Nasdaq. In March 2021, the Company successfully listed its Class Z ordinary shares on the main board of the Stock Exchange. The Company issued a total 28,750,000 Class Z ordinary shares in the global offering, including the fully exercised over-allotment option of 3,750,000 Class Z ordinary shares. Net proceeds from the global offering, including the over-allotment option, after deducting underwriting fees and other offering expenses, were approximately HKD22.9 billion (RMB19.3 billion).

On October 3, 2022, the Company's voluntary conversion of its secondary listing status to primary listing on the main board of the Stock Exchange became effective. The Company became a dual-primary listed company on the main board of the Stock Exchange in Hong Kong and the Nasdaq in the United States.

In January 2023, the Company completed the offering of 15,344,000 ADSs at US$26.65 per ADS. The amount of net proceeds from such offering (after deducting all applicable costs and expenses including but not limited to selling commission) is approximately US$396.9 million (RMB2,689.4 million). Shortly thereafter, the Company completed repurchase of an aggregate principal amount of US$384.8 million of its outstanding 0.50% convertible senior notes due December 2026 with an aggregate purchase price of US$331.2 million (RMB2,243.8 million), which was funded by the net proceeds from the ADS Offering.

Notes to Unaudited Interim Condensed Consolidated Financial Information

1. OPERATIONS (Continued)

As of June 30, 2023, the Company's major subsidiaries, VIEs and subsidiaries of the VIEs are as follows:

Major Subsidiaries	Place and Year of Incorporation	Issued Share Capital	Percentage of Direct or Indirect Economic Ownership	Principal Activities
Bilibili HK Limited	Hong Kong, 2014	USD1	100	Investment holding
Hode HK Limited	Hong Kong, 2014	USD1	100	Investment holding
Chaodian HK Limited	Hong Kong, 2019	USD1	100	Investment holding
Bilibili Co., Ltd.	Japan, 2014	JPY80 million	100	Business development
Hode Shanghai Limited ("Hode Shanghai")	PRC, 2014	USD1.2 billion	100	Technology development[1]
Shanghai Bilibili Technology Co., Ltd.	PRC, 2016	USD2.5 billion	100	Technology development[1]
Chaodian (Shanghai) Technology Co., Ltd.	PRC, 2019	USD50 million	100	E-commerce and advertising[1]

Notes to Unaudited Interim Condensed Consolidated Financial Information

1. OPERATIONS (Continued)

Major VIEs and VIEs' subsidiaries	Place and Year of Incorporation Acquisition	Issued Share Capital	Percentage of Direct or Indirect Economic Interest	Principal Activities
Shanghai Hode Information Technology Co., Ltd. ("Hode Information Technology")	PRC, 2013	RMB11 million	100*	Mobile game operation[2]
Shanghai Kuanyu Digital Technology Co., Ltd. ("Shanghai Kuanyu")	PRC, 2014	RMB500 million	100*	Video distribution and game distribution[2]
Sharejoy Network Technology Co., Ltd. ("Sharejoy Network")	PRC, 2014	RMB10 million	100*	Game distribution[2]
Shanghai Hehehe Culture Communication Co., Ltd. ("Shanghai Hehehe")	PRC, 2014	RMB120 million	100*	Comics distribution[2]
Shanghai Anime Tamashi Cultural Media Co., Ltd. ("Shanghai Anime Tamashi")	PRC, 2015	RMB1 million	100*	E-commerce platform[2]

* Hode Shanghai is the primary beneficiary of the major VIEs and VIEs' subsidiaries.

1 These companies were established in the PRC in the form of wholly foreign-owned enterprises.

2 These companies were established in the PRC in the form of investment solely by legal corporations or controlled by natural person(s).

Notes to Unaudited Interim Condensed Consolidated Financial Information

1. OPERATIONS (Continued)

The following combined financial information of the Group's VIEs and VIEs' subsidiaries as of December 31, 2022 and June 30, 2023 and for the six months ended June 30, 2022 and 2023 included in the accompanying unaudited interim condensed consolidated financial statements of the Group was as follows:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Cash and cash equivalents	1,590,440	**1,672,130**
Time deposits	4,186	**4,355**
Accounts receivable, net	619,927	**589,293**
Amounts due from Group companies	507,849	**480,920**
Amount due from related parties	119,857	**8,823**
Prepayments and other current assets	883,903	**722,782**
Short-term investments	272,340	**313,867**
Long-term investments, net	1,852,740	**1,758,207**
Other non-current assets	5,852,315	**5,586,980**
Total assets	11,703,557	**11,137,357**
Accounts payable	3,452,192	**3,257,024**
Salary and welfare payables	343,786	**250,582**
Taxes payable	165,162	**144,158**
Short-term loans	400,000	**400,000**
Deferred revenue	2,138,539	**1,984,485**
Accrued liabilities and other payables	531,188	**554,947**
Amounts due to the Group companies	12,415,760	**12,864,563**
Amounts due to related parties	27,929	**18,826**
Other long-term payable	269,623	**285,522**
Total liabilities	19,744,179	**19,760,107**
Total Bilibili Inc's shareholders' deficit	(8,042,238)	**(8,621,082)**
Noncontrolling interests	1,616	**(1,668)**
Total shareholders' deficit	(8,040,622)	**(8,622,750)**
Total liabilities and shareholders' deficit	11,703,557	**11,137,357**

Notes to Unaudited Interim Condensed Consolidated Financial Information

1. OPERATIONS (Continued)

	For the Six Months Ended June 30,	
	2022	**2023**
	RMB in thousands	
Third-party revenues	6,933,942	**6,717,237**
Inter-company revenues	368,381	**477,102**
Total revenues	7,302,323	**7,194,339**
Net loss	(1,914,824)	**(573,451)**

	For the Six Months Ended June 30,	
	2022	**2023**
	RMB in thousands	
Net cash (used in)/provided by operating activities	(119,504)	**208,961**
Net cash used in investing activities	(1,432,746)	**(119,992)**
Net cash provided by financing activities	1,724,155	**9,498**

