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).

20,000,000 European Style Cash Settled Long Certificates relating to the ordinary shares of WuXi Biologics (Cayman) 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$0.40 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 16 November 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.

15 November 2023

[1] As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.
[2] As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

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

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

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

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

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

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

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RISK FACTORS

The following are risk factors relating to the Certificates:

(a) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;

(b) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;

(c) since the Certificates relate to the price of the Underlying Stock, certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may, in extreme circumstances, sustain a significant loss of their investment if the price of the Underlying Stock has fallen sharply;

(d) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the Underlying Stock, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor;

(e) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period;

(f) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;

(g) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined in the Conditions) may be delayed, all as more fully described in the Conditions;

(h) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the Conditions 4 and 6 on pages 32 to 37 and the examples and illustrations of adjustments set out in the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section of this document for more information;

(i) the Certificates are only exercisable on the Expiry Date and may not be exercised by Certificate Holders prior to such Expiry Date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero, a Certificate Holder will lose the value of his investment;

(j) the total return on an investment in any Certificate may be affected by the Hedging Fee Factor (as defined below), Management Fee (as defined below) and Gap Premium (as defined below);

(k) investors holding their position overnight should note that they would be required to bear the annualised cost which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy (as described below) including the Funding Cost (as defined below) and Rebalancing Cost (as defined below);

(l) investors should note that there may be an exchange rate risk relating to the Certificates where the Cash Settlement Amount is converted from a foreign currency into Singapore dollars.

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

(m) investors should note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock;

(n) when held for longer than a day, the performance of the Certificates could be more or less than the leverage factor that is embedded within the Certificates. The performance of the Certificates each day is locked in, and any subsequent returns are based on what was achieved the previous day. This process, referred to as compounding, may lead to a performance difference from 5 times the performance of the Underlying Stock over a period longer than one day. This difference may be amplified in a volatile market with a sideway trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;

(o) the Air Bag Mechanism (as defined below) is triggered only when the Underlying Stock is calculated or traded, which may not be during the trading hours of the Relevant Stock Exchange for the Certificates (as defined below);

(p) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;

(q) there is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment, in the event of (i) an overnight fall in the Underlying Stock, where there is a 20% or greater gap between the previous day closing price and the opening price of the Underlying Stock the following day, as the Air Bag Mechanism will only be triggered when market opens (including pre-opening session or opening auction, as the case may be) the following day or (ii) a sharp intraday fall in the price of the Underlying Stock of 20% or greater within the 15 minutes Observation Period compared to the reference price, being: (1) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (2) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. Investors may refer to pages 52 to 53 of this document for more information;

(r) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be less than the amount initially invested. Investors may refer to the Condition 13 on pages 38 to 40 of this document for more information;

(s) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;

(t) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders;

(u) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

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

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

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

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

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

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

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

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

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

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

(i) investors should note that no definitive certificate will be issued in relation to the Certificates;

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

(iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and

(iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;

(bb) the reform of HIBOR may adversely affect the value of the Certificates

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

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

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

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

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

(cc) the US Foreign Account Tax Compliance Act ("**FATCA**") withholding risk:

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

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

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

(dd) U.S. withholding tax

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

(ee) risk factors relating to the BRRD

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

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

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

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

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

Since November 2014, the European Central Bank ("**ECB**") has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism ("**SSM**"). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States' resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail- in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

TERMS AND CONDITIONS OF THE CERTIFICATES

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

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

Certificates:	20,000,000 European Style Cash Settled Long Certificates relating to the ordinary shares of WuXi Biologics (Cayman) Inc. traded in HKD (the "**Underlying Stock**")
ISIN:	LU2517554429
Company:	WuXi Biologics (Cayman) Inc. (RIC: 2269.HK)
Underlying Price[3] and Source:	HK$50.70 (Reuters)
Calculation Agent:	Société Générale
Strike Level:	Zero
Daily Leverage:	5x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 0.40
Management Fee (p.a.)[4]:	0.40%
Gap Premium (p.a.)[5]:	7.50%, 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:	8 November 2023
Closing Date:	15 November 2023
Expected Listing Date:	16 November 2023

[3] These figures are calculated as at, and based on information available to the Issuer on or about 15 November 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 15 November 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 6 November 2025
Expiry Date:	13 November 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:	12 November 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]: 0.1727

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.

<u>Leverage Strategy Formula</u>

$\mathbf{LSL_t}$ 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:	WuXi Biologics (Cayman) Inc.
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	20,000,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 16 June 2023 (the "**Master Instrument**") and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the "**Master Warrant Agent Agreement**") and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	In respect of each Certificate, is the amount (if positive) equal to: Notional Amount per Certificate x Closing Level
Denominations:	Certificates are represented by a global warrant in respect of all the Certificates.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates will be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates

Transfers of Certificates:	Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 16 November 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) <u>For Certificate Holders who trade the Certificates intraday</u>: 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) <u>For Certificate Holders who hold the Certificates overnight</u>: 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)

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

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

Final Value of Certificates = Notional Amount (t=0) 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:	Ordinary shares of WuXi Biologics (Cayman) 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:	**0.40 SGD**
Notional Amount per Certificate:	**0.40 SGD**
Management Fee (p.a.):	**0.40%**
Gap Premium (p.a.):	**7.50%**
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):

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

$$\mathrm{HFF}\ (1) =\ 100\%\ \times\left(1-\ 0.40\%\ \times\frac{1}{360}\right)\times\left(1-\ 7.50\%\ \times\frac{1}{360}\right)$$

$$\mathrm{HFF}\ (1) =\ 100\%\ \mathrm{x}\ 99.9989\%\ \mathrm{x}\ \ 99.9792\%\ \approx\ 99.9781\%$$

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

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

$$\text{HFF}(2) = 99.9781\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 7.50\% \times \frac{3}{360}\right)$$

$$\text{HFF}(2) = 99.9781\% \text{ x } 99.9967\% \text{ x } 99.9375\% \approx 99.9122\%$$

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 99.6713% as illustrated below:

Date	HFF
3/7/2018	100.0000%
4/7/2018	99.9781%
5/7/2018	99.9561%
6/7/2018	99.9342%
9/7/2018	99.8684%
10/7/2018	99.8465%
11/7/2018	99.8246%
12/7/2018	99.8027%
13/7/2018	99.7808%
16/7/2018	99.7151%
17/7/2018	99.6932%
18/7/2018	99.6713%

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 99.6713%

= 119.61%

Cash Settlement Amount = Closing Level x Notional Amount per Certificate

= 119.61% x 0.40 SGD

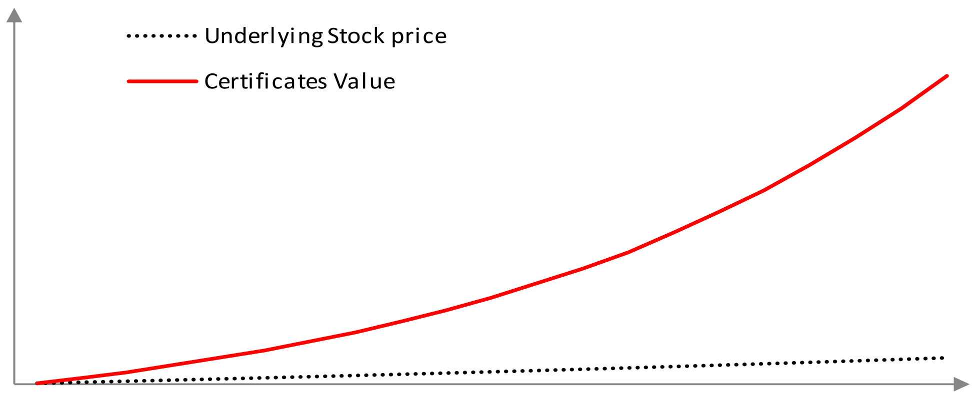
= 0.478 SGD

Illustration on how returns and losses can occur under different scenarios

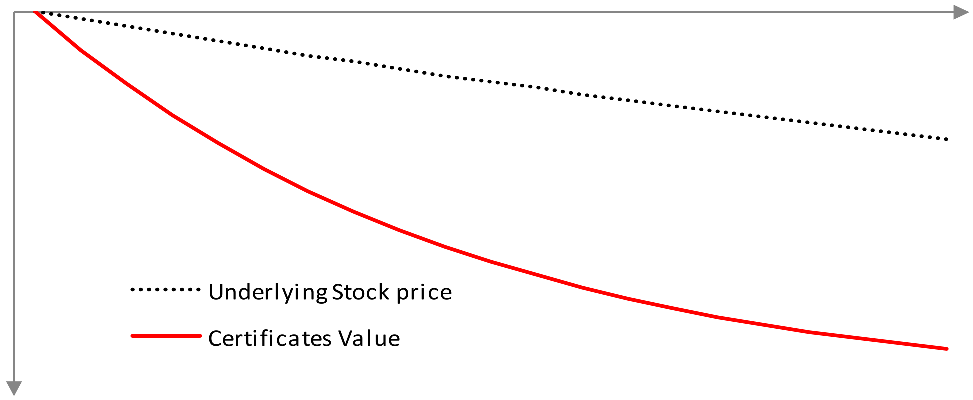
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, dividends,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

1. Illustrative examples

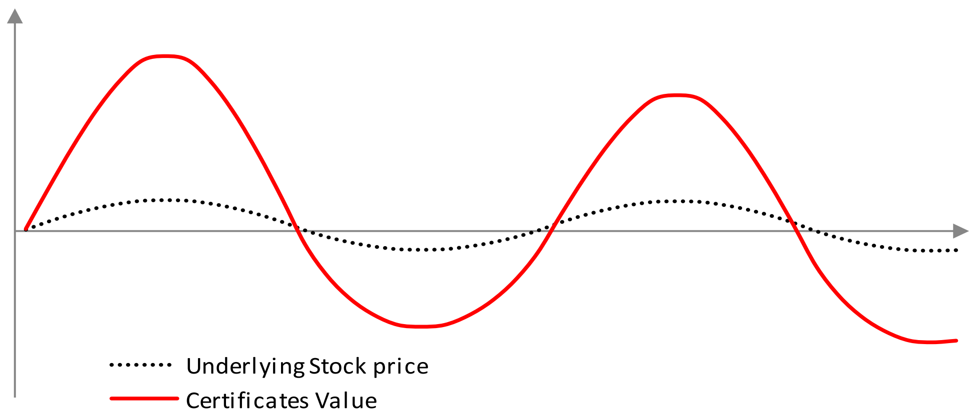
Scenario 1 – Upward Trend



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	0.40	0.44	0.48	0.53	0.59	0.64
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	0.40	0.36	0.32	0.29	0.26	0.24
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	0.40	0.44	0.40	0.44	0.39	0.43
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.

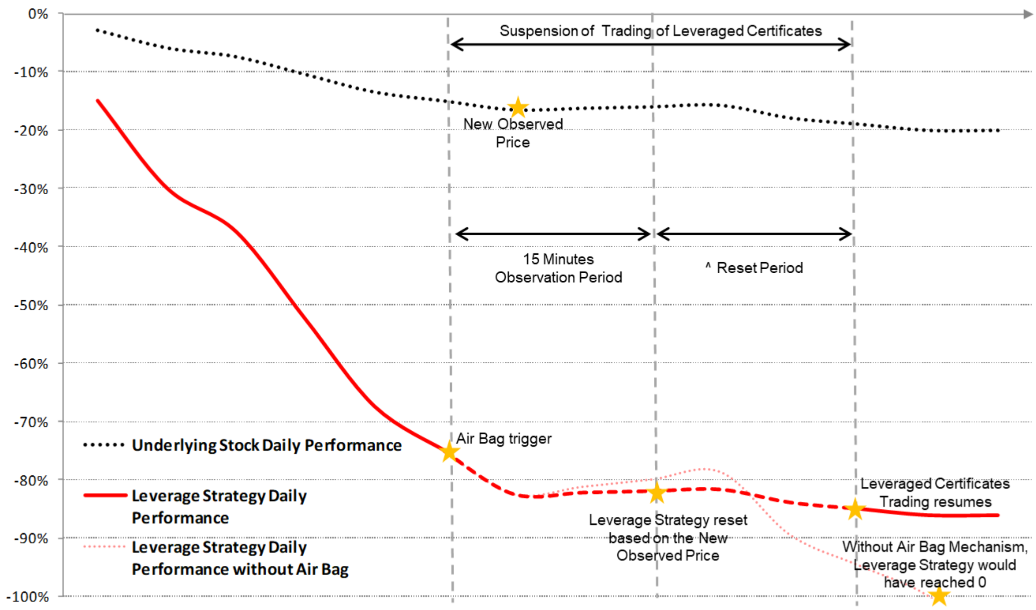
With **Market Close** defined as:

- 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

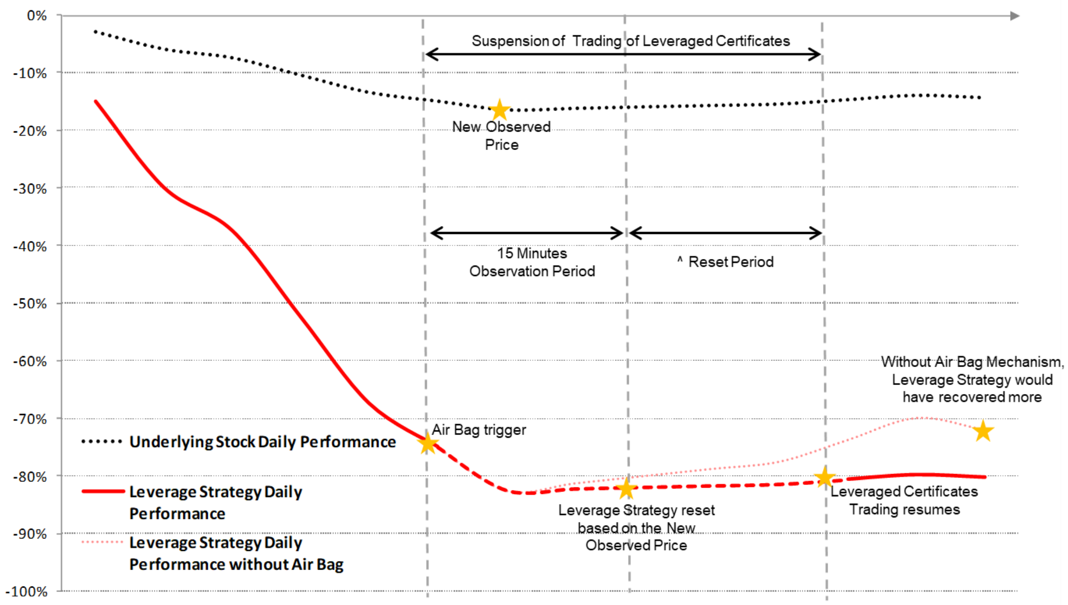
Illustrative examples of the Air Bag Mechanism[9]

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.

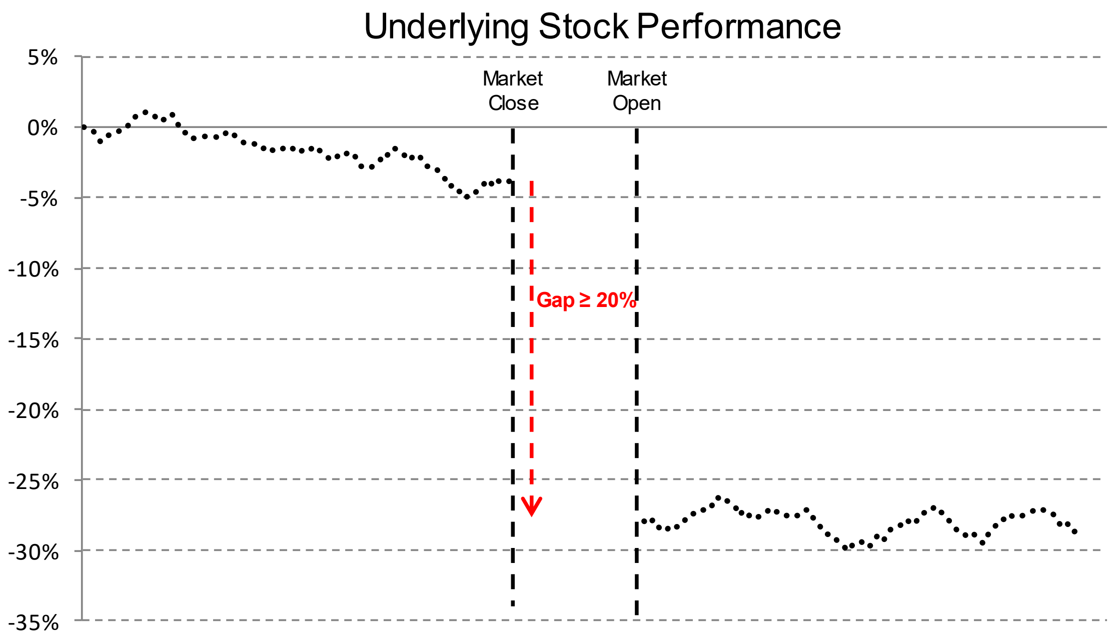
[9] The illustrative examples are not exhaustive.