Notes to Unaudited Interim Condensed Consolidated Financial Information

1. OPERATIONS (Continued)

Liquidity

The Group incurred net losses of RMB4,294.6 million and RMB2,177.8 million for the six months ended June 30, 2022 and 2023, respectively. Net cash used in operating activities was RMB2,104.5 million and RMB651.2 million for the six months ended June 30, 2022 and 2023, respectively. Accumulated deficit was RMB21,479.9 million and RMB23,654.3 million as of December 31, 2022 and June 30, 2023, respectively. The Group assesses its liquidity by its ability to generate cash from operating activities and attract investors' investments. Historically, the Group has relied principally on both operational sources of cash and non-operational sources of financing from investors to fund its operations and business development. The Group's ability to continue as a going concern is dependent on management's ability to successfully execute its business plan, which includes increasing revenues while controlling operating expenses, as well as, generating operational cash flows and continuing to gain support from outside sources of financing. In the past, the Group has been continuously receiving financing support from outside investors. In January 2023, the Company completed an offering of 15,344,000 American depositary shares (the "ADS Offering"). The amount of net proceeds from the Offering (after deducting all applicable costs and expenses including but not limited to selling commission) is approximately US$396.9 million (RMB2,689.4 million). Shortly thereafter, the Company completed repurchase of an aggregate principal amount of US$384.8 million of its outstanding 0.50% convertible senior notes due December 2026 with the aggregate purchase price of US$331.2 million (RMB2,243.8 million), which was funded by the net proceeds from the ADS Offering. And the remaining net proceeds, after deducting selling commissions of the ADS Offering is US$68.8 million. Moreover, the Group can adjust the pace of its operation expansion and control the operating expenses. Based on the above considerations, the Group believes the cash and cash equivalents and the operating cash flows are sufficient to meet the cash requirements to fund planned operations and other commitments for at least the next twelve months from the date of the issuance of the unaudited interim condensed consolidated financial statements. The Group's unaudited interim condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

Notes to Unaudited Interim Condensed Consolidated Financial Information

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

The accompanying unaudited interim condensed consolidated financial statements and related disclosures have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to interim financial information and the disclosure requirements of the Rules Governing the Listing of Securities on The HKEx, as amended, supplemented or otherwise modified from time to time (the "HK Listing Rules").

The December 31, 2022 balance sheet data was derived from audited consolidated financial statements; however, the accompanying interim notes to the unaudited interim condensed consolidated financial information do not include all of the annual disclosures required by U.S. GAAP. Results for interim periods are not necessarily indicative of those that may be expected for a full year. The financial information included herein should be read in conjunction with the Company's audited consolidated financial statements for the preceding fiscal year. The accounting policies applied are consistent with those of the audited consolidated financial statements for the preceding fiscal year.

b) Principles of consolidation

The unaudited interim condensed consolidated financial statements include the financial statements of the Company, its subsidiaries and VIEs (inclusive of the VIEs' subsidiaries) for which the Company is the primary beneficiary.

Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power, has the power to appoint or remove the majority of the members of the board of directors, or to cast a majority of votes at the meeting of the board of directors, or has the power to govern the financial and operating policies of the investee under a statute or agreement among the shareholders or equity holders.

A consolidated VIE is an entity in which the Company's subsidiary, through contractual arrangements, has the power to direct the activities that most significantly impact the entity's economic performance, bears the risks of and enjoys the rewards normally associated with ownership of the entity, and therefore the Company's subsidiary is the primary beneficiary of the entity.

All transactions and balances among the Company, its subsidiaries and VIEs (inclusive of the VIEs' subsidiaries) have been eliminated upon consolidation. There is no VIE in the Group where the Company or any subsidiary has a variable interest but is not the primary beneficiary.

Notes to Unaudited Interim Condensed Consolidated Financial Information

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Use of estimates

The preparation of the Group's unaudited interim condensed consolidated financial statements in conformity with the U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the balance sheet date and reported revenues and expenses during the reported periods in the unaudited interim condensed consolidated financial statements and accompanying notes. Significant accounting estimates include, but are not limited to, determination of the average playing period for paying players, and assessment for the impairment of long-term investments accounted for using the measurement alternative.

d) Functional currency and foreign currency translation

The Group uses Renminbi ("RMB") as its reporting currency. The Company and several of its overseas subsidiaries use US$ or their respective local currencies as their functional currency. The functional currency of the Group's PRC entities is RMB. In the unaudited interim condensed consolidated financial statements, the financial information of the Company and other entities located outside of the PRC have been translated into RMB. Assets and liabilities are translated at the exchange rates on the balance sheet date, equity amounts are translated at historical exchange rates, and revenues, expenses, gains and losses are translated using the average rate for the period. Translation adjustments are reported as foreign currency translation adjustments, and are shown as a component of other comprehensive income on the unaudited interim condensed consolidated statement of operations and comprehensive loss. Foreign currency transactions denominated in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the applicable exchange rates at the balance sheet dates. Net gains and losses resulting from foreign exchange transactions are included in exchange losses on the unaudited interim condensed consolidated statement of operations and comprehensive loss.

e) Convenience Translation

Translations of balances on the unaudited interim condensed consolidated balance sheet, unaudited interim condensed consolidated statement of operations and comprehensive loss and unaudited interim condensed consolidated statement of cash flows from RMB into US$ as of and for the six months ended June 30, 2023 are solely for the convenience of the reader and were calculated at the rate of US$1.00 = RMB7.2513, representing the noon buying rate in The City of New York for cable transfers of RMB as certified for customs purposes by the Federal Reserve Bank of New York on June 30, 2023. No representation is made that the RMB amounts represent or could have been, or could be, converted, realized or settled into US$ at that rate on June 30, 2023, or at any other rate.

Notes to Unaudited Interim Condensed Consolidated Financial Information

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Contract Balances

Due to the generally short-term duration of the relevant contracts, the majority of the performance obligations are satisfied within one year. The amount of revenue recognized that was included in the receipts in advance balance at the beginning of the period was RMB2,284.0 million and RMB2,397.8 million for the six months ended June 30, 2022 and 2023, respectively. The Group did not have any arrangement where the performance obligations had already been satisfied in the past period but recognized the corresponding revenue in the current period for the six months ended June 30, 2022 and 2023.

g) Receivables, net

The following table sets out movements of the allowance against accounts receivable, amount due from related parties and other receivables recorded in prepayments and other current assets within the scope of ASC Topic 326 as of December 31, 2022 and June 30, 2023:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Beginning balance	292,473	**305,535**
Provisions	130,549	**—**
Write-offs	(117,487)	**(19,727)**
Ending balance	305,535	**285,808**

Notes to Unaudited Interim Condensed Consolidated Financial Information

3. CONCENTRATIONS AND RISKS

a) Telecommunications service provider

The Group relied on telecommunications service providers and their affiliates for servers and bandwidth services to support its operations for the six months ended June 30, 2022 and 2023 was as follows:

	For the Six Months Ended June 30,	
	2022	**2023**
Total number of telecommunications service providers	119	**104**
Number of service providers providing 10% or more of the Group's servers and bandwidth expenditure	3	**2**
Total percentage of the Group's servers and bandwidth expenditure provided by 10% or greater service providers	49%	**24%**

b) Foreign currency exchange rate risk

The functional currency and the reporting currency of the Company are U.S. dollars and RMB, respectively. The Group's exposure to foreign currency exchange rate risk primarily relates to cash and cash equivalents, time deposits, short-term and long-term investments, and convertible senior notes and accounts payable denominated in the U.S. dollars. Most of the Group's revenues, costs and expenses are denominated in RMB, while the convertible senior notes and a portion of cash and cash equivalents, time deposits, short-term and long-term investments, and accounts payable are denominated in U.S. dollars. Any significant fluctuation of RMB against U.S. dollars may materially and adversely affect the Company's cash flows, revenues, earnings and financial positions.

Notes to Unaudited Interim Condensed Consolidated Financial Information

3. CONCENTRATIONS AND RISKS (Continued)

c) Credit risk

The Group's financial instruments potentially subject to significant concentrations of credit risk primarily consist of cash and cash equivalents, restricted cash, time deposits, accounts receivable, and money market funds (recorded in the short-term investments) and financial products (recorded in the short-term and long-term investments) with variable interest rates referenced to performance of underlying assets issued by commercial banks and other financial institutions. As of December 31, 2022 and June 30, 2023, substantially all of the Group's cash and cash equivalents, restricted cash and time deposits were held in major financial institutions located in the United States of America and China, which management consider being of high credit quality. Accounts receivable is typically unsecured and is primarily derived from revenue earned from mobile game services (mainly relates to remittances due from payment channels and distribution channels) and advertising services. There was no individual payment channel that had receivable balance exceeding 10% of the Group's accounts receivable balance as of December 31, 2022 and June 30, 2023. There was no distribution channel that had receivable balance exceeding 10% of the Group's accounts receivable balance as of December 31, 2022. One distribution channel had receivable balance exceeding 10% of the Group's accounts receivable balance as of June 30, 2023.

RMB in thousands	December 31, 2022	**June 30, 2023**
Distribution channel A	N/A	**210,496**

d) Major customers and supplying channels

No single customer represented 10% or more of the Group's net revenues for the six months ended June 30, 2022 and 2023, respectively.

The Group relied on a distribution channel to publish and generate the iOS version of its mobile games. There is no single distribution channel of mobile games generated 10% or more of the Group's net revenues for the six months ended June 30, 2022 and 2023, respectively.

Notes to Unaudited Interim Condensed Consolidated Financial Information

3. CONCENTRATIONS AND RISKS (Continued)

e) Mobile games

Mobile game revenues accounted for 24% and 19% of the Group's total net revenues for the six months ended June 30, 2022 and 2023, respectively.

No mobile game individually contributed more than 10% of the Group's total net revenues for the six months ended June 30, 2022 and 2023, respectively.

4. ACCOUNTS RECEIVABLE, NET

An aging analysis of the accounts receivable as of December 31, 2022 and June 30, 2023, based on the recognition date before provisions, is as follows:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Within 3 months	897,411	**990,486**
Between 3 months and 6 months	248,274	**268,720**
Between 6 months and 1 year	223,878	**180,121**
More than 1 year	180,895	**141,636**
Less: Provisions	(221,874)	**(213,148)**
Total	1,328,584	**1,367,815**

Notes to Unaudited Interim Condensed Consolidated Financial Information

5. PREPAYMENTS AND OTHER CURRENT ASSETS

The following is a summary of prepayments and other current assets:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Prepayments for revenue sharing cost*	559,178	**511,608**
Prepayments for sales tax	435,373	**462,455**
Inventories, net	437,451	**243,578**
Prepayments of marketing and other operational expenses	125,685	**107,273**
Interest income receivable	79,641	**102,789**
Loans to investees or ongoing investments	25,458	**28,254**
Prepayments for content cost	62,564	**42,569**
Prepayments to inventory suppliers	76,598	**34,643**
Deposits	31,461	**30,997**
Prepayments/receivables relating to jointly invested content	22,901	**26,339**
Others	94,263	**78,591**
Total	1,950,573	**1,669,096**

* App stores retain commissions on each purchase made by the users through the App stores. The Group is also obligated to pay ongoing licensing fees in form of royalties to the third-party game developers. Licensing fees consist of fees that the Group pays to content owners for the use of licensed content, including trademarks and copyrights, in the development of games. Licensing fees are either paid in advance and recorded on the balance sheets as prepayments or accrued as incurred and subsequently paid. Additionally, the Group defers the revenue from licensed mobile games over the estimated average playing period of paying players given that there is an implied obligation to provide on-going services to end-users.

Notes to Unaudited Interim Condensed Consolidated Financial Information

6. SHORT-TERM INVESTMENTS

The following is a summary of short-term investments:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Financial products	3,580,792	**2,166,985**
Investments in publicly traded companies	1,042,660	**732,837**
Total	4,623,452	**2,899,822**

The Group recorded investment loss of RMB368.7 million and investment income of RMB57.4 million related to short-term investments on the unaudited interim condensed consolidated statement of operations and comprehensive loss for the six months ended June 30, 2022 and 2023, respectively.

7. PROPERTY AND EQUIPMENT, NET

The following is a summary of property and equipment, net:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Leasehold improvements	282,007	**233,691**
Servers and computers	2,830,434	**2,927,668**
Others	64,595	**64,935**
Total	3,177,036	**3,226,294**
Less: accumulated depreciation	(1,949,873)	**(2,296,491)**
Net book value	1,227,163	**929,803**

Depreciation expenses were RMB358.4 million and RMB402.8 million for the six months ended June 30, 2022 and 2023, respectively. No impairment charge was recognized for any of periods presented.

Notes to Unaudited Interim Condensed Consolidated Financial Information

8. INTANGIBLE ASSETS, NET

The following is a summary of intangible assets, net:

	As of December 31, 2022		
	Gross carrying value	Accumulated amortization	Net carrying value
		RMB in thousands	
Licensed copyrights of content	7,131,626	(4,622,992)	2,508,634
License rights of mobile games	427,726	(300,659)	127,067
Intellectual property and others	2,337,508	(646,419)	1,691,089
Total	9,896,860	(5,570,070)	4,326,790

	As of June 30, 2023		
	Gross carrying value	**Accumulated amortization**	**Net carrying value**
		RMB in thousands	
Licensed copyrights of content	**7,420,902**	**(5,119,282)**	**2,301,620**
License rights of mobile games	**331,244**	**(260,968)**	**70,276**
Intellectual property and others	**2,393,006**	**(812,189)**	**1,580,817**
Total	**10,145,152**	**(6,192,439)**	**3,952,713**

Amortization expenses were RMB1,248.7 million and RMB993.4 million for the six months ended June 30, 2022 and 2023, respectively. No impairment charge was recognized for any of periods presented.

Notes to Unaudited Interim Condensed Consolidated Financial Information

9. LONG-TERM INVESTMENTS, NET

The Group's long-term investments primarily consist of equity investments accounted for using the measurement alternative, equity investments accounted for using the equity method and other investments accounted for at fair value.