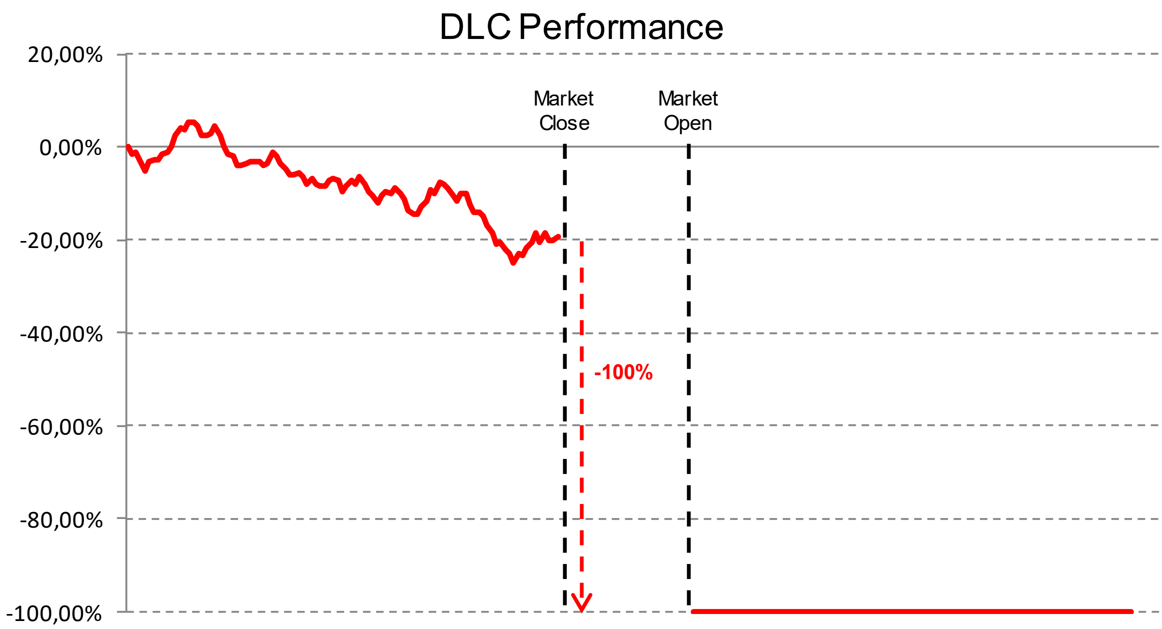
Scenarios where the investor may lose the entire value of the investment

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

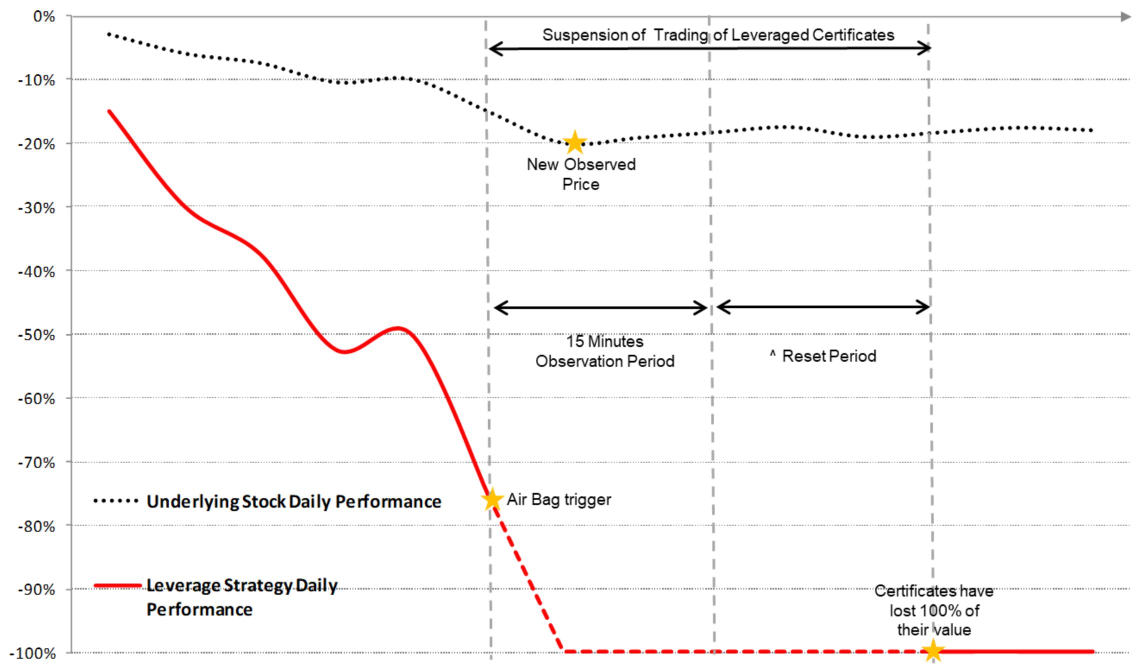
On any business day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous day. The difference between the previous closing price and the opening price of the Underlying Stock is termed a "gap". If the opening price of the Underlying Stock is 20% or more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





<u>*Scenario 2 – Sharp intraday fall of the Underlying Stock*</u>

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. Stock split

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

$\mathrm{S_{t-1}}$ = $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)
0.40	0.44	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)
0.40	0.42	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

$Div_t = \$0$

$DivExc_t = \$0$

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:

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

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)
0.40	0.50	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:

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

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

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.40	0.44	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:

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

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)
0.40	0.50	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://www.wuxibiologics.com/. The Issuer has not independently verified any of such information.*

WuXi Biologics (Cayman) Inc. (the "**Company**") is an investment holding company principally engaged in provision of discovery, development and manufacturing services of biologics. Through fully-integrated biologics Contract Research, Development and Manufacturing Organization (CRDMO), the Company provides one-stop end-to-end biologics services. Biologics development process stages include pre-IND (drug discovery and pre-clinical development), early-phase (phases I & II) clinical development, late-phase (phase III) clinical development and commercial manufacturing. The Company also offers end-to-end vaccine CRDMO services, including vaccine discovery and development, scale-up commercial manufacturing and global distribution. The Company has WuXiBody bispecific antibody platform, SDArBodY multispecific antibody platform, WuXia cell line development platform, WuXiUP continuous manufacturing platform and mRNA vaccine platform. The Company mainly operates its businesses in the domestic and overseas markets.

The information set out in Appendix I of this document relates to the unaudited condensed consolidated financial statements 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 21 September 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 ISSUER

The information set out in Appendix II of this document is a reproduction of the Issuer's condensed interim financial statements as at and for the six-month period ended 30 June 2023.

SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR

The information set out in Appendix III of this document is a reproduction of the press release dated 3 November 2023 containing the Guarantor's consolidated financial results for the third quarter ended 30 September 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 30 June 2023 or the Guarantor since 30 September 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 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 OF
WUXI BIOLOGICS (CAYMAN) INC. AND ITS SUBSIDIARIES

The information set out below is a reproduction of the unaudited condensed consolidated financial statements 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 21 September 2023 in relation to the same.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2023

	NOTES	Six months ended June 30, 2023 RMB'000 (Unaudited)	Six months ended June 30, 2022 RMB'000 (Unaudited)
Revenue	4	**8,492,046**	7,206,440
Cost of sales		**(4,931,412)**	(3,793,233)
Gross profit		**3,560,634**	3,413,207
Other income	5	**197,965**	159,144
Other gains and losses	6	**114,840**	309,626
Impairment losses, under expected credit loss model, net of reversal	8	**(131,797)**	(70,838)
Selling and marketing expenses		**(105,391)**	(67,103)
Administrative expenses		**(679,642)**	(520,112)
Other expenses	8	**(7,374)**	—
Research and development expenses		**(341,440)**	(271,128)
Financing costs	7	**(78,819)**	(22,661)
Profit before tax	8	**2,528,976**	2,930,135
Income tax expense	9	**(191,116)**	(308,910)
Profit for the period		**2,337,860**	2,621,225
Other comprehensive expense:			
Item that will not be reclassified to profit or loss:			
Fair value loss on investments in equity instruments at fair value through other comprehensive income ("**FVTOCI**")		**(20,615)**	(49,552)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**282,346**	(124,080)
Fair value loss on hedging instruments designated as cash flow hedges, net foreign investment hedges and time value within fair value hedges, net of income tax		**(594,987)**	(108,047)
Other comprehensive expense for the period		**(333,256)**	(281,679)
Total comprehensive income for the period		**2,004,604**	2,339,546

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2023

	NOTE	Six months ended June 30, 2023 RMB'000 (Unaudited)	Six months ended June 30, 2022 RMB'000 (Unaudited)
Profit for the period attributable to:			
Owners of the Company		**2,266,675**	2,535,064
Non-controlling interests		**71,185**	86,161
		2,337,860	2,621,225
Total comprehensive income for the period attributable to:			
Owners of the Company		**1,917,044**	2,260,191
Non-controlling interests		**87,560**	79,355
		2,004,604	2,339,546
		RMB	RMB
Earnings per share — Basic	11	**0.55**	0.61
— Diluted	11	**0.52**	0.58

Condensed Consolidated Statement of Financial Position

As at June 30, 2023

	NOTES	June 30, 2023 RMB'000 (Unaudited)	December 31, 2022 RMB'000 (Audited)
Non-current Assets			
Property, plant and equipment	12	**26,449,802**	24,170,739
Right-of-use assets	12	**2,545,095**	1,745,259
Goodwill		**1,529,914**	1,529,914
Intangible assets	13	**543,961**	548,778
Investment of an associate measured at fair value through profit or loss ("**FVTPL**")	14	**1,586,352**	1,581,565
Equity instruments at FVTOCI		**22,035**	41,470
Financial assets at FVTPL	15	**1,151,775**	1,086,176
Finance lease receivables		**101,399**	109,171
Deferred tax assets		**263,597**	222,568
Other long-term deposits and prepayments		**69,777**	58,877
		34,263,707	31,094,517
Current Assets			
Inventories	16	**1,965,134**	2,280,911
Finance lease receivables		**14,399**	14,166
Trade and other receivables	17	**5,504,010**	5,610,363
Contract assets	18	**520,216**	493,566
Contract costs	19	**1,085,707**	1,096,480
Tax recoverable		**4,857**	33,442
Derivative financial assets	24	**49,616**	201,243
Financial assets at FVTPL	15	**1,090,678**	2,014,632
Pledged bank deposits		**39,323**	25,374
Time deposits	20	**248,450**	304,469
Bank balances and cash	20	**7,355,135**	6,395,222
		17,877,525	18,469,868
Current Liabilities			
Trade and other payables	21	**2,230,472**	3,269,182
Borrowings	22	**1,155,586**	1,321,430
Contract liabilities	23	**2,861,142**	3,379,372
Income tax payable		**589,945**	773,825
Lease liabilities		**124,942**	149,058
Derivative financial liabilities	24	**1,178,761**	425,730
		8,140,848	9,318,597
Net Current Assets		**9,736,677**	9,151,271
Total Assets less Current Liabilities		**44,000,384**	40,245,788

Condensed Consolidated Statement of Financial Position

As at June 30, 2023

	NOTES	June 30, 2023 RMB'000 (Unaudited)	December 31, 2022 RMB'000 (Audited)
Non-current Liabilities			
Deferred tax liabilities		**126,609**	132,076
Borrowings	22	**1,659,372**	1,461,563
Contract liabilities	23	**737,074**	711,541
Lease liabilities		**2,201,108**	1,489,610
Deferred income	25	**231,901**	237,921
		4,956,064	4,032,711
Net Assets		**39,044,320**	36,213,077
Capital and Reserves			
Share capital	26	**234**	233
Reserves		**37,738,143**	35,047,174
Equity attributable to owners of the Company		**37,738,377**	35,047,407
Non-controlling interests		**1,305,943**	1,165,670
Total Equity		**39,044,320**	36,213,077

The condensed consolidated financial statements on pages 64 to 114 were approved and authorized for issue by the Board of Directors on August 23, 2023 and are signed on its behalf by:

Zhisheng Chen
DIRECTOR

Weichang Zhou
DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2023

	Attributable to owners of the Company												
	Share capital RMB'000	Treasury stock RMB'000	Share premium RMB'000	Statutory reserve RMB'000 (note i)	Equity-settled share-based compensation reserve RMB'000 (note ii)	Hedging reserve RMB'000	FVTOCI reserve RMB'000	Group reorganization reserve RMB'000 (note iii)	Foreign currency translation reserve RMB'000	Retained earnings RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At January 1, 2022 (Audited)	235	(2,517,115)	27,044,497	637,307	1,079,598	125,214	(32,505)	(4,636)	(574,543)	6,520,541	32,278,593	427,573	32,706,166
Profit for the period	–	–	–	–	–	–	–	–	–	2,535,064	2,535,064	86,161	2,621,225
Other comprehensive expense for the period													
– Fair value adjustments on fair value hedges and cash flow hedges	–	–	–	–	–	(37,338)	–	–	–	–	(37,338)	(2,382)	(39,720)
– Recycling from cash flow hedging reserve to profits or loss	–	–	–	–	–	(68,327)	–	–	–	–	(68,327)	–	(68,327)
– Fair value change of equity instruments at FVTOCI	–	–	–	–	–	–	(49,552)	–	–	–	(49,552)	–	(49,552)
– Exchange difference arising from translation of foreign operations	–	–	–	–	–	–	–	–	(119,656)	–	(119,656)	(4,424)	(124,080)
Total comprehensive (expense) income for the period	–	–	–	–	–	(105,665)	(49,552)	–	(119,656)	2,535,064	2,260,191	79,355	2,339,546
Recognition of equity-settled share-based compensation	–	–	–	–	594,779	–	–	–	–	–	594,779	4,727	599,506
Exercise of pre-IPO share options and vest of restricted shares	1	–	219,745	–	(200,558)	–	–	–	–	–	19,188	–	19,188
Issue of new shares (Note 26)	2	–	(2)	–	–	–	–	–	–	–	–	–	–
Capital injection by non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	508,410	508,410
Repurchase of shares (Note 26)	–	(691,056)	–	–	–	–	–	–	–	–	(691,056)	–	(691,056)
Cancellation of treasury stock	(3)	3,208,171	(3,208,168)	–	–	–	–	–	–	–	–	–	–
Deemed distribution to a non-controlling shareholder arising from reorganization	–	–	–	–	–	–	–	–	–	–	–	(1,129)	(1,129)
At June 30, 2022 (Unaudited)	235	–	24,056,072	637,307	1,473,819	19,549	(82,057)	(4,636)	(694,199)	9,055,605	34,461,695	1,018,936	35,480,631
At January 1, 2023 (Audited)	233	–	22,102,026	1,062,021	2,011,380	(80,259)	(92,236)	(4,636)	(467,235)	10,516,113	35,047,407	1,165,670	36,213,077
Profit for the period	–	–	–	–	–	–	–	–	–	2,266,675	2,266,675	71,185	2,337,860
Other comprehensive (expense) income for the period													
– Fair value adjustments on fair value hedges and cash flow hedges	–	–	–	–	–	(178,170)	–	–	–	–	(178,170)	2,132	(176,038)
– Recycling from cash flow hedging reserve to profits or loss	–	–	–	–	–	(153,519)	–	–	–	–	(153,519)	–	(153,519)
– Fair value change of equity instruments at FVTOCI	–	–	–	–	–	–	(20,615)	–	–	–	(20,615)	–	(20,615)
– Fair value adjustments on hedges of net investments in foreign operations	–	–	–	–	–	–	–	–	(265,430)	–	(265,430)	–	(265,430)
– Exchange difference arising from translation of foreign operations	–	–	–	–	–	–	–	–	268,103	–	268,103	14,243	282,346
Total comprehensive (expense) income for the period	–	–	–	–	–	(331,689)	(20,615)	–	2,673	2,266,675	1,917,044	87,560	2,004,604
Recognition of equity-settled share-based compensation	–	–	–	–	760,918	–	–	–	–	–	760,918	21,803	782,721
Exercise of pre-IPO share options and vest of restricted shares	*	–	468,974	–	(455,966)	–	–	–	–	–	13,008	–	13,008
Issue of new shares (Note 26)	1	–	(1)	–	–	–	–	–	–	–	–	–	–
Capital injection by non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	30,910	30,910
At June 30, 2023 (Unaudited)	234	–	22,570,999	1,062,021	2,316,332	(411,948)	(112,851)	(4,636)	(464,562)	12,782,788	37,738,377	1,305,943	39,044,320

* Amount below RMB1,000.