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Equity investments accounted for using the measurement alternative	2,844,630	**2,750,862**
Equity investments accounted for using the equity method	1,923,144	**1,897,440**
Investments accounted for at fair value	883,244	**575,190**
Total	5,651,018	**5,223,492**

Equity investments accounted for using the measurement alternative

The Group elects to use measurement alternative for recording equity investments without readily determinable fair values at cost, less impairment, adjusted for subsequent observable price changes, in accordance with ASU 2016-01. Under this measurement alternative, changes in the carrying value of the equity investments will be recognized in current earning, whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer. For those equity investments that the Group elects to use the measurement alternative, the Group makes a qualitative assessment of whether the investment is impaired at each reporting date. If a qualitative assessment indicates that the investment is impaired, the Group has to estimate the investment's fair value in accordance with the principles of ASC 820. If the fair value is less than the investment's carrying value, the Group recognizes an impairment loss in "Investment (loss)/income, net (including impairments)" equal to the difference between the carrying value and fair value.

A gain of RMB152.2 million and a loss of RMB75.0 million re-measurement of equity investments accounted for using the measurement alternative was recognized for the six months ended June 30, 2022 and 2023, respectively.

Notes to Unaudited Interim Condensed Consolidated Financial Information

9. LONG-TERM INVESTMENTS, NET (Continued)

Equity investments using the measurement alternative (Continued)

The Group recorded impairment charges for long-term investments of RMB99.3 million and RMB69.9 million as “Investment (loss)/income, net (including impairments)” for the six months ended June 30, 2022 and 2023, respectively, as the investees’ unsatisfied financial performance with no obvious upturn or potential financing solutions in the foreseeable future, and the Group determined the fair value of these investments was less than their carrying value.

The Company disposes several equity investments of the Group with the carrying amount of RMB104.1 million and nil for the six months ended June 30, 2022 and 2023, respectively. The difference between the consideration and their carrying value was recognized as “Investment (loss)/income, net (including impairments).” RMB16.4 million and nil disposal gain was recognized for the six months ended June 30, 2022 and 2023, respectively.

Equity investments accounted for using the equity method

RMB74.3 million and RMB80.4 million of the Group’s proportionate share of equity investee’s net loss, was recognized in “Investment (loss)/income, net (including impairments)” for the six months ended June 30, 2022 and 2023, respectively.

Investments accounted for at fair value

Investments accounted for at fair value primarily include financial products with variable interest rates referenced to performance of underlying assets and with original maturities greater than one year and investments in publicly traded companies with an intention of holding greater than one year. A loss of RMB171.3 million and a gain of RMB167.7 million resulted from the change in fair value was recognized in “Investment (loss)/income, net (including impairments)” for the six months ended June 30, 2022 and 2023, respectively.

Notes to Unaudited Interim Condensed Consolidated Financial Information

10. TAXATION

Composition of income tax

The following table presents the composition of income tax expenses for the six months ended June 30, 2022 and 2023:

	For the Six Months Ended June 30,	
	2022	**2023**
	RMB in thousands	
Current income tax expenses	68,394	**57,719**
Withholding income tax expenses	6,216	**9,121**
Deferred tax benefits	(18,009)	**(11,250)**
Total	56,601	**55,590**

The Group's effective tax rate for the six months ended June 30, 2022 and 2023 was -1.3% and -2.6%, respectively. The effective tax rate is based on expected income and statutory tax rates. For interim financial reporting, the Group estimates the annual tax rate based on projected taxable income for the full year and records a quarterly income tax provision in accordance with the guidance on accounting for income taxes in an interim period. The Group did not incur any interest and penalties related to potential underpaid income tax expenses.

11. ACCOUNTS PAYABLE

An aging analysis of the accounts payable as of December 31, 2022 and June 30, 2023, based on the recognition date, after credit period, is as follows:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Within 3 months	2,977,735	**2,825,745**
Between 3 months and 6 months	623,799	**605,578**
Between 6 months and 1 year	392,474	**342,844**
More than 1 year	297,648	**397,458**
Total	4,291,656	**4,171,625**

The accounts payable is non-interest-bearing.

Notes to Unaudited Interim Condensed Consolidated Financial Information

12. TAXES PAYABLE

The following is a summary of taxes payable as of December 31, 2022 and June 30, 2023:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Enterprise income tax ("EIT") payable	109,864	**100,135**
Withholding income tax payable	55,854	**63,671**
Withholding individual income taxes for employees	46,739	**31,755**
Value added tax ("VAT") payable	58,624	**44,768**
Others	45,163	**60,001**
Total	316,244	**300,330**

13. SHORT-TERM LOAN AND CURRENT PORTION OF LONG-TERM DEBT

	Balance at December 31, 2022			**Balance at June 30, 2023**		
	Interest Rate Range	Maturity Date	Amount RMB in thousands	**Interest Rate Range**	**Maturity Date**	**Amount RMB in thousands**
Unsecured bank loans	3.10%~3.70%	Within 12 months	1,242,882	**3.10%~3.70%**	**Within 12 months**	**1,538,675**
Unsecured borrowing	3.79%	Within 12 months	240,871	**—**	**—**	**—**
April 2026 Notes (Note 15)	—	—	—	**1.38%**	**Within 12 months**	**3,072,981**
2027 Notes (Note 15)	1.25%	Within 12 months	5,137,633	**—**	**—**	**—**
Total			6,621,386			**4,611,656**

Notes to Unaudited Interim Condensed Consolidated Financial Information

14. ACCRUED LIABILITIES AND OTHER PAYABLES

The following is a summary of accrued liabilities and other payables as of December 31, 2022 and June 30, 2023:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Accrued marketing expenses	777,572	**735,994**
Payables to producers and licensors	159,950	**247,374**
Leasing liabilities-current portion	238,687	**186,098**
Professional fees	94,342	**126,458**
Accrued sales rebate	—	**114,595**
Deposit	48,637	**82,255**
Consideration payable for acquisitions and investments	110,518	**31,105**
Advances from/payables to third parties	6,420	**19,009**
Interest payable	17,731	**12,040**
Other staff related cost	5,372	**5,917**
Others	75,733	**48,505**
Total	1,534,962	**1,609,350**

15. CONVERTIBLE SENIOR NOTES

April 2026 Notes

In April 2019, the Group issued US$500.0 million of April 2026 Notes with an interest rate of 1.375% per annum. The net proceeds to the Company from the issuance of the April 2026 Notes were US$488.2 million (RMB3,356.1 million), net of issuance costs of US$11.8 million (RMB81.1 million). The April 2026 Notes may be converted, at an initial conversion rate of 40.4040 ADSs per US$1,000 principal amount (which represents an initial conversion price of US$24.75 per ADS) at each holder's option at any time prior to the close of business on the second business day immediately preceding the maturity date of April 1, 2026.

Holders of the April 2026 Notes may require the Company to repurchase all or part of their April 2026 Notes in cash on April 1, 2024 or in the event of certain fundamental changes at a repurchase price equal to 100% of the principal amount, plus accrued and unpaid interest.

Notes to Unaudited Interim Condensed Consolidated Financial Information

15. CONVERTIBLE SENIOR NOTES (Continued)

April 2026 Notes (Continued)

The issuance costs of the April 2026 Notes were amortized to interest expense over the contractual life to the maturity date (i.e., April 1, 2026). For the six months ended June 30, 2022 and 2023, the April 2026 Notes related interest expense was US$3.7 million (RMB23.8 million) and US$3.7 million (RMB25.5 million), respectively.

As of June 30, 2023, the carrying amount of RMB3,073.0 million (US$425.3 million) of the April 2026 Notes are short-term in nature because the April 2026 Notes holder had a non-contingent option to require the Group to repurchase for cash all or any portion of their April 2026 Notes within one year.

2027 Notes

In June 2020, the Group issued US$800.0 million of 2027 Notes with an interest rate of 1.25% per annum. The net proceeds to the Company from the issuance of the 2027 Notes were US$786.1 million (RMB5,594.8 million), net of issuance costs of US$13.9 million (RMB98.6 million). The 2027 Notes may be converted, at an initial conversion rate of 24.5516 ADSs per US$1,000 principal amount (which represents an initial conversion price of US$40.73 per ADS) at each holder's option at any time prior to the close of business on the second business day immediately preceding the maturity date of June 15, 2027.

Holders of the 2027 Notes may require the Company to repurchase all or part of their 2027 Notes in cash on June 15, 2023 and June 15, 2025, or in the event of certain fundamental changes at a repurchase price equal to 100% of the principal amount, plus accrued and unpaid interest.

The issuance costs of the 2027 Notes were amortized to interest expense over the contractual life to the maturity date (i.e., June 15, 2027). For the six months ended June 30, 2022 and 2023, the 2027 Notes related interest expense was US$6.0 million (RMB38.7 million) and US$5.0 million (RMB34.7 million), respectively.

December 2026 Notes

In November 2021, the Group issued US$1,600 million of December 2026 Notes with an interest rate of 0.50% per annum. The net proceeds to the Company from the issuance of the December 2026 Notes were US$1,576.6 million (RMB10.1 billion), net of issuance costs of US$23.4 million (RMB149.6 million). The December 2026 Notes may be converted, at an initial conversion rate of 10.6419 ADSs per US$1,000 principal amount (which represents an initial conversion price of US$93.97 per ADS) at each holder's option at any time prior to the close of business on the second business day immediately preceding the maturity date of December 1, 2026. Upon conversion, the Company will pay or deliver, as the case may be, cash, ADSs or a combination of cash and ADSs, at the Company's election. Holders of the Notes may elect to receive Class Z ordinary shares in lieu of any ADSs deliverable upon conversion.

Notes to Unaudited Interim Condensed Consolidated Financial Information

15. CONVERTIBLE SENIOR NOTES (Continued)

December 2026 Notes (Continued)

Holders of the December 2026 Notes may require the Company to repurchase all or part of their December 2026 Notes in cash on December 1, 2024, or in the event of certain fundamental changes at a repurchase price equal to 100% of the principal amount, plus accrued and unpaid interest.

The issuance costs of the December 2026 Notes were amortized to interest expense over the contractual life to the maturity date (i.e., December 1, 2026). For the six months ended June 30, 2022 and 2023, the December 2026 Notes related interest expense was US$5.7 million (RMB37.1 million) and US$1.7 million (RMB12.9 million), respectively.

The Company accounted for the April 2026 Notes, 2027 Notes and December 2026 Notes as single instruments as debt measured at its amortized cost, as none of the embedded features require bifurcation and recognition as derivatives and the April 2026 Notes, 2027 Notes and December 2026 Notes were not issued with a substantial premium. The issuance costs were recorded as an adjustment to the debt and are amortized as interest expense using the effective interest method.

As of December 31, 2022, and June 30, 2023, the principal amount of April 2026 Notes was RMB2,990.2 million and RMB3,102.3 million, respectively. The unamortized debt issuance costs were RMB33.4 million and RMB29.4 million as of December 31, 2022 and June 30, 2023, respectively.

As of December 31, 2022, and June 30, 2023, the principal amount of 2027 Notes was RMB5,195.6 million and RMB0.7 million, respectively. The unamortized debt issuance costs were RMB58.0 million and RMB6,669 as of December 31, 2022 and June 30, 2023, respectively.

As of December 31, 2022, and June 30, 2023, the principal amount of December 2026 Notes was RMB5,792.6 million and RMB3,229.3 million, respectively. The unamortized debt issuance costs were RMB66.3 million and RMB32.3 million as of December 31, 2022 and June 30, 2023, respectively.

For the six months ended June 30, 2022 and 2023, no April 2026 Notes, 2027 Notes and December 2026 Notes were converted.

For the six months ended June 30, 2022, the Company repurchased an aggregate principal amount of US$275.4 million (RMB1.8 billion) of December 2026 Notes for a total cash consideration of US$197.7 million (RMB1.3 billion), with the gain of US$74.0 million (RMB475.8 million).

For the six months ended June 30, 2023, the Company repurchased an aggregate principal amount of US$745.9 million 2027 Notes with the aggregate cash purchase price of US$745.9 million (RMB5,338.2 million) with the loss of US$7.6 million (RMB54.0 million) recognized for the six months ended June 30, 2023.

Notes to Unaudited Interim Condensed Consolidated Financial Information

15. CONVERTIBLE SENIOR NOTES (Continued)

For the six months ended June 30, 2023, the Company repurchased an aggregate principal amount of US$384.8 million of December 2026 Notes in the amount of US$331.2 million (RMB2,243.8 million) funded by the net proceeds from the ADS offering, with the gain of US$49.5 million (RMB336.5 million) recognized for the six months ended June 30, 2023.

The following table provides a summary of the Company's non-current portion of unsecured senior notes as of December 31, 2022 and June 30, 2023:

	December 31, 2022 Amounts	**June 30, 2023 Amounts**	Effective interest rate
	RMB in thousands		
April 2026 Notes	2,956,815	**—**	1.74%
2027 Notes	—	**658**	1.52%
December 2026 Notes	5,726,335	**3,196,967**	0.80%
Carrying value	8,683,150	**3,197,625**	
Unamortized discount and debt issuance costs	99,698	**32,301**	
Total principal amounts of unsecured senior notes	8,782,848	**3,229,926**	

16. REVENUE

The following table presents the Group's net revenues disaggregated by revenue sources:

	For the Six Months Ended June 30, 2022	**2023**
	RMB in thousands	
Mobile games	2,404,054	**2,022,503**
Value-added services	4,155,650	**4,457,965**
Advertising	2,199,022	**2,844,644**
IP derivatives and others (formerly known as E-commerce and others)	1,204,304	**1,048,698**
Total net revenues	9,963,030	**10,373,810**

Notes to Unaudited Interim Condensed Consolidated Financial Information

17. SHARE-BASED COMPENSATION

As of June 30, 2023, total unrecognized compensation expenses related to unvested service-based restricted share units ("RSUs") granted under the 2018 Plan, adjusted for estimated forfeitures, was RMB1,047.0 million, which is expected to be recognized over a weighted-average period of 4.9 years and may be adjusted for future changes in estimated forfeitures.