Notes:

i. In accordance with the Articles of Association of all subsidiaries of WuXi Biologics (Cayman) Inc. (the "**Company**") established in the People's Republic of China (the "**PRC**"), they are required to transfer 10% of the profit after tax to the statutory reserve until the reserve reaches 50% of their registered capital. Transfer to this reserve must be made before distributing dividends to equity holders. The statutory reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

ii. The amount represents the equity-settled share-based compensation in respect of:

(a) the share options for shares of WuXi PharmaTech (Cayman) Inc. ("**WuXi PharmaTech**"), the then ultimate holding company of the Company before completing the group reorganization of the Company (see note iii below), granted by WuXi PharmaTech to certain directors and employees of the Company and its subsidiaries (collectively referred to as the "**Group**") for their services rendered to the Group;

(b) the equity-settled share-based compensation under the Company's pre-IPO share option scheme (the "**Pre-IPO Share Option Scheme**");

(c) the Company's restricted share award scheme (the "**Restricted Share Award Scheme**");

(d) the Company's global partner program share scheme (the "**Global Partner Program Share Scheme**"); and

(e) the share option schemes of the Company's subsidiaries (the "**Subsidiary Share Option Scheme**").

iii. Group reorganization reserve represents the combined capital contribution of the entities comprising the Group, net of settlement of the payables to their then shareholders; and the administration service cost borne on behalf of the fellow subsidiaries by the Company prior to the completion of the group reorganization in 2015.

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2023

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
NET CASH FROM OPERATING ACTIVITIES	**2,750,086**	1,457,918
INVESTING ACTIVITIES		
Receipt of interest from banks	**73,781**	45,396
Proceeds on disposal of property, plant and equipment	**14,182**	8,170
Purchases of property, plant and equipment	**(2,381,242)**	(2,684,500)
Payments for right-of-use assets	**(173,503)**	—
Payments for rental deposits	**(790)**	—
Withdrawal/proceeds on disposal of financial assets at FVTPL	**10,730,024**	4,102,289
Placement/acquisition of financial assets at FVTPL	**(9,916,929)**	(4,563,359)
Research and other grants received	**1,770**	8,145
Withdrawal of pledged bank deposits	**151**	827,854
Placement of pledged bank deposits	**(12,361)**	—
Withdrawal of time deposits	**304,483**	—
Placement of time deposits	**(248,450)**	—
Settlement of derivative financial instruments	**19,720**	15,348
Repayment of payments for potential acquisition	**—**	149,555
Payment for consideration payable for acquisition of business in prior period	**—**	(280,000)
Dividend received from an equity instrument at FVTOCI	**—**	8,315
NET CASH USED IN INVESTING ACTIVITIES	**(1,589,164)**	(2,362,787)
FINANCING ACTIVITIES		
Proceeds from bank borrowings	**778,723**	413,843
Repayments of bank borrowings	**(847,729)**	(386,440)
Interest paid	**(109,302)**	(43,912)
Repayments of lease liabilities	**(53,654)**	(38,976)
Capital injection by a non-controlling shareholder	**30,910**	508,410
Payment on repurchase of shares	**—**	(691,056)
Proceeds from exercise of pre-IPO share options	**13,008**	19,188
NET CASH USED IN FINANCING ACTIVITIES	**(188,044)**	(218,943)
Effect of foreign exchange rate changes	**(12,965)**	255,822
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**959,913**	(867,990)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**6,395,222**	9,003,280
CASH AND CASH EQUIVALENTS AT END OF PERIOD, REPRESENTED BY BANK BALANCES AND CASH	**7,355,135**	8,135,290

1. GENERAL INFORMATION

The Company was established in the Cayman Islands as an exempted company with limited liability on February 27, 2014, and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since June 13, 2017. The Company is an investment holding company. The Group is principally engaged in provision of discovery, development of biologics services and manufacturing of biologics products.

The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Other than additional accounting policies resulting from application of new and amendments to International Financial Reporting Standards ("**IFRSs**") disclosed below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2023 are the same as those presented in the Group's annual financial statements for the year ended December 31, 2022.

Application of amendments to IFRSs

In the current interim period, the Group has applied the following new and amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2023 for the preparation of the Group's condensed consolidated financial statements:

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	*Insurance Contracts*
Amendments to IAS 8	*Definition of Accounting Estimates*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to IAS 12	*International Tax Reform — Pillar Two Model Rules*

Except as described below, the application of the new and amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. PRINCIPAL ACCOUNTING POLICIES (continued)

3.1 Impacts and changes in accounting policies on application of Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

3.1.1 Accounting policies

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to the lease liabilities and the related assets separately. The Group recognizes a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized and a deferred tax liability for all taxable temporary differences.

3.1.2 Transition and summary of effects

As disclosed in the Group's annual financial statements for the year ended December 31, 2022, the Group previously applied the IAS 12 requirements to assets and liabilities arising from a single transaction as a whole and temporary differences relating to the relevant assets and liabilities were assessed on a net basis. Upon the application of the amendments, the Group assessed the relevant assets and liabilities separately. In accordance with the transition provision:

3. PRINCIPAL ACCOUNTING POLICIES (continued)

3.1 Impacts and changes in accounting policies on application of Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (continued)

3.1.2 Transition and summary of effects (continued)

(i) the Group has applied the new accounting policy retrospectively to leasing transactions that occurred on or after January 1, 2022;

(ii) the Group also, as at January 1, 2022, recognized a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary difference associated with right-of-use-assets and lease liabilities.

The application of the amendments has had no material impact on the Group's financial position and performance, except that the Group recognized the related deferred tax assets and deferred tax liabilities on a gross basis but it has no impact on the retained earnings at the earliest period presented.

3.2 Impacts on application of Amendments to IAS 12 *Income Taxes International Tax Reform — Pillar Two Model Rules*

IAS 12 is amended to add the exception to recognizing and disclosing information about deferred tax assets and liabilities that are related to tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development (the "**Pillar Two legislation**"). The amendments require that entities shall apply the amendments immediately upon issuance. The amendments also require that entities shall disclose separately its current tax expense/income related to Pillar Two income taxes, and the qualitative and quantitative information about its exposure to Pillar Two income taxes in periods in which the Pillar Two legislation is enacted or substantially enacted but not yet in effect in annual reporting periods beginning on or after 1 January 2023.

Certain group entities are operated in jurisdictions where the Pillar Two legislation is enacted or substantially enacted but not yet in effect, including Germany and the United Kingdom. The Group has applied the temporary exception immediately upon issue of these amendments and retrospectively, i.e. applying the exception from the date Pillar Two legislation is enacted or substantially enacted. The Group will disclose known or reasonably estimable information that helps users of financial statements to understand the Group's exposure to Pillar Two income taxes in the Group's annual consolidated financial statements for the year ending 31 December 2023.

3. PRINCIPAL ACCOUNTING POLICIES (continued)

3.3 Impacts on application of Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies

In addition, the Group will apply Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies which are mandatorily effective for the Group's annual period beginning on January 1, 2023 for the preparation of the Group's consolidated financial statements for the year ending December 31, 2023.

IAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

IFRS Practice Statement 2 Making Materiality Judgements (the "**Practice Statement**") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments in the current period had no material impact on the condensed consolidated financial statements but is expected to affect the disclosures of the Group's accounting policies in the Group's annual consolidated financial statements for the year ending December 31, 2023.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

(i) Disaggregation of revenue from contracts with customers

The Group derives its revenue from the transfer of goods and services at a point in time and over time in the following major service lines:

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Type of goods or services		
Services		
— Research services on fee-for-service ("**FFS**") basis	**7,675,361**	5,983,487
— Research services on full-time-equivalent ("**FTE**") basis	**115,012**	124,942
— Project management organization ("**PMO**") services	**3,344**	17,016
	7,793,717	6,125,445
Sales of goods	**698,329**	1,080,995
Total	**8,492,046**	7,206,440

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
A point in time		
— Research services on FFS basis	**7,300,835**	5,885,483
— Sales of goods	**698,329**	1,080,995
Over time		
— Research services on FFS basis	**374,526**	98,004
— Research services on FTE basis	**115,012**	124,942
— PMO services	**3,344**	17,016
	8,492,046	7,206,440

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

(i) Disaggregation of revenue from contracts with customers (continued)

For the purpose of resources allocation and performance assessment, the chief operating decision maker (i.e. the chief executive officer of the Company) reviews the overall results and financial position of the Group as a whole prepared based on the same accounting policies of the Group. Accordingly, the Group has only one single operating and reportable segment and no further analysis of this single segment is presented.

(ii) Entity-wide disclosure

Geographical information

An analysis of the Group's revenue from external customers, analyzed by their respective country/region of operation, is detailed below:

	Six months ended June 30,	
	2023	2022
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue		
— North America	**3,927,954**	3,896,111
— Europe	**2,551,605**	1,296,601
— PRC	**1,792,531**	1,792,077
— Rest of the world	**219,956**	221,651
	8,492,046	7,206,440

As at June 30, 2023, the Group's non-current assets other than financial instruments and deferred tax assets located in Ireland, Germany, the United States ("**US**") and Singapore are amounted to RMB10,954,469,000, RMB3,230,281,000, RMB2,064,910,000 and RMB228,803,000 (December 31, 2022: RMB10,120,685,000, RMB2,794,914,000, RMB1,840,142,000 and RMB25,529,000) respectively, the remaining non-current assets of the Group are mainly located in the PRC.

5. OTHER INCOME

	Six months ended June 30, 2023 RMB'000 (Unaudited)	Six months ended June 30, 2022 RMB'000 (Unaudited)
Interest income from banks and other financial assets at amortized cost	**74,843**	44,004
Research and other grants related to		
— assets (note i)	**10,807**	8,178
— income (note ii)	**112,315**	98,647
Dividend from an equity instrument at FVTOCI	**—**	8,315
	197,965	159,144

Notes:

i. The Group has received certain research and other grants for investing in laboratory equipment. The grants were recognized in profit or loss over the useful lives of the relevant assets. Details of the grants are set out in Note 25.

ii. The research and other grants received by the Group during the current interim period were mainly related to recognizing the Group's contribution to the local high-tech industry and economy. These grants are unconditional and accounted for as immediate financial support with neither future related costs expected to be incurred nor related to any assets of the Group.

6. OTHER GAINS AND LOSSES

	Six months ended June 30, 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Net foreign exchange gain	**168,402**	106,410
Fair value (loss) gain on		
— listed equity securities at FVTPL	**(54,531)**	(413,646)
— unlisted equity investments at FVTPL	**13,185**	13,633
— investment of an associate measured at FVTPL	**(14,095)**	572,619
— wealth management products	**47,954**	14,148
— derivative financial instruments	**(60,866)**	(12,400)
Others	**14,791**	28,862
	114,840	309,626

7. FINANCING COSTS

	Six months ended June 30, 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Interest expense on financing component of an advance payment received from a customer	**5,419**	4,911
Interest expense on bank borrowings	**67,879**	24,317
Interest expense on lease liabilities	**39,637**	25,220
	112,935	54,448
Less: amounts capitalized in the cost of qualifying assets	**(34,116)**	(31,787)
	78,819	22,661

During the current interim period, borrowing cost arose on certain general borrowings were capitalized to expenditure on qualifying assets at rates varying from 1.27% to 6.37% (2022: from 1.39% to 2.31%) per annum.

8. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting) the following items:

	Six months ended June 30,	
	2023	2022
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Depreciation of property, plant and equipment	**521,078**	388,926
Depreciation of right-of-use assets	**117,802**	82,825
Amortization of intangible assets	**29,611**	29,204
	668,491	500,955
Staff cost (including directors' emoluments):		
— Salaries and other benefits	**2,002,894**	1,707,923
— Retirement benefit scheme contributions	**215,076**	132,282
— Share-based payment expenses	**782,721**	599,506
	3,000,691	2,439,711
Depreciation, amortization and staff cost		
— capitalized in contract cost	**(616,509)**	(421,034)
— capitalized in property, plant and equipment	**(319,079)**	(287,253)
	(935,588)	(708,287)
Impairment losses under expected credit loss model, net of reversal		
— Trade receivables	**126,598**	64,472
— Contract assets	**4,063**	98
— Receivables for purchase of raw materials on behalf of customers	**1,136**	6,268
	131,797	70,838
Write-down of inventories (included in cost of sales)	**42,681**	18,123
Reversals of inventories write-down (included in cost of sales)	**(87,778)**	(23,694)
Write-down of contract costs (included in cost of sales)	**43,479**	89,144
Reversals of contract costs write-down (included in cost of sales)	**(88,288)**	(78,203)
Listing expenses of a subsidiary (under other expenses) (note)	**7,374**	—
Loss on disposal of property, plant and equipment	**2,455**	1,259
Cost of inventories recognized as expense	**1,619,258**	1,497,829

8. PROFIT BEFORE TAX (continued)

Note: Other expenses of the Group represented the listing expenses incurred for the proposed spin-off and the separate listing of the shares of WuXi XDC (as defined in Note 30(d)) on the Main Board of the Stock Exchange. Please refer to Note 31 for details.

9. INCOME TAX EXPENSE

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax:		
— PRC Enterprise Income Tax ("**EIT**")	**549,852**	566,752
— Hong Kong Profits Tax	**73,113**	56,187
— US Federal and State Income Taxes	**1,407**	34
Over provision in prior periods	**(394,359)**	(361,982)
	230,013	260,991
Deferred tax:		
— Current period	**(38,897)**	47,919
	191,116	308,910

Under the two-tiered profits tax rates regime in Hong Kong, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiaries is 25%, with the exception of certain subsidiaries which are eligible for lower tax rates because they were accredited with "Technology Advanced Service Enterprise", "High and New Technology Enterprise" or "Micro and Small Enterprise" tax preference for the current interim period.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

10. DIVIDENDS

No dividends were paid, declared or proposed during the current interim period. The directors of the Company have resolved not to declare any interim dividend in respect of the interim period.

11. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Six months ended June 30,	
	2023	2022
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Earnings attributable to owners of the Company		
Earnings for the purpose of calculating basic and diluted earnings per share	**2,266,675**	2,535,064

	Six months ended June 30,	
	2023	2022
	(Unaudited)	(Unaudited)
Number of Shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**4,158,087,472**	4,175,781,792
Effect of dilutive potential ordinary shares:		
Share options	**161,833,695**	184,325,722
Restricted shares	**29,924,716**	26,231,757
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**4,349,845,883**	4,386,339,271

The weighted average number of ordinary shares shown above have been arrived at after deducting the weighted average effect of 73,962,140 shares (June 30, 2022: 46,532,552 shares) held by the trustee under the Restricted Share Award Scheme or the Global Partner Program Share Scheme as set out in Note 30.

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group had the following significant movements in property, plant and equipment and right-of-use assets:

i. The Group acquired RMB2,031,581,000 (six months ended June 30, 2022: RMB2,629,270,000) of property, plant and equipment for the expansion of production facilities.

ii. The Group renewed and entered into several new lease agreements for leasehold land, lease properties and machinery from 3 to 30 years (six months ended June 30, 2022: 2 to 6 years). On lease commencement, the Group recognized right-of-use assets of RMB863,211,000 and lease liabilities of RMB689,588,000 (six months ended June 30, 2022: RMB29,376,000 and RMB29,046,000 respectively).