The following table presents a summary of the Group's service-based RSUs activities for the six months ended June 30, 2023:

	Total Number of shares (In thousands)	Weighted Average Grant date fair value US$
Outstanding at January 1, 2023	**1,967**	**24.59**
Granted	**6,151**	**21.23**
Exercised	**(13)**	**24.59**
Forfeited	**(277)**	**24.54**
Outstanding at June 30, 2023	**7,828**	**21.95**

Notes to Unaudited Interim Condensed Consolidated Financial Information

17. SHARE-BASED COMPENSATION (Continued)

As of June 30, 2023, total unrecognized compensation expenses related to unvested options granted under the Global Share Plan and the 2018 Plan, adjusted for estimated forfeitures, was RMB2,780.5 million, which is expected to be recognized over a weighted-average period of 3.1 years and may be adjusted for future changes in estimated forfeitures.

The following table presents a summary of the Group's share options activities for the six months ended June 30, 2023:

	Total Number of shares (In thousands)	Weighted Average Exercise Price US$
Outstanding at January 1, 2023	**21,910**	**2.0283**
Granted	**—**	**—**
Exercised	**(1,156)**	**0.0001**
Forfeited	**(781)**	**0.3065**
Outstanding at June 30, 2023	**19,973**	**2.2199**
Exercisable at June 30, 2023	**5,197**	**3.8365**

18. NET LOSS PER SHARE

For the six months ended June 30, 2022 and 2023, the Company had potential ordinary shares, including share options and RSUs granted and ordinary shares issuable upon the conversion of the April 2026 Notes, 2027 Notes and December 2026 Notes, where applicable. As the Group incurred losses for the six months ended June 30, 2022 and 2023, these potential ordinary shares were anti-dilutive and excluded from the calculation of diluted net loss per share.

For the six months ended June 30, 2022, the numbers of share options and the number of ordinary shares issuable upon the conversion of the April 2026 Notes, 2027 Notes and December 2026 Notes, which were anti-dilutive and excluded from the computation of diluted net loss per share, were 3,168,717 shares, 17,347,747 shares, 19,641,256 shares and 15,480,130 shares, respectively.

Notes to Unaudited Interim Condensed Consolidated Financial Information

18. NET LOSS PER SHARE (Continued)

For the six months ended June 30, 2023, the numbers of share options, RSUs and the number of ordinary shares issuable upon the conversion of the April 2026 Notes, 2027 Notes and December 2026 Notes, which were anti-dilutive and excluded from the computation of diluted net loss per share, were 1,987,963 shares, 29,875 shares, 17,347,182 shares, 16,696,622 shares and 5,004,820 shares, respectively.

The following table sets forth the computation of basic and diluted net loss per share for the six months ended June 30, 2022 and 2023:

	For the Six Months Ended June 30,	
	2022	**2023**
	RMB in thousands, except for share and per share data	
Numerator:		
Net loss	(4,294,577)	**(2,177,777)**
Net loss attributable to noncontrolling interests	5,668	**3,384**
Net loss attributable to Bilibili Inc.'s shareholders for basic/dilutive net loss per share calculation	(4,288,909)	**(2,174,393)**
Denominator:		
Weighted average number of ordinary shares outstanding, basic	394,142,409	**412,013,005**
Weighted average number of ordinary shares outstanding, diluted	394,142,409	**412,013,005**
Net loss per share, basic	(10.88)	**(5.28)**
Net loss per share, diluted	(10.88)	**(5.28)**

Notes to Unaudited Interim Condensed Consolidated Financial Information

19. RELATED PARTY TRANSACTIONS AND BALANCES

The Group entered into the following significant related party transactions for the periods presented:

	For the Six Months Ended June 30, 2022	**2023**
	RMB in thousands	
Purchases of goods and services	86,730	**123,340**
Repayment of loans from an entity ("Entity"[1])	—	**270,078**
Sales of goods and services	12,658	**5,941**
Interest income	31,241	**26,133**

The Group had the following significant related party balances as of December 31, 2022 and June 30, 2023, respectively:

	December 31, 2022	**June 30, 2023**
	RMB in thousands	
Amount due from related parties		
Due from investment funds[2]	103,689	**37,506**
Due from the Entity[1]	1,308,652	**1,040,968**
Due from other investees	182,579	**128,811**
Total	1,594,920	**1,207,285**
Amount due to related parties[3]	108,307	**101,458**

1. The Company established the Entity with an independent third party and two entities controlled by Mr. Rui Chen and Ms. Ni Li, respectively, to acquire the land use rights for a parcel of land in Shanghai for future construction. The balance as of December 31, 2022 and June 30, 2023 represents interest-bearing loans and interest expenses related to the Entity, which are non-trade in nature. The annual interest rates of the loans were from 3.3% to 4.15%.

2. The balances due from the investment funds, of which the Company is their limited partners, as of December 31, 2022 and June 30, 2023 were consideration receivables related to the equity investments transferred, which are non-trade in nature.

3. The balances as of December 31, 2022 and June 30, 2023 mainly represent considerations related to long-term investments, which are non-trade in nature.

Notes to Unaudited Interim Condensed Consolidated Financial Information

20. ACQUISITIONS

Transactions with one game development company ("Game Business")

In February 2022, the Company signed an agreement to acquire all of the equity interests in Game Business with a total cash consideration of RMB800.0 million. Upon the completion of this transaction, the Group held 100% of equity interests in the Game Business, which became a consolidated subsidiary of the Group.

The consideration of acquisition of Game Business was allocated based on their fair value of the assets acquired and the liabilities assumed as follows:

	Amount RMB in thousands	Amortization Period
Net assets acquired	333,830	
Intangible assets		
— Non-compete clause	111,000	6 years
— Others	50,965	5 years
Deferred tax liabilities	(40,491)	
Goodwill	344,696	
Total	800,000	

Total purchase price comprised of:

	Amount RMB in thousands
Cash consideration	800,000

Goodwill arising from this acquisition was attributable to the Group's strategy to expand its self-developed capacity in game development.