13. INTANGIBLE ASSETS

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Carrying amount:		
Patent and license	**266,261**	249,689
Technology	**58,960**	62,337
Customer relationship	**218,740**	236,752
	543,961	548,778

14. INVESTMENT OF AN ASSOCIATE MEASURED AT FVTPL

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Investment of an associate measured at FVTPL	**1,586,352**	1,581,565

14. INVESTMENT OF AN ASSOCIATE MEASURED AT FVTPL (continued)

Details of the Group's associate at the end of the reporting period are as follow:

Name of entity	Country of registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activity
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	
Shanghai Duoning Biotechnology Co., Ltd. ("**Duoning**")	PRC	PRC	**17.36%**	17.36%	**20%**	20%	Sales of bioprocess solutions, laboratory products and services

The Group maintained significant influence in Duoning through its representation on the board of directors.

Details of the fair value measurement of the investment of an associate are set out in Note 28.

15. FINANCIAL ASSETS AT FVTPL

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Current asset		
Wealth management products (note)	**1,090,678**	2,014,632
Non-current assets		
Listed equity securities	**335,947**	380,171
Unlisted investments	**815,828**	706,005
Financial assets at FVTPL	**1,151,775**	1,086,176

Note: During the current interim period, the Group invested in several contracts of wealth management products with banks under which the original maturity terms are within 12 months. For the wealth management products, returns are determined by reference to the performance of the underlying instruments in the currency market, the interbank market, the bond market, the security and equity market and the derivative financial assets; those are recognized as financial assets at FVTPL. The expected return rates varied from 1.00% to 4.6% (December 31, 2022: 1.31% to 4.1%) per annum.

15. FINANCIAL ASSETS AT FVTPL (continued)

During the current interim period, the Group managed and evaluated the unlisted investments in accordance with the Group's investment strategy.

Details of the fair value measurement of the financial assets at FVTPL are set out in Note 28.

16. INVENTORIES

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Raw materials and consumables	**1,931,995**	2,250,582
Work in progress	**10,376**	10,312
Finished goods	**22,763**	20,017
Total	**1,965,134**	2,280,911

Raw materials and consumables are net of a write-down of approximately RMB156,295,000 as at June 30, 2023 (December 31, 2022: RMB207,041,000).

17. TRADE AND OTHER RECEIVABLES

	As at June 30, 2023 RMB'000 (Unaudited)	As at December 31, 2022 RMB'000 (Audited)
Trade receivables		
— related parties	11,142	5,500
Less: allowance for credit losses	(436)	(199)
— third parties	5,521,967	5,194,251
Less: allowance for credit losses	(676,981)	(548,889)
	4,855,692	4,650,663
Bills receivable from contracts with customers	3,425	—
Receivables for purchase of raw materials on behalf of customers	72,119	291,931
Less: allowance for credit losses	(30,026)	(28,889)
	42,093	263,042
Advances to suppliers		
— related parties	12,746	16,995
— third parties	79,678	71,235
	92,424	88,230
Other receivables		
— related parties	298	—
— third parties (note)	52,448	273,255
	52,746	273,255
Prepayments	50,693	25,281
Value added tax recoverable	406,937	309,892
Total trade and other receivables	5,504,010	5,610,363

Note: Included in other receivables at June 30, 2023, nil (December 31, 2022: RMB247,000,000) was the receivable from bank in relation to the settled derivative financial instruments.

17. TRADE AND OTHER RECEIVABLES (continued)

Details of the trade and other receivables due from related parties are set out in Note 29(b).

The Group allows a credit period ranging from 10 to 90 days to its customers. The following is an analysis of trade receivables by age (net of allowance for credit losses), presented based on the invoice dates:

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Not past due	**2,913,087**	3,017,493
Overdue:		
— Within 90 days	**958,065**	736,181
— 91 days to 1 year	**742,565**	735,020
— Over 1 year	**241,975**	161,969
	4,855,692	4,650,663

18. CONTRACT ASSETS

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Contract assets		
— related parties	**7,685**	7,250
Less: allowance for credit losses	**(73)**	(44)
— third parties	**543,095**	512,722
Less: allowance for credit losses	**(30,491)**	(26,362)
	520,216	493,566

The contract assets are primarily related to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance in achieving specified milestones as stipulated in the contracts.

19. CONTRACT COSTS

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Costs to fulfil contracts	**1,085,707**	1,096,480

The contract cost are net of a write-down of approximately RMB55,777,000 as at June 30, 2023 (December 31, 2022: RMB136,283,000).

20. BANK BALANCES AND CASH/TIME DEPOSITS

Bank balances and cash of the Group comprised of cash and short term bank deposits with an original maturity of three months or less. The short term bank deposits carried interest at market rates which ranged from nil to 5.59% per annum as at June 30, 2023 (December 31, 2022: from nil to 2.03% per annum).

Time deposits as at June 30, 2023 carried fixed interests rate at 3.05% to 3.3% per annum and have original maturity over three months (December 31, 2022: from 2.6% to 3.0%).

21. TRADE AND OTHER PAYABLES

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Trade payables		
— related parties	**85,227**	115,796
— third parties	**470,865**	676,680
	556,092	792,476
Accrued expenses and other payables		
— related parties	**10,025**	40,716
— third parties (note)	**636,436**	431,434
	646,461	472,150
Payable for purchase of property, plant and equipment	**537,642**	1,029,318
Consideration payables for acquisition of subsidiaries	**2,968**	2,968
Salary and bonus payables	**413,759**	912,852
Other taxes payables	**56,446**	57,506
Bill payables	**17,104**	1,912
	1,027,919	2,004,556
Trade and other payables	**2,230,472**	3,269,182

Note: Included in the other payables, amount of RMB45,275,000 represented the payables to employees arising from exercise of share options and restricted shares as at June 30, 2023 (December 31, 2022: RMB4,936,000). In addition, amount of RMB195,375,000 represented the payables to banks arising from restructure of forward extra contracts, partial callable forward contract and partial callable forward extra contract (December 31, 2022: nil).

Details of the trade and other payables due to related parties are set out in Note 29(b).

21. TRADE AND OTHER PAYABLES (continued)

Payment terms with suppliers are mainly on credit within 90 days. The following is an age analysis of trade payables presented based on invoice date at the end of the reporting period:

	As at June 30, 2023 RMB'000 (Unaudited)	As at December 31, 2022 RMB'000 (Audited)
Within 90 days	520,129	674,412
91 days to 1 year	22,718	100,853
Over 1 year but within 5 years	13,245	17,211
	556,092	792,476

22. BORROWINGS

	As at June 30, 2023 RMB'000 (Unaudited)	As at December 31, 2022 RMB'000 (Audited)
Secured bank loans	62,100	66,700
Unsecured bank loans	2,752,858	2,716,293
	2,814,958	2,782,993
The carrying amounts of the above borrowings are repayable*:		
Within one year	1,155,586	1,321,430
Within a period of more than one year but not exceeding two years	380,523	96,954
Within a period of more than two years but not exceeding five years	1,156,744	1,343,909
Within a period of more than five years	122,105	20,700
	2,814,958	2,782,993
Less: amounts due within one year shown under current liabilities	(1,155,586)	(1,321,430)
Amounts shown under non-current liabilities	1,659,372	1,461,563

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

22. BORROWINGS (continued)

The exposure of the Group's bank borrowings are as follows:

	As at	
	June 30, 2023	December 31, 2022
	RMB'000	RMB'000
Fixed-rate borrowings	**62,100**	66,700
Variable-rate borrowings	**2,752,858**	2,716,293
	2,814,958	2,782,993

The Group's variable-rate borrowings carry interest at London Interbank Offered Rate ("**LIBOR**") plus 1.1%, European Central Bank Rate plus 1.5%, Euro Interbank Offered Rate ("**EURIBOR**") plus 0.75% and 0.8%, and Secured Overnight Financing Rate ("**SOFR**") plus 0.8%, and 5-years Loan Prime Rate ("**LPR**") minus 0.9%. Interest is reset each one to twelve months based on the contracts.

The ranges of effective interest rates before interest rate swap (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	As at	
	June 30, 2023	December 31, 2022
Effective interest rate:		
Fixed-rate borrowings	**4.90%**	4.90%
Variable-rate borrowings	**2.71% to 6.37%**	0.75% to 5.12%

At June 30, 2023, the Group's borrowings were secured against the Group's property, plant and equipment as collaterals with carrying amounts of RMB10,373,000 (December 31, 2022: RMB10,448,000).

22. BORROWINGS (continued)

In respect of bank loans with carrying amount of RMB2,008,050,000 (December 31, 2022: RMB2,089,380,000), the Group is required to comply with the following financial covenants throughout the continuance of the relevant loans and/or as long as the loans are outstanding:

(i) Bank loans with carrying amount of RMB505,806,000 (US$70,000,000):

In relation to the Group:

- Total equity after deducting goodwill, intangible assets and deferred tax assets (together referred to as "**Tangible Net Worth**") shall not at any time be less than RMB9,000,000,000;

- Earnings before interest, taxes, depreciation and amortization ("**EBITDA**") shall not be less than 5 times gross interest expenses at the last day of the first half of the financial year and the last day of the financial year (the "**Relevant Period**");

- Total debt less the cash and cash equivalents ("**Net debt**") at the end of each year shall not exceed 2.5 times EBITDA for that Relevant Period.

In relation to WuXi Biologics (Hong Kong) Limited ("**BIOHK**"), a wholly-owned subsidiary of the Company:

- Tangible Net Worth shall not at any time be less than RMB20,000,000.

(ii) Bank loans with carrying amount of RMB786,890,000 (US$108,900,000):

In relation to the Group:

- Tangible Net Worth shall not at any time be less than RMB20,000,000,000;

- EBITDA in respect of any Relevant Period shall not be less than 5 times gross interest expenses for that Relevant Period; and

- Net Debt at the end of each Relevant Period shall not exceed 2.5 times EBITDA for that Relevant Period.

In relation to BIOHK:

- Tangible Net Worth shall not at any time be less than RMB20,000,000.

22. BORROWINGS (continued)

(iii) Bank loans with carrying amount of RMB715,354,000 (US$99,000,000):

In relation to the Group:

- EBITDA shall not be less than 5 times interest expenses;
- Net interest-bearing debt shall not exceed 2.5 times EBITDA.

The Group has complied with these covenants throughout the reporting period.

23. CONTRACT LIABILITIES

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Contract liabilities		
— related parties	**844**	—
— third parties	**3,597,372**	4,090,913
	3,598,216	4,090,913
Less: amounts shown under current liabilities	**(2,861,142)**	(3,379,372)
Amounts shown under non-current liabilities	**737,074**	711,541

24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

	Assets		Liabilities	
	June 30, 2023	December 31, 2022	**June 30, 2023**	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)	**RMB'000 (Unaudited)**	RMB'000 (Audited)
Derivatives not under hedge accounting				
Capped forward, partial callable forward, partial callable forward extra, partial convertible dual currency structured deposit	**7,630**	—	**89,684**	—
Derivatives under hedge accounting				
Fair value hedges				
— Foreign exchange forward, partial callable forward, partial callable forward extra, partial convertible dual currency structured deposit, forward extra and par forward contracts	**41,986**	104,283	**535,114**	184,530
Cash flow hedges				
— Foreign exchange forward, collar, partial callable forward, interest rate swap, forward extra contracts	**—**	96,960	**267,019**	215,933
Net investment hedge in foreign operations				
— Foreign exchange forward, partial callable forward, partial callable forward extra, forward extra	**—**	—	**286,944**	25,267
Total	**49,616**	201,243	**1,178,761**	425,730
Less: current portion	**(49,616)**	(201,243)	**(1,178,761)**	(425,730)
Non-current portion	**—**	—	**—**	—

24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES (continued)

Derivatives not under hedge accounting

During the six months ended June 30, 2023, the Group entered into capped forward, partial callable forward, partial callable forward extra and partial convertible dual currency structured deposit contracts (six months ended June 30, 2022: a partial callable forward extra contract) with bank in order to manage the Group's currency risk.

Under these contracts, the Group will pay to the bank notional amount of US$/EUR and receive from the bank an amount in RMB equal to the product of the relevant notional amount and the relevant rate as specified within the respective contracts.

The Group did not elect to adopt hedge accounting for the contracts and therefore, during the six months ended June 30, 2023, losses from the contracts of RMB80,586,000 (six months ended June 30, 2022: RMB12,400,000 losses) was recognized as "fair value loss on derivative financial instruments" in other gains and losses.

Derivatives under hedge accounting

In the view of directors of the Company, certain foreign exchange forward contracts, collar contracts, partial callable forward contracts, partial callable forward extra contracts, partial convertible dual currency structured deposit contracts and forward extra contracts are highly effective hedging instruments and qualified as cash flow, fair value hedges or net investment hedge in foreign operations.

As at June 30, 2023, the aggregate amount of losses after tax under foreign exchange forward contracts, collar contracts, partial callable forward contracts, partial callable forward extra contracts, partial convertible dual currency structured deposit contracts and forward extra contracts recognized in other comprehensive income and accumulated in the cash flow and fair value hedging reserve relating to the exposure on anticipated future sales transactions and net exposure denominated in US$ and EUR was RMB411,948,000 (December 31, 2022: RMB80,259,000 losses). It is anticipated that the sales and net exposure would take place within next 9 months (December 31, 2022: 12 months) at which time the amount deferred in equity will be recycled to profit or loss.

24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES (continued)

Derivatives under hedge accounting (continued)

During the current interim period, gains from the contracts of RMB19,720,000 in ineffective hedge portion was recognized immediately in profit or loss (six months ended June 30, 2022: nil losses recognized immediately in "other gains and losses").

During the current interim period, the aggregated amount of losses previously recognized in other comprehensive income and accumulated in equity of RMB173,242,000 (six months ended June 30, 2022: RMB68,327,000 gains) were reclassified to revenue when the hedged item affects profit or loss.

25. DEFERRED INCOME

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Assets related research and other grants	**223,982**	229,612
Income related research and other grants	**7,919**	8,309
	231,901	237,921

During the six months ended June 30, 2023, the Group received research and other grants of RMB1,770,000 (six months ended June 30, 2022: RMB8,145,000) for its investment in laboratory equipment. The grants were recognized in profit or loss over the useful lives of the relevant assets.

26. SHARE CAPITAL

AUTHORIZED:

	Number of shares	Par value US$	Authorized share capital US$
At January 1, 2022, June 30, 2022, January 1, 2023 and June 30, 2023	6,000,000,000	1/120,000	50,000

ISSUED AND FULLY PAID:

	Number of shares	Amount US$	Shown in the financial statements as RMB'000
At January 1, 2022 (audited)	4,259,003,614	35,492	235
Issue of new shares (note i)	39,953,861	333	2
Exercise of pre-IPO share options	9,628,842	80	1
Shares repurchased and cancelled (note ii)	(45,058,000)	(375)	(3)
At June 30, 2022 (unaudited)	4,263,528,317	35,530	235
At January 1, 2023 (audited)	4,225,261,885	35,211	233
Issue of new shares (note i)	17,642,323	147	1
Exercise of pre-IPO share options	5,624,927	47	*
At June 30, 2023 (unaudited)	4,248,529,135	35,405	234

Notes:

i. On June 10, 2022 and June 1, 2023, the Company issued and allotted 39,953,861 and 17,642,323 new ordinary shares at nil consideration to the trustee under the Restricted Share Award Scheme or the Global Partner Program Share Scheme, respectively. Details of the Restricted Share Award Scheme are set out in Note 30.

26. SHARE CAPITAL (continued)

Notes: (continued)

ii. On January 14, 2022, 45,058,000 shares were cancelled, of which 10,435,500 and 34,622,500 shares were repurchased in January 2022 and December 2021, respectively.

* Amount below RMB1,000.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the current interim period.