Notes to Unaudited Interim Condensed Consolidated Financial Information

20. ACQUISITIONS (Continued)

Other acquisitions

For the years ended December 31, 2022, the Group completed several other acquisitions, to complement its existing businesses and achieve synergies. The acquired entities individually and in aggregate were insignificant. The Group's other acquisitions are summarized in the following table:

	For the Year Ended December 31, 2022 Amount RMB in thousands	Amortization Period
Net assets acquired	85,369	
Intangible assets		
— Non-compete clause	9,000	6 years
— Others	61,000	1 to 6 years
Deferred tax liabilities	(17,500)	
Goodwill	42,131	
Total	180,000	

Total purchase price comprised of:

	Amount RMB in thousands
Cash consideration	150,000
Share consideration	—
Fair value of previously held equity interests	30,000
Total	180,000

Pro forma results of operations for all the acquisitions have not been presented because they were not material to the consolidated statement of operations and comprehensive loss for the six months ended June 30, 2022, either individually or in aggregate.

21. SUBSEQUENT EVENTS

There were no material subsequent events during the period from July 1, 2023 to the approval date of the Interim Financial Information.

Notes to Unaudited Interim Condensed Consolidated Financial Information

22. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS

The unaudited interim condensed consolidated financial statements are prepared in accordance with U.S. GAAP, which differ in certain respects from International Financial Reporting Standards ("IFRS"). The effects of material differences between the Historical Financial Information of the Group prepared under U.S. GAAP and IFRS are as follows:

Reconciliation of unaudited interim condensed consolidated statement of operations and comprehensive (loss)/income data

	For the six months ended June 30, 2023					
	Amounts as reported under U.S. GAAP	Convertible senior notes Note(i)	Leases Note(ii)	Equity investments using the measurement alternative Note(iii)	Share-based compensation Note(iv)	Amounts as reported under IFRS
	RMB in thousands					
Cost of revenues	(8,042,344)	–	–	–	(2,312)	(8,044,656)
Sales and marketing expenses	(1,798,383)	–	–	–	(961)	(1,799,344)
General and administrative expenses	(1,111,394)	–	16,673	–	(1,828)	(1,096,549)
Research and development expenses	(2,074,033)	–	–	–	(39,946)	(2,113,979)
Investment income, net (including impairments)	8,321	–	–	49,182	–	57,503
Fair value change of convertible senior notes	–	417,332	–	–	–	417,332
Interest expense	(105,682)	72,046	(15,633)	–	–	(49,269)
Debt extinguishment gain/(loss)	282,442	(282,442)	–	–	–	–
Net (loss)/income	(2,177,777)	206,936	1,040	49,182	(45,047)	(1,965,666)
Net (loss)/income attributable to the Bilibili Inc.'s shareholders	(2,174,393)	206,936	1,040	49,182	(45,047)	(1,962,282)
Total other comprehensive income/(loss)	219,942	(809,889)	–	4,641	–	(585,306)
Comprehensive (loss)/income attributable to the Bilibili Inc.'s shareholders	(1,954,451)	(602,953)	1,040	53,823	(45,047)	(2,547,588)

Notes to Unaudited Interim Condensed Consolidated Financial Information

22. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Reconciliation of unaudited interim condensed consolidated statement of operations and comprehensive (loss)/income data (Continued)

	For the six months ended June 30, 2022					
	Amounts as reported under U.S. GAAP	Convertible senior notes Note(i)	Leases Note(ii)	Equity investments using the measurement alternative Note(iii)	Share-based compensation Note(iv)	Amounts as reported under IFRS
	RMB in thousands					
Cost of revenues	(8,417,504)	–	–	–	(17,755)	(8,435,259)
Sales and marketing expenses	(2,425,888)	–	–	–	(6,881)	(2,432,769)
General and administrative expenses	(1,160,961)	–	23,090	–	(96,687)	(1,234,558)
Research and development expenses	(2,140,551)	–	–	–	(67,612)	(2,208,163)
Investment loss, net (including impairments)	(544,273)	–	–	(81,342)	–	(625,615)
Fair value change of convertible senior notes	–	4,723,786	–	–	–	4,723,786
Interest expense	(123,612)	102,483	(14,757)	–	–	(35,886)
Debt extinguishment gain/(loss)	475,790	(482,620)	–	–	–	(6,830)
Net (loss)/income	(4,294,577)	4,343,649	8,333	(81,342)	(188,935)	(212,872)
Net (loss)/income attributable to the Bilibili Inc.'s shareholders	(4,288,909)	4,343,649	8,333	(81,342)	(188,935)	(207,204)
Total other comprehensive income	334,244	267,186	–	9,243	–	610,673
Comprehensive (loss)/income attributable to the Bilibili Inc.'s shareholders	(3,954,665)	4,610,835	8,333	(72,099)	(188,935)	403,469

Notes to Unaudited Interim Condensed Consolidated Financial Information

22. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Reconciliation of unaudited interim condensed consolidated balance sheets data

	As of June 30, 2023					
	Amounts as reported under U.S. GAAP	Convertible senior notes Note(i)	Leases Note(ii)	Equity investments using the measurement alternative Note(iii)	Share-based compensation Note(iv)	Amounts as reported under IFRS
	RMB in thousands					
Assets						
Long-term investments, net	5,223,492	–	–	163,147	–	5,386,639
Other long-term assets	1,295,834	–	(11,637)	–	–	1,284,197
Total assets	34,895,357	–	(11,637)	163,147	–	35,046,867
Liabilities						
Short-term loan and current portion of long-term debt	4,611,656	74,011	–	–	–	4,685,667
Accrued liabilities and other payables	1,609,350	(12,011)	–	–	–	1,597,339
Long-term debt	3,197,625	(365,195)	–	–	–	2,832,430
Total liabilities	18,362,675	(303,105)	–	–	–	18,059,570
Total shareholders' equity	16,532,682	303,105	(11,637)	163,147	–	16,987,297

Notes to Unaudited Interim Condensed Consolidated Financial Information

22. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Reconciliation of unaudited interim condensed consolidated balance sheets data (Continued)

	As of December 31, 2022					
	Amounts as reported under U.S. GAAP	Convertible senior notes Note(i)	Leases Note(ii)	Equity investments using the measurement alternative Note(iii)	Share-based compensation Note(iv)	Amounts as reported under IFRS
	RMB in thousands					
Assets						
Long-term investments, net	5,651,018	–	–	109,324	–	5,760,342
Other long-term assets	1,474,368	–	(12,677)	–	–	1,461,691
Total assets	**41,830,570**	**–**	**(12,677)**	**109,324**	**–**	**41,927,217**
Liabilities						
Short-term loan and current portion of long-term debt	6,621,386	21,842	–	–	–	6,643,228
Accrued liabilities and other payables	1,534,962	(14,980)	–	–	–	1,519,982
Long-term debt	8,683,150	(912,920)	–	–	–	7,770,230
Total liabilities	**26,590,983**	**(906,058)**	**–**	**–**	**–**	**25,684,925**
Total shareholders' equity	**15,239,587**	**906,058**	**(12,677)**	**109,324**	**–**	**16,242,292**

Notes to Unaudited Interim Condensed Consolidated Financial Information

22. RECONCILIATION BETWEEN U.S. GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Notes:

(i) Convertible senior notes

Under U.S. GAAP, the convertible senior notes were measured at amortized cost, with any difference between the initial carrying value and the repayment amount recognized as interest expenses using the effective interest method over the period from the issuance date to the maturity date.