27. CAPITAL COMMITMENTS

The Group had capital commitments for land, equipment purchase and building construction, acquisition of interests from a non-controlling shareholder and financial assets at FVTPL under non-cancellable contracts as follows:

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Contracted but not provided for		
— land, property, plant and equipment	**1,309,927**	2,069,676
— acquisition of interests from a non-controlling shareholder	**90,000**	—
— financial assets at FVTPL	**62,810**	74,650
	1,462,737	2,144,326

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation process

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs
	June 30, 2023	December 31, 2022			
Financial assets at FVTPL	**Listed equity securities: RMB335,947,000**	Listed equity securities: RMB380,171,000	Level 1	Active market quoted transaction price (note)	N/A
	Unlisted equity investments: RMB6,815,000	Unlisted equity investments: nil	Level 2	Recent transaction price	N/A
	Unlisted equity investments: RMB535,846,000	Unlisted equity investments: RMB458,652,000	Level 3	Back-solve from recent transaction price, option pricing model and/or adjusted net asset value method	Probability of qualified initial public offering ("IPO"), redemption and liquidation, risk-free rate and expected volatility
	Unlisted equity investments: RMB181,361,000	Unlisted equity investments: RMB167,733,000	Level 3	Comparable company method	Liquidity discount

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs
	June 30, 2023	December 31, 2022			
	Unlisted equity investments: RMB91,806,000	Unlisted equity investments: RMB79,620,000	Level 3	Discounted cash flows method and option pricing model	Discount rate, probability of conversion, redemption and liquidation, risk-free rate and expected volatility
	Wealth management products: RMB1,090,678,000	Wealth management products: RMB2,014,632,000	Level 2	Discounted cash flows method, estimated based on expected return and market foreign exchange rate	N/A
Equity instruments at FVTOCI	**Unlisted equity investments: RMB22,035,000**	Unlisted equity investments: RMB41,470,000	Level 3	Comparable company method and discounted cash flows method	Liquidity discount
Investment of an associate measured at FVTPL	**Investment of an associate measured at FVTPL: RMB1,586,352,000**	Investment of an associate measured at FVTPL: RMB1,581,565,000	Level 3	Back-solve from recent transaction price and option pricing model	Probability of qualified IPO or sales, redemption and liquidation, risk-free rate and expected volatility
Foreign exchange forward, partial callable forward, partial callable forward extra, partial convertible dual currency structured deposit, forward extra, par forward, interest rate swap, collar contracts and capped forward classified as derivative financial assets and liabilities	**Derivative financial assets: RMB49,616,000** **Derivative financial liabilities: RMB1,178,761,000**	Derivative financial assets: RMB201,243,000 Derivative financial liabilities: RMB425,730,000	Level 2	Future cash flows are estimated based on forward exchange rates and contracted forward rates, discounted at a rate that reflects the credit risk of the banks.	N/A

Note: These equity investments were listed on the Stock Exchange or National Association of Securities Dealers Automated Quotations ("**NASDAQ**") market, with the shares traded in an active market. Therefore, the fair value of such investments as at June 30, 2023 and December 31, 2022 was determined based on the market price and classified as Level 1 of the fair value hierarchy.

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Reconciliation of Level 3 fair value measurements of financial assets

	Equity instruments at FVTOCI RMB'000	Financial assets at FVTPL RMB'000	Investment of an associate measured at FVTPL RMB'000
At January 1, 2023 (audited)	41,470	706,005	1,581,565
Total gains (losses)			
— in profit or loss	—	13,185	(14,095)
— in other comprehensive expense	(20,615)	—	—
Purchases	—	117,638	—
Dispose	—	(40,000)	—
Transfer to Level 2	—	(6,815)	—
Exchange alignment	1,180	19,000	18,882
At June 30, 2023 (unaudited)	22,035	809,013	1,586,352

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group considers the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the condensed consolidated financial statements approximate their fair value.

The fair values of these financial assets and financial liabilities at amortized cost are determined in accordance with generally accepted pricing models based on discounted cash flow analysis with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

29. RELATED PARTY DISCLOSURES

The Group had the following significant transactions and balances with related parties during the current interim period:

(a) Related party transactions:

Provision of research and development service to related parties

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Shanghai SynTheAll Pharmaceutical Co., Ltd. ("**STA**")	**7,996**	1,049
WuXi AppTec (Shanghai) Co., Ltd. ("**WXAT Shanghai**")	**214**	395
Shanghai STA Pharmaceutical R&D Co., Ltd. ("**STA R&D**")	**163**	162
WuXi ATU Co., Ltd. ("**WuXi ATU**")	**143**	49
Wuxi STA Pharmaceutical Co., Ltd.	**87**	—
Nanjing Mingjie Biomedical Testing Co., Ltd. ("**NJ Mingjie**")	**57**	—
	8,660	1,655

Provision of materials to related parties

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Duoning (note)	**704**	—
WuXi ATU	**213**	1,786
WuXi ATU (Shanghai) Limited ("**Shanghai ATU**")	**15**	—
WuXi AppTec (Nantong) Co., Ltd. ("**WANT**")	**6**	—
	938	1,786

Note: As disclosed in Note 14, Duoning is an associate of the Group.

29. RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions: (continued)

Technical service received

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
STA	**33,998**	—
STA R&D	**14,784**	53
Changzhou SynTheAll Pharmaceutical Co., Ltd. ("**STA Changzhou**")	**5,791**	9,134
WXAT Shanghai	**5,135**	1,677
WuXi AppTec (Suzhou) Co., Ltd. ("**WASZ**")	**2,876**	25,847
NJ Mingjie	**376**	939
CMA Metrology & Validation Lab Service (Shanghai) Co., Ltd ("**CMA Shanghai**") (note)	**337**	—
WANT	**101**	55
Duoning	**24**	24
WuXi Diagnostic Medical Testing Institute (Shanghai) Co., Ltd.	**—**	528
WuXi AppTec (Tianjin) Co., Ltd.	**—**	82
Shanghai MedKey Med-Tech Development Co., Ltd.	**—**	67
Shanghai STA Pharmaceutical Product Co., Ltd ("**Shanghai STA**")	**—**	20
	63,422	38,426

Note: CMA Shanghai is a subsidiary of Duoning.

29. RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions: (continued)

Other services received

	Six months ended June 30, 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
STA Changzhou	**2,957**	396
Shanghai Waigaoqiao WuXi AppTec Incubator Management Co., Ltd. ("**WXAT Incubator**") (note)	**1,625**	1,302
WuXi AppTec Korea Co., Ltd.	**866**	821
CMA Shanghai	**94**	—
STA	**62**	—
Chengdu Kangde Renze Real Estate Co., Ltd. ("**Renze**")	**53**	625
WXAT Shanghai	**—**	14
	5,657	3,158

Note: WXAT Incubator is a joint venture held by WXAT Shanghai, an indirect wholly-owned subsidiary of WuXi AppTec Co., Ltd.

Purchase of materials, property, plant and equipment

	Six months ended June 30, 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Duoning	**43,332**	63,978
STA Changzhou	**1,882**	1,477
Shanghai Biopro Industrial Development Co., Ltd ("**Shanghai Biopro**") (note)	**468**	—
STA	**383**	—
WXAT Shanghai	**178**	4,161
Renze	**81**	—
Shanghai Lianghei Technology Co., Ltd. ("**Lianghei** ") (note)	**—**	309
	46,324	69,925

Note: Shanghai Biopro and Lianghei are subsidiaries of Duoning.

29. RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions: (continued)

Expenses relating to leases

	Six months ended June 30,	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
STA Changzhou	**2,154**	2,148
WXAT Incubator	**1,197**	1,038
WXAT Shanghai	**595**	622
	3,946	3,808

The transactions above were carried out in accordance with the terms agreed with the counterparties.

29. RELATED PARTY DISCLOSURES (continued)

(b) Related party balances:

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Amounts due from related parties		
Trade related:		
STA	**10,471**	1,996
Less: Allowance for credit losses	**(433)**	(89)
WXAT Shanghai	**659**	887
Less: Allowance for credit losses	**(3)**	(1)
WuXi ATU	**7**	—
Shanghai ATU	**5**	—
Duoning	**—**	2,617
Less: Allowance for credit losses	**—**	(109)
	10,706	5,301
Non-trade related:		
Shanghai STA	**283**	—
STA R&D	**15**	—
	298	—
Contract assets		
STA Changzhou	**7,685**	7,250
Less: Allowance for credit losses	**(73)**	(44)
	7,612	7,206
Advances to suppliers		
WASZ	**9,557**	10,945
Duoning	**2,581**	5,400
WXAT Shanghai	**335**	—
Shanghai STA	**273**	—
WXAT Incubator	**—**	650
	12,746	16,995

29. RELATED PARTY DISCLOSURES (continued)

(b) Related party balances: (continued)

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Amounts due to related parties		
Trade related:		
STA	**37,905**	26,227
Duoning	**24,920**	13,803
STA Changzhou	**10,902**	5,322
STA R&D	**4,619**	39,973
WASZ	**3,090**	12,590
WXAT Shanghai	**1,769**	13,600
NJ Mingjie	**1,386**	987
Shanghai Biopro	**468**	—
CMA Shanghai	**163**	169
Lianghei	**5**	91
STA Pharmaceutical Hong Kong Limited	**—**	3,034
	85,227	115,796
Non-trade related:		
Duoning	**7,817**	17,933
STA Changzhou	**1,882**	22,594
Renze	**326**	189
	10,025	40,716

29. RELATED PARTY DISCLOSURES (continued)

(b) Related party balances: (continued)

	As at	
	June 30, 2023	December 31, 2022
	RMB'000 (Unaudited)	RMB'000 (Audited)
Contract liabilities		
WuXi ATU	**844**	—
Lease liabilities		
WXAT Incubator	**3,411**	4,496
WXAT Shanghai	**604**	1,194
	4,015	5,690

During the current interim period, the Group did not enter into any new lease agreements with related parties.

Except for lease liabilities, all the above balances with related parties are unsecured, interest free and repayable on demand.

Except for Duoning, WXAT Incubator, CMA Shanghai, Shanghai Biopro and Lianghei of which the relationship with the Group have been disclosed separately as above, all of the other related parties mentioned above are considered as related parties of the Group throughout the entire reporting period, because they are ultimately controlled by Dr. Ge Li; Mr. Xiaozhong Liu and Mr. Zhaohui Zhang (collectively referred to as the "**Shareholders**"), who are all acting in concert and have significant influence in WuXi Biologics Holdings Limited, the immediate and ultimate holding company of the Company.

29. RELATED PARTY DISCLOSURES (continued)

(c) Compensation of directors and key management personnel:

	Six months ended June 30,	
	2023	2022
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Directors' fee	**745**	286
Salaries and other benefits	**5,935**	6,318
Performance-based bonus	**2,518**	2,477
Retirement benefits scheme contributions	**50**	47
Share-based compensation	**84,629**	71,946
	93,877	81,074

The remuneration of key management is determined with reference to the performance of the individuals and market trends.

30. SHARE-BASED COMPENSATION

(a) Pre-IPO Share Option Scheme

The Company's Pre-IPO Share Option Scheme was adopted pursuant to resolutions passed on January 5, 2016 for the primary purpose of attracting, retaining and motivating employees and directors. Under the Pre-IPO Share Option Scheme, the directors of the Company may grant up to 144,600,000 (before the effect of the Share Subdivision*) share options to eligible employees, including the directors of the Company and its subsidiaries, to subscribe for shares in the Company. Grantee accepting an option grant offered by the Company has to sign an acceptance letter and pay to the Company an amount of HK$1.00 (before the effect of the Share Subdivision) as consideration for the grant.

* Pursuant to a shareholders' resolution passed at an extraordinary general meeting on November 12, 2020, the authorized and issued shares of the Company were subdivided on the basis that every one issued share is subdivided into three subdivided shares (the "**Share Subdivision**"). The Share Subdivision became effective on November 16, 2020.

30. SHARE-BASED COMPENSATION (continued)

(a) Pre-IPO Share Option Scheme (continued)

Set out below are details of the movements of the outstanding options granted under the Pre-IPO Share Option Scheme during the six months ended June 30, 2023:

Batch	Outstanding as at January 1, 2023	Granted during the period	Exercised during the period	Forfeited during the period	Outstanding as at June 30, 2023
January 7, 2016	122,619,901	–	3,027,959	–	119,591,942
March 28, 2016	951,725	–	115,900	–	835,825
August 10, 2016	6,219,550	–	316,300	–	5,903,250
November 11, 2016	2,383,103	–	597,500	–	1,785,603
March 15, 2017	33,697,583	–	1,039,138	–	32,658,445
May 12, 2017	5,046,405	–	528,130	–	4,518,275
	170,918,267	–	5,624,927	–	165,293,340
Exercisable at the end of the period	170,918,267				165,293,340
Weighted average exercise price (US$)	0.22	–	0.25	–	0.22

The Group recognized expense of nil for the six months ended June 30, 2023 (June 30, 2022: RMB1,384,000) in relation to share options granted by the Company under the Pre-IPO Share Option Scheme.

In respect of the share options exercised during the period, the weighted average share price at the dates of exercise was HK$52.01 (June 30, 2022: HK$68.85).

30. SHARE-BASED COMPENSATION (continued)

(b) Restricted Share Award Scheme

On January 15, 2018, the Company adopted the Restricted Share Award Scheme for its employees.

Set out below are details of the movements of the outstanding restricted shares granted under the Restricted Share Award Scheme during the six months ended June 30, 2023:

Batch	Outstanding as at January 1, 2023	Granted during the period	Vested during the period	Forfeited during the period	Cancelled due to joining the Subsidiary Share Option Scheme during the period (note i)	Outstanding as at June 30, 2023	Fair value per share at the date of grant (note ii)
January 15, 2018	1,954,272	–	1,934,568	–	19,704	–	HK$18.333
March 20, 2018	1,440,276	–	1,425,192	1,104	13,980	–	HK$25.233
June 13, 2018	544,209	–	525,855	14,898	3,456	–	HK$29.500
August 21,2018	1,148,685	–	–	9,195	30,420	1,109,070	HK$23.500
November 20, 2018	854,285	–	–	–	5,589	848,696	HK$21.850
March 19, 2019	82,750	–	27,580	–	–	55,170	HK$27.783
June 5, 2019	6,584,235	–	2,159,393	73,672	56,928	4,294,242	HK$23.900
August, 20, 2019	2,161,513	–	–	38,768	30,305	2,092,440	HK$27.667
November 20, 2019	688,272	–	–	16,706	21,348	650,218	HK$29.800
March 27, 2020	2,990,928	–	739,080	49,854	23,773	2,178,221	HK$33.333
June 9, 2020	1,335,518	–	330,438	6,219	7,445	991,416	HK$41.900
August 18, 2020	1,109,910	–	–	17,867	4,937	1,087,106	HK$58.600
November 12, 2020	4,416,208	–	–	70,408	67,954	4,277,846	HK$77.133
March 24, 2021	4,009,552	–	776,605	77,296	50,295	3,105,356	HK$87.950
June 16, 2021	1,324,604	–	264,920	–	–	1,059,684	HK$116.900
June 17, 2021	11,078,195	–	2,152,410	218,069	168,265	8,539,451	HK$120.800
August 24, 2021	3,914,921	–	–	114,516	45,435	3,754,970	HK$121.700
November 23, 2021	3,371,719	–	–	147,550	1,904	3,222,265	HK$101.300
March 23, 2022	17,409,885	–	–	575,033	123,113	16,711,739	HK$65.300
June 10, 2022	8,530,729	–	16,581	216,692	74,057	8,223,399	HK$69.000
August 18, 2022	1,720,764	–	–	61,002	–	1,659,762	HK$71.700
November 28, 2022	7,252,833	–	–	227,286	–	7,025,547	HK$47.350
	83,924,263	–	10,352,622	1,936,135	748,908	70,886,598	
Weighted average fair value per share (HK$)	69.01	–	51.99	73.38	73.10	71.33	

30. SHARE-BASED COMPENSATION (continued)

(b) Restricted Share Award Scheme (continued)

Notes:

i. During the current interim period, certain employees of the Group were offered, and agreed to join the Subsidiary Share Option Scheme, i.e. the WuXi XDC Share Option Scheme (as defined in Note 30(d)) or the WuXi Vaccines Share Option Scheme (as defined in Note 30(d)). Upon participating in the Subsidiary Share Option Scheme, share options under the Subsidiary Share Option Scheme were granted to the employees while the outstanding restricted shares granted under the Restricted Share Award Scheme and/or the Global Partner Program Share Scheme held by the respective employees were cancelled in the same time accordingly. The directors of the Company considered that most of the cancelled restricted shares under the Restricted Share Award Scheme were replaced by the share options granted under the Subsidiary Share Option Scheme, which was accounted for as a modification of the original equity instruments with no incremental fair value granted, therefore, such outstanding restricted shares would continue to be measured at the original grant-date fair value and the corresponding share-based compensation expense would be recognized in profit or loss over the original vesting periods. The remaining cancelled restricted shares were deemed to be accounted for as an acceleration of vesting, and the Group recognized immediately the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

ii. The fair value per share at the date of grant represents the prices after the effect of the Share Subdivision effected on November 16, 2020.

The Group recognized total expense of approximately RMB648,806,000 for the six months ended June 30, 2023 (June 30, 2022: RMB511,102,000) in relation to restricted shares granted by the Company under the Restricted Share Award Scheme.

30. SHARE-BASED COMPENSATION (continued)

(c) Global Partner Program Share Scheme

On June 16, 2021, the Company adopted the Global Partner Program Share Scheme to further reward and incentivize the Group's employees.

Set out below are details of the movements of the outstanding restricted shares granted under the Global Partner Program Share Scheme during the six months ended June 30, 2023:

Batch	Outstanding as at January 1, 2023	Granted during the period	Vested during the period	Forfeited during the period	Cancelled due to joining the Subsidiary Share Option Scheme during the period (note)	Outstanding as at June 30, 2023	Fair value per share at the date of grant
November 23, 2021	2,582,758	–	–	11,000	20,782	2,550,976	HK$101.30
June 10, 2022	1,223,147	–	–	–	–	1,223,147	HK$69.00
November 28, 2022	6,769,146	–	–	33,263	30,244	6,705,639	HK$47.35
	10,575,051	–	–	44,263	51,026	10,479,762	
Weighted average fair value per share (HK$)	63.03	–	–	60.76	69.32	63.01	

Note: The details of the cancellation due to joining the Subsidiary Share Option Scheme are set out in note i in Note 30 (b).

The Group recognized total expense of approximately RMB84,752,000 for the six months ended June 30, 2023 (June 30, 2022: RMB83,096,000) in relation to restricted shares granted by the Company under the Global Partner Program Share Scheme.

30. SHARE-BASED COMPENSATION (continued)

(d) Subsidiary Share Option Scheme

WuXi XDC Share Option Schemes (as defined below)

WuXi XDC Cayman Inc. ("**WuXi XDC**"), a subsidiary of the Company, has adopted the 2021 pre-IPO share option scheme (the "**WuXi XDC 2021 Pre-IPO Share Option Scheme**") and the 2023 pre-IPO share option scheme (the "**WuXi XDC 2023 Pre-IPO Share Option Scheme**") on November 23, 2021 and March 22, 2023, respectively (collectively referred to as the "**WuXi XDC Share Option Schemes**"). The purpose of the WuXi XDC Share Option Schemes is to enable WuXi XDC to grant options to eligible participants as incentives or rewards for their contribution to WuXi XDC and its subsidiaries (collectively referred to as "**WuXi XDC Group**") so as to enable WuXi XDC Group to recruit and retain high-calibre employees and attract human resources that are valuable to WuXi XDC Group.

As at June 30, 2023, the outstanding options to subscribe for an aggregate of 77,649,646 shares have been conditionally granted under the WuXi XDC 2021 Pre-IPO Share Option Scheme, which were granted on April 1, 2022, June 10, 2022, August 18, 2022 and January 6, 2023, respectively, and the exercise price of the options granted were RMB1.658, RMB1.658, RMB1.850 and RMB1.868 per share, respectively. Subsequent to the current reporting period, options to subscribe for an aggregate of 34,819,569 shares were granted under the WuXi XDC 2023 Pre-IPO Share Option Scheme on July 6, 2023.

The Group recognized total expense of approximately RMB30,199,000 for the six months ended June 30, 2023 (six months ended June 30, 2022: RMB1,791,000) in relation to options granted by WuXi XDC under the WuXi XDC Share Option Schemes.

30. SHARE-BASED COMPENSATION (continued)

(d) Subsidiary Share Option Scheme (continued)

WuXi Vaccines Share Option Scheme (as defined below)

WuXi Vaccines (Cayman) Inc. ("**WuXi Vaccines**"), a subsidiary of the Company, has adopted the share option scheme ("**WuXi Vaccines Share Option Scheme**") on November 23, 2021. The purpose of the WuXi Vaccines Share Option Scheme is to enable WuXi Vaccines to grant options to eligible participants as incentives or rewards for their contribution to WuXi Vaccines and its subsidiaries (collectively referred to as "**WuXi Vaccines Group**") so as to enable WuXi Vaccines Group to recruit and retain high-calibre employees and attract human resources that are valuable to WuXi Vaccines Group.

As at June 30, 2023, the outstanding options to subscribe for an aggregate of 46,604,540 shares have been conditionally granted under the WuXi Vaccines Share Option Scheme, which were granted on May 16, 2022 and June 10, 2022, respectively, and the exercise price of the options granted were RMB0.511 and RMB0.511 per share, respectively.

The Group recognized total expense of approximately RMB18,964,000 for the six months ended June 30, 2023 (six months ended June 30, 2022: RMB2,133,000) in relation to options granted by WuXi Vaccines under the WuXi Vaccines Share Option Scheme.

31. EVENT AFTER THE REPORTING PERIOD

The Company proposes to spin-off and separately list the shares of WuXi XDC on the Main Board of the Stock Exchange (the "**Proposed Spin-off**"). On July 7, 2023, WuXi XDC submitted to the Stock Exchange the application for the listing of, and permission to deal in, WuXi XDC's shares on the Main Board of the Stock Exchange. For more details of the Proposed Spin-off, please refer to the Company's announcement dated July 9, 2023.

APPENDIX II

REPRODUCTION OF THE ISSUER'S CONDENSED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

The information set out below is a reproduction of the Issuer's condensed interim financial statements as at and for the six-month period ended 30 June 2023.

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SG Issuer

Société Anonyme

Condensed interim financial statements,
Report of the Executive Board and Corporate Governance Statement and
Report of the Réviseur d'entreprises agréé on review of the condensed interim financial statements

As at and for the six-month period ended 30 June 2023

15 avenue Emile Reuter,
L-2420 Luxembourg
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Executive Board Members
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EXECUTIVE BOARD MEMBERS

Chairman:

Mr Yves CACCLIN
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Members:

Mr Thierry BODSON
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Mr François CARALP
Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Mr Alexandre GALLICHE (until 13 January 2023)
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Mr Julien BOUCHAT (since 13 January 2023)
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Mr Pascal JACOB (until 28 April 2023)
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Mr Youenn LE BRIS (since 28 April 2023)
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Mr Laurent SIMONET
Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Mrs Estelle STEPHAN JASPARD
Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Supervisory Board Members
As at 30 June 2023

SUPERVISORY BOARD MEMBERS

Chairman:

Mr Laurent WEIL
Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

Vice-president:

Mr Olivier BLANC (until 28 April 2023)
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Members:

Mr Olivier BLANC (until 28 April 2023)
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Mr Angelo BONETTI
Employee of Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris - La Défense 7, France

Mr Gregory CLAUDY
Independent Director
225A, rue du Burgknapp, B-6717 Heinstert, Belgium

Mr Emanuele MAIOCCHI
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

AUDIT COMMITTEE MEMBERS

Chairman:

Mr Gregory CLAUDY
Independent Director
225A, rue du Burgknapp, B-6717 Heinstert, Belgium

Members:

Mr Olivier BLANC (until 28 April 2023)
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

Mr Emanuele MAIOCCHI
Employee of Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg

MANAGEMENT AND ADMINISTRATION

Issuer
SG Issuer
15 avenue Emile Reuter, L-2420 Luxembourg
Guarantor (if applicable, as specified in the Final Terms)
Société Générale
29, boulevard Haussmann, F-75009 Paris, France

Arranger and Dealer
Société Générale
Tour Société Générale, 17, cours Valmy, F-92987 Paris - La Défense 7, France

Security Trustee and Security Agent Trustee
The Bank of New York Mellon Corporate Trustee Services Limited
One Canada Square, London E14 5AL, United Kingdom

Collateral Custodian
The Bank of New York Mellon S.A., Luxembourg Branch
Vertigo Building, Polaris, 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Luxembourg

Collateral Monitoring Agent
The Bank of New York Mellon London Branch
One Canada Square, London E14 5AL, United Kingdom

Custodian Agent, Issuing and Paying Agent, Registrar, Exchange Agent and Transfer Agent
Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg, Luxembourg

Paying Agents
Société Générale
29, boulevard Haussmann, F-75009 Paris, France
&
Société Générale, New York Branch
1221, avenue of the Americas, New York NY 10020, United States of America

Warrant Agent
Société Générale Luxembourg
15, avenue Emile Reuter, L-2420 Luxembourg, Luxembourg

LEGAL ADVISERS AND RÉVISEUR D'ENTREPRISES AGRÉÉ

Legal advisers
To the Arranger as to English, French and U.S. laws
Allen & Overy LLP
52, avenue Hoche, CS 90005, 75379 Paris Cedex 08, France

To the Trustee as to English Law
Allen & Overy LLP
1 Bishops Square, London E1 6AD, United Kingdom

To the Arranger as to Luxembourg Law
Allen & Overy Luxembourg
5, avenue John F. Kennedy, L-1855 Luxembourg, Luxembourg

Independent Auditor (Réviseur d'entreprises agréé)
Ernst & Young S.A.
35E, avenue John F. Kennedy, L-1855 Luxembourg, Luxembourg

REPORT OF THE EXECUTIVE BOARD AND CORPORATE GOVERNANCE STATEMENT

The Directors of SG Issuer (the "Company" or “SGIS”) (each a « Director », collectively the « Executive Board ») present the condensed interim financial statements and the Report of the Executive Board and Corporate Governance Statement of the Company for the period from 1 January 2023 to 30 June 2023.

1. ACTIVITIES AND REVIEW OF THE DEVELOPMENT OF THE BUSINESS

The purpose of SG Issuer is to issue Notes and Warrants with all types of underlyings including, without restriction, Shares, Index, Interest Rate, Dividend, Credit Risk, Foreign Exchange, Commodities, Funds, Warrants, allowing investors to access to the full pricing capabilities of Société Générale, which proposes an extensive range of investment strategies linked to these various asset classes.

Notes and Warrants issued by the Company can be sold in either Private Placements or Public Offerings. Notes are mainly Debt Securities, Bonds, and Certificates. Issuing proceeds raised by the sale of the Notes will be transferred to Société Générale S.A. (“Société Générale”) through a Fully Funded Swap (“FFS”), which perfectly hedges SGIS for the full issue size.

Warrants are financial products like Turbos, inline Warrants, daily Leverage Certificates, which aim to replicate the same financial exposure as buying (Call) or selling (Put) an asset such as a share or an index, at a predetermined price (strike price) on a predetermined date (expiry) and to offer different pay-off or exposures to investors.

Payments in respect of the Notes and Warrants issued by the Company are unconditionally and irrevocably guaranteed by Société Générale.

On request of investors, the Company can issue Collateralised Notes or Warrants (respectively “secured Notes” or “secured Warrants”) in order to propose an additional layer of protection to investors in case of default of Société Générale.

Notes and Warrants issuances are governed by the programs prepared by Société Générale.

The main programs for Notes are (i) the Debt Instruments Issuance Program, the Base Prospectus of which has been updated and approved by the CSSF on 31 May 2023 and (ii) the “Programme d'Emission de Titres de Créance”, the Base Prospectus of which has been updated and approved by the CSSF on 12 June 2023. Similarly, the main program for Warrants is the Warrants Issuance Program, for which the last updates have been approved by the CSSF on 26 June 2023.

In addition, (i) the German law Dual Language Debt Instruments Issuance Program has been updated and approved by the CSSF on 12 June 2023 and (ii) the Dual Language Leveraged and Tracking Products Issuance Program has been updated and approved by the CSSF on 3 July 2023.

The UK Securities Issuance Program has been approved by the CSSF on 31 May 2023 and the Swiss Securities Issuance Program on 3 July 2023 by the SIX Exchange Regulation Ltd.

The newly created German Debt Instruments Issuance Program was approved by the CSSF on 9 November 2022.

The state of business of the Company at the closing of the six-month period ended 30 June 2023 is adequately presented in the interim financial statements published hereby.

During the six-month period ended 30 June 2023, 8 312 new Notes were issued (among which 37 new secured Notes) and 1 755 new Warrants were issued[1]. The net loss for the period from 1 January 2023 to 30 June 2023 amounts to KEUR 243.

The Company did not exercise any research and development activity, does not have any branch, and did not acquire any own shares.

2. RISKS AND UNCERTAINTIES

The risks associated with the investment in the Notes or Warrants depend on several factors. Such factors will vary depending on the characteristics of the Notes or Warrants issued, in particular depending on the underlying type, the maturity, the secured / unsecured status of the Notes or Warrants, the interest rates incurred, the volatility of the underlying.

For each Note, the Company systematically hedges its position by contracting a FFS with Société Générale, with strictly identical characteristics. Also, for each Warrant, the Company systematically hedges its position by contracting an option with Société Générale, with strictly identical characteristics.

The legal documentation and the derivative instruments have been put in place in order to make sure that the assets match the liabilities at any time. Therefore, no market risk is supported by the Company. The risk management in relation to the Notes and Warrants is also described in Note 10 hereafter.

3. FUTURE DEVELOPMENTS AND PERSPECTIVES

Following the acquisition by the Société Générale Group (SG Group) of the listed warrants activities from Commerzbank, Société Générale decided to centralize the new warrants issuances into another vehicle of the SG Group. The Company will however pursue its warrants issuances activity on the Asian markets.

4. INFORMATION ON LITIGATIONS

During the year ended 31 December 2020, SG Issuer, as the Issuer of Notes linked to the credit risk of a French corporate, and Société Générale, as the Guarantor, were brought before the Courts of Paris (alongside other French financial institutions) by end investors to obtain compensation for the financial loss they suffered on their investment in these securities. The French corporate was the subject of a “safeguard procedure”, which constitutes a credit event under the terms of the Notes which had a strong impact on the value of the Notes. These investors rely on unfounded allegations according to which SG Issuer and Société Générale were aware of the difficulties of the French corporate when setting up and marketing these Notes and that in doing so, they failed to meet their regulatory obligations (to act in an honest, fair and professional manner, to provide information on the product risks and to determine the suitability of the Notes for retail investors).

On 27 July 2021, the Company received a new letter from end investors in order to obtain compensation for the financial loss they suffered on their investment in securities issued by the Company. This letter relates to the same litigation described above.

For this litigation, along with any other litigation relating to securities issued by SG Issuer, SG Issuer is entitled to an indemnification by Société Générale in respect of any sum due by SG Issuer regarding potential damages or attorneys' fees.

[1] The number of issued Notes and Warrants does not take into account the issuances which have been issued and cancelled during the same financial period.

5. SUBSEQUENT EVENTS

There are no subsequent event at the report issuance date since June 30th 2023.

6. CORPORATE GOVERNANCE STATEMENT

The Executive Board of the Company is committed to maintaining the standards of corporate governance enforced at the level of the European Union and at level of the Société Générale Group. This statement describes the Company’s governance principles and practices.

In compliance with its status, the Company is governed by an Executive Board and supervised by a dedicated Supervisory Board.

6.1. Executive board

The Executive Board supervises and controls the management and operations of the Company and is responsible for the Company system of risk management and internal control.

The Executive Board meetings are held on demand several times during the year.

The Board has quorum when more than half of its members are present. An opinion supported by more than half of the members present becomes a decision.

Key tasks of the Executive Board:

- Ensures that the supervision of accounting is organised and monitored appropriately;
- Reviews and approves the Company’s financial statements and condensed interim financial statements;
- Supervises and controls operative management.

6.2. Supervisory board

The Supervisory Board ensures permanently and by all necessary means the control of the management of the Company carried out by the Executive Board. However, this supervision has to be translated in no way by an intervention in the management of the Company. The Supervisory Board can mandate advisory committees comprised of members of the Supervisory Board and/or of other non-members to lead different missions. The Supervisory Board can confer power or mandates permanently or temporary to these advisory committees. These advisory committees cannot have the effect of restricting the powers of the Executive Board.