Under IFRS, the Group's convertible senior notes were designated as financial liabilities at fair value through profit or loss such that the convertible senior notes were initially recognized at fair values. Subsequent to initial recognition, the Group considered that the amounts of changes in fair value of the convertible senior notes that were attributed to changes in credit risk recognized in other comprehensive income, and the rest amounts of changes in fair value of the convertible senior notes were recognized in the profit or loss.

(ii) Leases

Under U.S. GAAP, the amortization of the right-of-use assets and interest expense related to the lease liabilities are recorded together as lease expense to produce a straight-line recognition effect in the income statement.

Under IFRS, the amortization of the right-of-use asset is on a straight-line basis while the interest expense related to the lease liabilities are measured on the basis that the lease liabilities are measured at amortized cost. The amortization of the right-of-use asset is recorded as lease expense and the interest expense is required to be presented in separate line item.

(iii) Equity investments using the measurement alternative

Under U.S. GAAP, the Group elects to use the measurement alternative to record equity investments without readily determinable fair values at cost, less impairment, and plus or minus subsequent adjustments for observable price changes.

Under IFRS, these investments were classified as financial assets at fair value through profit or loss and measured at fair value with changes in fair value recognized through profit or loss. Fair value changes of these investments were recognized in the profit or loss.

(iv) Share-based compensation

Under U.S. GAAP, for the options and RSUs granted to employees with service condition only, the share-based compensation expenses were recognized over the vesting period using straight-line method.

Under IFRS, for the options and RSUs granted to employees with service condition only, the graded vesting method must be applied.

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.

SOCIETE GENERALE

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."

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(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%*
Underlying net banking income(1)	*6,527*	*6,901*	*-5.4%*	*-6.8%**	*13,198*	*13,944*	*-5.3%*	*-5.0%**
Operating expenses	(4,441)	(4,325)	+2.7%	+1.1%*	(9,498)	(9,456)	+0.4%	+0.7%*
Underlying operating expenses(1)	*(4,461)*	*(4,450)*	*+0.2%*	*-1.3%**	*(8,662)*	*(8,598)*	*+0.7%*	*+1.0%**
Gross operating income	1,846	2,576	-28.3%	-29.6%*	3,460	4,488	-22.9%	-22.6%*
Underlying gross operating income(1)	*2,066*	*2,451*	*-15.7%*	*-16.8%**	*4,536*	*5,346*	*-15.2%*	*-14.7%**
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%*
Underlying operating income(1)	*1,900*	*2,234*	*-14.9%*	*-16.2%**	*4,188*	*4,568*	*-8.3%*	*-11.5%**
Net profits or losses from other assets	(81)	(3,292)	+97.5%	+97.5%*	(98)	(3,290)	+97.0%	+97.0%*
Underlying net profits or losses from other assets(1)	*(2)*	*11*	*n/s*	*n/s*	*(19)*	*13*	*n/s*	*n/s*
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
Underlying Group net income(1)	*1,159*	*1,481*	*-21.7%*	*-22.1%**	*2,667*	*3,019*	*-11.7%*	*-14.5%**
ROE	4.9%	-12.1%			4.9%	-3.5%		
ROTE	5.6%	-13.7%			5.6%	-4.0%		
Underlying ROTE(1)	*7.6%*	*10.2%*			*9.1%*	*10.5%*		

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%
Net banking income excl. PEL/CEL	*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%
Underlying operating expenses[(1)]	*(1,548)*	*(1,548)*	*+0.0%*	*(3,078)*	*(3,069)*	*+0.3%*
Gross operating income	481	738	-34.8%	749	1,211	-38.2%
Underlying gross operating income[(1)]	*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%
Underlying Group net income[(1)]	*200*	*491*	*-59.4%*	*433*	*934*	*-53.7%*
RONE	9.0%	17.4%		6.7%	14.1%	
Underlying RONE[(1)]	*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%.

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(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%*
Underlying operating expenses(1)	*(1,190)*	*(1,000)*	*+19.0%*	*+10.9%**	*(2,235)*	*(2,017)*	*+10.8%*	*+12.2%**
Gross operating income	1,196	1,246	-4.0%	-7.1%*	2,294	2,233	+2.7%	+4.1%*
Underlying gross operating income(1)	*1,173*	*1,222*	*-4.0%*	*-7.1%**	*2,340*	*2,281*	*+2.6%*	*+3.9%**
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%*
Underlying Group net income(1)	*575*	*674*	*-14.7%*	*-15.6%**	*1,175*	*1,073*	*+9.5%*	*-0.7%**
RONE	22.8%	26.0%			20.0%	19.4%		
Underlying RONE(1)	*22.3%*	*25.5%*			*20.4%*	*19.9%*		

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.

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(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%*
Underlying operating expenses(1)	*(1,668)*	*(1,755)*	*-4.9%*	*-3.9%**	*(3,271)*	*(3,366)*	*-2.8%*	*-2.5%**
Gross operating income	770	998	-22.8%	-21.9%*	1,485	1,581	-6.1%	-5.8%*
Underlying gross operating income(1)	*707*	*808*	*-12.5%*	*-11.2%**	*1,862*	*1,952*	*-4.6%*	*-4.4%**
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%*
Underlying Group net income(1)	*590*	*596*	*-1.0%*	*+0.6%**	*1,489*	*1,329*	*+12.0%*	*+12.3%**
RONE	18.1%	20.3%			16.8%	14.5%		
Underlying RONE(1)	*16.7%*	*16.3%*			*20.8%*	*18.5%*		

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)
Underlying net banking income(1)	(135)	(112)	(360)	(65)
Operating expenses	(226)	(294)	(468)	(472)
Underlying operating expenses(1)	*(55)*	*(148)*	*(78)*	*(145)*
Gross operating income	(601)	(406)	(1 068)	(537)
Underlying gross operating income(1)	*(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)
Underlying profits or losses from other assets(1)	-	-	(21)	-
Income tax	103	317	216	336
Reported Group net income	(602)	(3,474)	(1,001)	(3,632)
Underlying Group net income(1)	*(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
Of which related to French Retail Banking	*122*	*97*	*262*	*201*
Of which related to Global Banking & Investor Solutions	*8*	*25*	*19*	*39*
Of which related to Corporate Centre	*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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