6.3. Audit committee

The mission of the Audit Committee is to monitor the issues related to the preparation and control of accounting and financial information, to monitor the independence of the statutory auditors, as well as to monitor the efficiency of the internal control, measurement, supervision and risk control systems related to the accounting and financial processes. If needed, it gives recommendations and its opinion to the Supervisory Board.

An Audit Committee took place on 25 April 2023, during which the financial statements for the financial period ended 31 December 2022 and the external audit results were presented. At least one member of the committee must be independent, which is the case of the Chairman of the Company’s Audit Committee.

6.4. Internal audit

The Internal Audit of both Société Générale Luxembourg S.A. (“SG Luxembourg”) and Société Générale Group support the Company’s Executive Board in overseeing the Company’s activities and securing its operations by carrying out internal audits and providing consultative assistance. The objective of Internal Audit is to add value by making recommendations designed to improve the Company’s functioning. Internal Audit is an independent function and its activities are based on international professional internal audit standards and rules of ethics.

The central task of Internal Audit is to audit the functioning of SG Issuer on a regular basis and evaluate its internal controls, risk management, and administrative function. The areas to be audited are determined by the projected financial and operational risks concerned. Internal Audit can also carry out special assignments at the request of management.

Internal Audit does not have any direct authority over the activities it reviews.

6.5. Controls framework

First level of controls is related to the execution of the procedures, guidelines and instructions established to ensure the proper and efficient functioning of the Company. They are executed by the involved teams in charge of the production.

A second level of control is ensured by SG Luxembourg: Outsourced Essential Services (“OES”) supervision (ensured by the Corporate department), Market Risk and Operational Risk (ensured by the Risk department), “Level 2 permanent control” activity (monitoring and assessment of the level 1 permanent control system).”

The Chief Financial Officer of the Company ensures the completeness of the procedural framework.

6.6. New products committee

All the new activities and businesses of the Company are analysed and authorised by a dedicated New Products Committee (NPC). All involved departments within SG Luxembourg are represented (operations, finance, risk, accounting standards, etc...) to assess the impact for the Company.

6.7. Service level agreements

The Company and several of its service providers are subsidiaries of the Société Générale Group and therefore benefit from the Group's internal control systems.

Service Level Agreements ("SLAs") were signed by the Company with SG Luxembourg and with Société Générale. The SLAs govern the relations between the entities as well as their respective obligations. The services supplied by SG Luxembourg and Société Générale are listed in the appendices of the agreements (mainly General services, legal services, business continuity management services and financial services from SG Luxembourg and operational services – Middle Office and Back Office – from Société Générale). In particular, the calculation of the remuneration related to the issuance of the Notes is delegated to Société Générale Paris Middle office within the framework of the SLA.

Luxembourg, 29 September 2023
For the Executive Board

Yves CACCLIN
Chairman of the Executive Board

Thierry BODSON
Member of the Executive Board

SG Issuer S.A.

Global Statement for the condensed interim financial statements

As at 30 June 2023

To the best of our knowledge, the condensed interim financial statements are prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union and give a true and fair view of the financial position and performance of SG Issuer as at and for the six-month period ended 30 June 2023. The condensed interim financial statements comprise the interim statement of financial position as at 30 June 2023, the interim statement of profit and loss and other comprehensive income, the interim statement of changes in equity and the interim statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes.

To the best of our knowledge, the report of the Executive Board and Corporate Governance Statement includes a fair review of the development and performance of the Company, and a description of the principal risks and uncertainties that the Company faces.

Luxembourg, 29 September 2023

Yves CACCLIN
Chairman of the Executive Board

Thierry BODSON
Member of the Executive Board

Building a better
working world

Ernst & Young
Société anonyme

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Report of the Réviseur d'entreprises agréé on review of the condensed interim financial statements

To the Shareholders of
SG Issuer S.A.
15 avenue Emile Reuter, L-2420 Luxembourg

Introduction

We have reviewed the accompanying condensed interim financial statements of SG Issuer S.A. as at and for the six-month period ended 30 June 2023, which comprise the interim statement of financial position as at 30 June 2023 and the related interim statement of profit and loss and other comprehensive income, the interim statement of changes in equity, the interim statement of cash flows for the six-month period then ended and a summary of significant accounting policies and explanatory notes. The Executive Board is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union ("IAS 34"). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Dorian Rigaud

Luxembourg, 29 September 2023

Condensed interim financial statements
As at 30 June 2023

Interim statement of financial position

	Note	('000 EUR) 30.06.2023	('000 EUR) 31.12.2022
Cash and cash equivalents	3, 10.4, 10.5	22 529	36 176
Financial assets at fair value through profit or loss			
- *Mandatorily measured at fair value through profit or loss*	4.1, 10.4, 10.5	49 931 054	38 757 924
- *Trading derivatives*	4.1, 10.4, 10.5	76 499	1 025 209
Loans and receivables	5	50 084	50 023
Other assets		354 695	343 495
Total assets		**50 434 861**	**40 212 827**
Financial liabilities at amortised cost	4.3, 10.4, 10.5	65 736	70 585
Financial liabilities at fair value through profit or loss			
- *Designated at fair value through profit or loss*	4.2, 10.4, 10.5	49 930 005	38 754 129
- *Trading derivatives*	4.2, 9, 10.4, 10.5	76 429	1 025 105
Other liabilities		360 733	360 231
Tax liabilities	6	0	201
Total liabilities		**50 432 903**	**40 210 251**
Share capital	7.1	2000	2 000
Share premium	7.1	-	-
Legal reserve	7.2.1	200	200
Other reserves	7.2.2	1	(214)
Profit for the financial period/year		(243)	590
Total equity		**1 958**	**2 576**
Total equity and liabilities		**50 434 861**	**40 212 827**

TB

Condensed interim financial statements (continued)
As at 30 June 2023

Interim statement of profit and loss and other comprehensive income

	Note	('000 EUR) 1st half of 2023	('000 EUR) 1st half of 2022
Interest income		1 185	66
Commission income	8	23 668	18 456
Net gains from financial instruments at fair value through profit or loss		-	127
Total revenues		**24 853**	**18 649**
Interest expenses		(18 123)	(10 470)
Net result from financial instruments at fair value through profit or loss		(147)	-
Personnel expenses		(109)	(136)
Other operating expenses		(6 717)	(7 656)
Total expenses		**(25 096)**	**(18 262)**
Cost of risk	5	0	1
Profit before tax		**(243)**	**388**
Income tax	6	0	(98)
Profit for the financial period		**(243)**	**290**
Total comprehensive income for the period		**(243)**	**290**

TB

Condensed interim financial statements (continued)

As at 30 June 2023

Interim statement of changes in equity

	('000 EUR) Share capital	('000 EUR) Share premium	('000 EUR) *Legal reserve*	('000 EUR) *Other reserves*	('000 EUR) Total reserves	('000 EUR) Profit for the financial year/period	('000 EUR) Total equity
As at 31 December 2021	**2 000**	**-**	*200*	*1*	**201**	**(215)**	**1 986**
Allocation of the result of the previous year before dividend distribution	-	-	-	-	-	215	215
Allocation to loss brought forward	-	-	-	*(215)*	(215)	-	(215)
Capital increase / Allocation to the share premium account (Note 7.1)	-	28 244	-	-	-	-	28 244
Dividend paid (Note 7.1)	-	-	-	-	-	-	-
Reimbursement of the share premium (Note 7.1)	-	(28 244)	-	-	-	-	(28 244)
Profit and other comprehensive income for the period from 1 January 2022 to 30 June 2022	-	-	-	-	-	290	290
As at 30 June 2022	**2 000**	**-**	*200*	*(214)*	**(14)**	**290**	**2 276**
Profit and other comprehensive income for the period from 1 July 2022 to 31 December 2022	-	-	-	-	-	300	300
As at 31 December 2022	**2 000**	**-**	*200*	*(214)*	**(14)**	**590**	**2 576**
Allocation of the result of the previous year before dividend distribution	-	-	-	-		-	-
Allocation to loss brought forward	-	-	-	*590*	590	(590)	-
Capital increase / Allocation to the share premium account (Note 7.1)	-	22 050	-	-	-	-	22 050
Dividend paid (Note 7.1)	-	-	-	*(375)*	(375)	(375)	(375)
Reimbursement of the share premium (Note 7.1)	-	(22 050)	-	-	-	-	(22 050)
Profit and other comprehensive income for the period from 1 January 2023 to 30 June 2023	-	-	-	-	-	(243)	(243)
As at 30 June 2023	**2 000**	**-**	*200*	*1*	**201**	**(243)**	**1 958**

Condensed interim financial statements (continued)

As at 30 June 2023

Interim statement of cash flows

	Notes	('000 EUR) 1st half of 2023	('000 EUR) 1st half of 2022
OPERATING ACTIVITIES			
Profit for the financial period		(243)	290
Net (increase)/decrease in financial assets	4.1	(4 674 261)	(10 618 051)
Net increase/(decrease) in financial liabilities	4.2	5 043 084	10 592 495
(Increase)/decrease in other assets		(11 200)	17 365
Increase/(decrease) in tax liabilities and other liabilities		501	(11 499)
Taxes paid	7	(201)	-
Non-cash adjustments:			
Net change in fair value and foreign exchange difference	4.1, 4.2	(348 899)	34 798
Change in cost of risk	5	0	(1)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**8 778**	**15 397**
FINANCING ACTIVITIES			
Payment of capital surplus*	7.1	(22 050)	(28 244)
Dividend paid		(375)	-
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		**(22 425)**	**(28 244)**
Cash and cash equivalents as at the beginning of the period	3	36 176	36 384
Net increase/(decrease) in cash and cash equivalents		(13 647)	(12 847)
Cash and cash equivalents as at the end of the period		**22 529**	**23 537**
Additional information on operational cash flows from interest and dividends			
Interest paid		23 609	28 309
Interest received		1 184	66
Dividend received		-	-

** KEUR 22 050 for the period ended 30 June 2023 (and KEUR 28 244 for the period ended 30 June 2022) represent the share premium reimbursed by the Company to the shareholder (refer to Note 7.1).*

Notes to the condensed interim financial statements
As at 30 June 2023

NOTE 1 – CORPORATE INFORMATION

SG Issuer (hereafter the "Company" or “SGIS”) is a Luxembourg company incorporated on 16 November 2006 as a public limited liability company (Société Anonyme) for an unlimited period.

Since April 2013, the Company’s corporate objects are to issue debt securities, bonds, certificates, warrants and any other debt securities or acknowledgements of debts or financial securities, whether or not accompanied by guarantees, with any type of underlying security, including, without limitation, company stock, any other capital security or security other than capital, index, currency, exchange rate, interest rate, dividend, credit risk, fund unit, investment company stock, term deposit, life assurance contract, loan, merchandise, term contract, option, warrant or option coupons, allocated or unallocated precious metals, unit of account, basket or any other factor or any other type of underlying securities and any combination of the latter.

To that effect, the Company may purchase, hold, dispose of, lend, loan or resell, by any means, including in particular the use of trusts, in trust or repurchase, any type of assets whatever their names and forms and whether or not accompanied by guarantees, in particular financial instruments (financial securities - stocks, fund units, bonds, certificates, warrants - or financial contracts - swaps, options or other) or any other debt securities, acknowledgements of debts or capital securities, receive or issue monetary loans (including loans convertible into shares of the Company) - within the group of companies to which the Company belongs - and to supply guarantees in any form (actual guarantees such as pledges, securities, mortgages or other - personal guarantees or any other form of guarantee) for their own account, for the account of the group of companies to which the Company belongs or on behalf of third parties.

The Company’s financial year begins on 1 January and ends on 31 December each year.

The Company’s capital is divided into 50 010 shares, of which 49 910 are held by SG Luxembourg and 100 are held by Société Générale.

The accounts of the Company are included in the consolidated accounts of Société Générale S.A. (hereafter “Société Générale” or the “parent Company”), which is the largest body of undertakings of which the Company forms a part as a subsidiary undertaking, and whose head-office is located at 29, boulevard Haussmann, 75009 Paris, France.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

2.1.1 Statement of compliance

The condensed interim financial statements as at and for the six-month period ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union and interpretations adopted by the International Accounting Standards Board ("IASB"). The condensed interim financial statements as at and for the six-month period ended 30 June 2023 were approved and authorised for issue by the Supervisory Board on 30 September 2023.

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements as at 31 December 2022.

2.1.2 Basis of measurement of financial assets and financial liabilities

Financial assets and financial liabilities linked to the activity of the Company are measured at fair value through profit or loss. Other financial assets and financial liabilities are measured at amortised cost.

2.1.3 Functional and presentation currency

These condensed interim financial statements are prepared in Euro ("EUR"), which is the Company's functional currency and the currency of its share capital. Unless stated otherwise, the amounts in the condensed interim financial statements are expressed in thousands of EUR (KEUR). The value "0" indicates the presence of a number, which is rounded to zero, while "-" represents the value nil.

2.1.4 Use of estimates and judgements

The preparation of the Company's condensed interim financial statements requires the Executive Board to make judgments, estimates and assumptions that affect the reported amount of figures recorded in the statement of profit and loss, on the unrealised or deferred gains and losses, on the valuation of assets and liabilities in the statement of financial position, and on information disclosed in the notes to the condensed interim financial statements.

In order to make these assumptions and estimates, the Executive Board uses information available at the date of preparation of the condensed interim financial statements and can exercise its judgment. By nature, valuations based on estimates include risks and uncertainties relating to their occurrence in the future. Consequently, actual future results may differ from these estimates and may then have a significant impact on the condensed interim financial statements.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies, the Executive Board has made the following judgments and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond Company's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the condensed interim financial statements with substantial Executive Board judgment and/or estimates are listed below with respect to judgments/estimates involved.

The use of significant estimates and judgment mainly concerns the following topics:

- Fair value in the interim statement of financial position of financial instruments not quoted in an active market which are classified as financial assets and liabilities at fair value through profit or loss (see Notes 4.1 and 4.2);

- The amount of impairment and provisions for credit risk related to financial assets measured at amortised cost (see Note 5);

- The analysis of the contractual cash flow characteristics of financial assets (see Note 2.3.3.1).

2.1.5 Segment reporting

No dedicated management reporting information is presented for SGIS to a chief decision maker; only the annual financial statements and the condensed interim financial statements are presented to the Executive Board of SGIS in analysing the performance of the Company. The Company has only one geographical area related to its revenue, which is France.

The business of the Company is not seasonal. Therefore, the additional disclosure of financial information for the twelve months up to the end of the interim period and comparative information for the prior twelve-month period, encouraged in IAS 34.21, are not necessary and not provided.

2.2. New accounting standards

2.2.1 New accounting standards applicable as at 1 January 2023

2.2.1.1. IFRS 17 “insurance contracts” – amendments to IFRS 17 published as at 25 June 2020 and amendments to IFRS 17 and IFRS 9 published as at 9 December 2021.

Issued by the IASB on 18 May 2017, amended on 25 June 2020 and 9 December 2021

IFRS 17 “Insurance Contracts”, issued on 18 May 2017 and modified by the 25 June 2020 and 9 December 2021 Amendments, replaces IFRS 4 “Insurance Contracts” which allowed, in particular, insurance contracts to be recognised using methods set out by the local accounting regulations.

The Company does not have any significant impact from this new standard as it does not have any insurance activity

2.2.1.2. Amendments to IAS 1 “Disclosure of Accounting policies”

The aim of these amendments is to help companies improve the materiality of the information on accounting policies disclosed in the notes to the financial statements and the usefulness of that information to investors and financial statement users.

The Company takes into account these amendments for the preparation of its interim condensed financial statements.

2.2.1.3. Amendments to IAS 8 “Definition of an Accounting estimate”

These amendments aim to facilitate the distinction between changes in accounting policies and changes in accounting estimates.

The Company takes into account these amendments for the preparation of its interim condensed financial statements.

2.2.1.4. Amendments to IAS 12 “Income tax – Deferred tax for assets and liabilities related to the same transaction”

These amendments clarify and narrow the scope of the exemption of not recognize deferred tax during the initial recognition of an asset and a liability, offered by IAS 12. Therefore, lease contracts and decommissioning obligations for which companies record both assets and liabilities are excluded and they will have now to book deferred taxes.

The objective of these amendments is to reduce the heterogeneity in the recognition of deferred tax relating to leases and decommissioning obligations.

This amendment has no effect on the Company interim condensed financial statements.

2.2.2 Accounting standards, amendments or interpretations to be applied by the Company in the future

IASB publishes accounting standards, amendments and interpretations, some of which have not been adopted by the European Union as at 30 June 2023. They are required to be applied from annual periods beginning on 1 January 2023 at the earliest or on the date of their adoption by the European Union. They have not been applied by the Company as at 30 June 2023.

These standards are expected to be applied according to the following schedule:

2023

- Amendments to IAS 12 "International Tax Reform - Pillar Two Model Rules"

2024

- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

2.2.2.1. Amendments to IAS 12 “International Tax Reform - Pillar Two Model Rules”

Issued by the IASB on 23 May 2023

These amendments introduce a mandatory and temporary exception to the recognition of the deferred taxes related to the supplementary taxation arising from the OECD Pillar 2 rules. This exception is accompanied by specific disclosure requirements in the annual accounts. However, it is not required to disclose this specific information in the 2023 interim accounts. Subject to their adoption by the European Union expected by the end of the year, these amendments would apply retrospectively to fiscal years beginning on or after 1 January 2023. Société Générale Group is monitoring the approval of these amendments and has set up a project structure to identify impacts and comply with the new accounting requirements of these amendments in relation to the OECD's “Pillar Two Model rules” international tax reform.

At this stage, the Company does not expect any significant impact from these amendments.

2.2.2.2. Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

Adopted by IASB on 22 September 2022

These amendments clarify the subsequent assessment of sale and leaseback transactions when the initial transfer of the property, plant or equipment meets the criteria of IFRS 15 “Revenue from contracts with customers” for recognition as a sale.

As the Company has no lease transaction, these amendments have no impact on the Company’s condensed interim financial statements.

2.3. Summary of significant accounting policies

2.3.1 Foreign currency transactions

The Company maintains its books in EUR, which is the currency of the capital.

Assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates ruling at the reporting date. Foreign exchange differences arising on translation and realised exchange gains and losses are recognised in the interim statement of profit and loss and other comprehensive income in the caption Net gains on financial instruments at fair value through profit or loss and Interest Expenses.

Revenues and expenses in foreign currencies are translated into EUR at the exchange rates prevailing at the date of the transactions.

The most important foreign currency positions for the Company are USD, JPY, GBP, HKD and CHF. The following foreign exchange rates were used:

	USD	**JPY**	**GBP**	**HKD**	**CHF**
30.06.2023	1.0866	157.16	0.85828	8.5157	0.9788
31.12.2022	1.0666	140.66	0.8869	8.3163	0.9847
30.06.2022	1.0387	141.54	0.8582	8.1493	0.9960

2.3.2 Cash and Cash equivalents

Cash and cash equivalents comprise only cash repayable on demand.

Cash and cash equivalents in the Company are subject to impairment under IFRS 9 and are presented net of impairment (cf. Note 2.3.3.3).

2.3.3 Financial instruments

2.3.3.1. Classification of financial instruments

Classification of financial assets

Financial assets are classified under IFRS 9 based on the characteristics of their contractual cash flows and on how they are managed (business models).

For the debt instruments held, SGIS has defined its business model as “held to collect” for the FFS, for Cash and cash equivalents and for Loans and receivables. These assets are acquired in order to collect the contractual cash-flows attached to the assets. No sale has been made in the past years and no sale is anticipated in the future.

The FFS are economically assimilated to loans with embedded derivatives (the swap embedded in the FFS). These types of financial assets comply with the IFRS definition of debt instruments (fixed maturity, coupon calculated as a rate, no right nor interest/control in an entity). As these financial assets of SGIS contain embedded derivatives that modify the cash flows of the entire contract, the contract does not pass the Solely Payments of Principles and Interest (or “SPPI”) test and consequently these financial assets are mandatorily measured at Fair Value through Profit and Loss (“FVTPL”).

Cash and cash equivalents and Loans and receivables are SPPI compliant and are thus measured at amortised cost. Cash and cash equivalents and Loans and receivables are subject to impairment under IFRS 9 and are presented net of impairment.

The Options held, covering the Warrants issued, are Trading derivatives and thus measured at FVTPL.

Purchases and sales of financial assets recorded under Financial assets at fair value through profit or loss and Financial assets at fair value through other comprehensive income are recognised in the statement of financial position at the delivery-settlement date. Changes in fair value between the trade and settlement dates are recorded in the income statement or booked to shareholders’ equity depending on the accounting category of the relevant financial assets. Loans and receivables are recorded in statement of financial position on the date they are paid or at the maturity date for invoiced services. The trade date is the date on which the contractual commitment becomes binding and irrevocable for the Company.

Classification of financial liabilities

Financial liabilities are classified into one of the following two categories:

- Financial liabilities at fair value through profit or loss:

These are financial liabilities held for trading purposes, which by default include derivative financial liabilities not qualifying as hedging instruments and non-derivative financial liabilities designated by the Company upon initial recognition to be carried at fair value through profit or loss in accordance with the fair value option.

The Company has designated at fair value through profit or loss the notes issued because mirror transactions (FFS) that are used to hedge those notes are measured mandatorily at fair value through profit and loss and thus reduce the accounting mismatch.

- Financial liabilities at amortised cost:

These include the other non-derivative financial liabilities and are measured at amortised cost.

2.3.3.2. Valuation of financial instruments

Definition of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In the absence of observable prices for identical assets or liabilities, the fair value of financial instruments is determined using another measurement technique that maximises the use of observable market input based on assumptions that market operators would use to set the price of the instrument in question.

Fair value hierarchy

The fair values of financial instruments include accrued interest as applicable.

For information purposes, in the notes to the condensed interim financial statements, the fair value of financial instruments is classified using a fair value hierarchy that reflects the significance of the inputs used according to the following levels:

Level 1 (L1): instruments valued on the basis of quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 1 instruments carried at fair value on the statement of financial position include in particular shares listed in an active market, government or corporate bonds priced directly by external brokers/dealers, derivatives traded on organised markets (futures, options), and units of funds (including UCITS) whose net asset value is available on the statement of financial position date.

A financial instrument is considered as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and if they reflect actual and regular market transactions on an arm's length basis.

Determining whether a market is inactive requires the use of indicators such as a sharp decline in trading volume and the level of activity in the market, a sharp disparity in prices over time and among the various above-mentioned market participants, or the fact that the latest transactions conducted on an arm's length basis did not take place recently enough.

Where a financial instrument is traded in several markets to which the Company has immediate access, its fair value is represented by the market price at which volumes and activity levels are highest for the instrument in question.

Transactions resulting from involuntary liquidations or distressed sales are usually not taken into account to determine the market price.

Level 2 (L2): instruments valued using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

These are instruments measured using a financial model based on observable market inputs. Prices published by an external source derived from the valuation of similar instruments are considered as data derived from prices.

Level 2 instruments include in particular non derivative financial instruments carried at fair value on the statement of financial position that are not directly quoted or do not have a quoted price on a sufficiently active market (e.g. corporate bonds, repos transactions, mortgage-backed securities, units of funds), and firm derivatives and options traded over-the-counter: interest rate swaps, caps, floors, swaptions, equity options, index options, foreign exchange options, commodity options and credit derivatives. The maturities of these instruments are linked to ranges of terms commonly traded in the market, and the instruments themselves can be simple or offer a more complex remuneration profile (e.g. barrier options, products with multiple underlying instruments), with said complexity remaining limited however. The valuation techniques used in this category are based on common methods shared by the main market participants.

Level 3 (L3): instruments valued using inputs that are not based on observable market data (referred to as unobservable inputs)

Level 3 instruments carried at fair value on the statement of financial position are predominantly instruments for which the sales margin is not immediately recognised in profit or loss.

Accordingly, Level 3 financial instruments include derivatives with longer maturities than those usually traded and/or with specifically tailored return profiles. Similarly, debt measured at fair value is classified as Level 3 where the valuation of the associated embedded derivatives is also based on unobservable inputs.

The main L3 complex derivatives are:

- Equity derivatives: options with long maturities and/or incorporating bespoke remuneration mechanisms. These instruments are sensitive to market inputs (volatility, dividend rates, correlations, etc.). In the absence of market depth and an objective approach made possible by regularly observed prices, their valuation is based on proprietary methods (e.g. extrapolation from observable data, historical analysis). Hybrid equity instruments (i.e. having at least one non-equity underlying instrument) are also classified as L3 insofar as correlations between the different underlyings are generally unobservable;
- Interest rate derivatives: long-term and/or exotic options, products sensitive to correlation between different interest rates, different exchange rates, or between interest rates and exchange rates, for example for quanto products (in which the instrument is settled in a currency different from the currency of the underlying); they are liable to be classified as L3 because the valuation inputs are unobservable due to the liquidity of the correlated pair and the residual maturity of the transactions (e.g. exchange rate correlations are deemed unobservable for the USD/JPY);
- Credit derivatives: L3 credit derivatives mainly include baskets of instruments exposed to time to default correlation (“N to default” products in which the buyer of the hedge is compensated as of the N^{th} default, which are exposed to the credit quality of the issuers comprising the basket and to their correlation, or CDO Bespoke products, which are Collateralised Debt Obligations created specifically for a group of investors and structured according to their needs), as well as products subject to credit spread volatility;
- Commodity derivatives: this category includes products involving unobservable volatility or correlation inputs (i.e. options on commodity swaps or instruments based on baskets of underlyings).

At the level of the SG Group, valuation models are determined in order to fully embed the impact of IFRS 13 as described above and use appropriate parameters and methodologies in order to determine L3 instruments valuation. Counterparty credit risk estimates relies on Credit Value Adjustments (CVA) and Debit Value Adjustments (DVA) calculations.

Different calculation methods can exist regarding the CVA-DVA / OCA (Own Credit Adjustment) impact calculation: derived from the yield discounting methodology, other from the Monte-Carlo EPE/ENE (Expected Positive / Negative Exposure). The methodology for calculation of CVA-DVA (OCA not applicable to the Company) applied to SGIS (the same as the Société Générale Group) is the yield discounting methodology.

The valuation methods used by the Company to establish the fair value of financial instruments are detailed below.

The fair values of financial instruments include accrued interest as applicable.

- For Unsecured Notes and Fully Funded Swaps

The fair value for both the unsecured Notes (liabilities) and the Fully Funded Swap (FFS) (assets) is calculated by discounting the expected future cash flows with the risk-free curve. To take the credit adjustment into account, the risk-free curve is adjusted with Société Générale Group's credit spread curve. A dedicated process has been implemented using Société Générale Group and SGIS operational teams' input. This process is fully functional, constantly monitored as of today.

- For Secured and Repack Notes

Secured Notes are Notes which are collateralised with assets deposited on segregated or pooled accounts with external custodian (The Bank of New York Mellon S.A., Luxembourg Branch, hereafter "BNY Mellon Luxembourg") and pledged in favor of the Note holders.

Repack Notes are Notes which allow investors to calibrate the funding yield of their structure by selecting a bond (the "Reference Bond") issued by a third-party issuer (the "Reference Bond Issuer").

The collateral assets are composed of eligible securities.

Should Société Générale default, the pledge on the assets is to be enforced; the Notes holders are exposed to credit risk of the collateral (external securities). Therefore, as Société Générale and SGIS are mere risk pass-through, the credit risk premium (external bonds issuers) shall not be adjusted with Société Générale credit spread. Thus, no additional credit adjustment is needed for the secured Notes.

The fair value of the Secured Notes, of the Repack Notes and of the associated FFS is computed, for each accounting period, by discounting the expected future cash flows by a composite Repo rate curve.

- For Warrants and Options

For financial instruments recognised at fair value in the interim statement of financial position, fair value is determined primarily on the basis of the prices quoted in an active market. These prices can be adjusted if none are available on the interim statement of financial position date or if the clearing value does not reflect transaction prices.

However, especially due to the varied characteristics of financial instruments traded over-the-counter on the financial markets, a large number of financial products traded by the Company does not have quoted prices in the markets.

The base models may not fully capture all factors relevant to the valuation of SGIS on these financial instruments such as credit risk (CVA), own credit (DVA) and/or funding costs (Funding Valuation Adjustment or "FVA"). Therefore, SGIS applies various techniques (from the Group) to estimate the credit risk associated with its financial instruments measured at fair value.

The revaluation differences attributable to the Company's credit risk are thus determined using valuation models which take into account the most recent financing terms and conditions on the markets along with the residual maturity of the related liabilities.

- For secured notes issued by the Company, as investors are not exposed to the Company's risk, no own credit risk should impact the fair value of the instruments and as such, no adjustment has to be calculated.

- For unsecured notes, investors are not contractually exposed to the Company's credit risk but to Société Générale Group's own credit risk.

SGIS valuation models therefore reflect the absence of credit risk, and structured bonds are not impacted by Own Credit Adjustments within the entity.

Deferred margin related to main unobservable inputs

The Company does not apply deferred margin related to its main unobservable inputs as margin on Notes and Warrants issued are offset by a similar margin on Fully Funded Swaps and Options purchased.

2.3.3.3. Impairments and provisions

Some financial assets involve credit risk which exposes the Company to a potential loss if the counterparties were to be unable to respect their financial commitments. The Company is remunerated for bearing this risk by a portion of the contractual interest that it receives on those assets; this is known as the credit margin.

This potential loss, or expected credit loss, is recognised in profit or loss without waiting for the occurrence of a default event on a specific counterparty.

For loans and receivables measured at amortised cost or, if any, fair value through other comprehensive income, the expected credit loss, as assessed by the Company, is recognised in profit or loss. In the interim statement of financial position, this potential loss is recognised as an impairment that reduces the carrying amount of assets measured at amortised cost. Impairments are written-back in case of a subsequent decrease of credit risk. No significant impairment is recognized on cash and cash equivalents. The Company does not have loan commitments or financial guarantees contracts.

Impairment and provisions for credit risk

To determine the amount of impairment or loss allowances to be recorded at each reporting date, these exposures are classified into one of three categories based on the increase in credit risk observed since initial recognition. An impairment or loss allowance shall be recognised for the exposures in each category as follows:

- Exposures classified in Stage 1: At the initial recognition date, the exposures are systematically classified in Stage 1, unless they are underperforming/credit-impaired on acquisition. Stage 1 exposures are impaired for the amount of credit losses that the Company expects to incur within 12 months (12- month expected credit losses), based on past data and the current situation;

- Exposures classified in Stage 2: To identify Stage 2 exposures, the significant increase in credit risk is assessed by the Company, taking into account the counterparty's credit risk rating, the magnitude of the change in the counterparty's credit rating and the existence of payments of more than 30 days;

- Exposures classified in Stage 3 (doubtful outstandings): The Company determines whether or not there is objective evidence of impairment (default event).

Stage 2 and 3 exposures are impaired for the amount of credit losses that the Company expects to incur over the life of the exposures (lifetime expected credit losses), taking into consideration past data, the present situation and reasonable forecast changes in economic conditions, and relevant macroeconomic factors through to maturity.

Impairments / Reversal of impairments

Impairments / Reversal of impairments include net reversals of impairment and loss allowances for credit risk, losses on irrecoverable loans and amounts recovered on amortised receivables.

2.3.3.4. Offsetting financial assets and financial liabilities

A financial asset and a financial liability are offset and the net amount presented on the interim statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and intends either to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously. The legal right to set off the recognised amounts must be enforceable in all circumstances, in both the normal course of business and in the event of default of one of the counterparties.

The financial instruments issued by the Company are subscribed by the investors through Société Générale as a lead manager during the issuance period and as a market maker for a secondary market. The instruments which are unsold are held by Société Générale.

The treatment is applied based on IAS 32 paragraph 42: “A financial asset and a financial liability shall be offset and the net amount presented in the interim statement of financial position when, and only when, an entity:

a. Currently has a legally enforceable right to set off the recognised amounts; and

b. Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.”

In December 2014, a cash netting clause was added in the legal framework with Société Générale Personne Morale and the Company consequently acquired a legally enforceable right to offset the recognised amount with the same counterparty (Société Générale). The assets (the Fully Funded Swaps) and the liabilities (the Notes) are settled (and intended to be settled) simultaneously.

In June 2017, the Company added a new cash netting clause in the legal framework with Société Générale Personne Morale and the Company consequently acquired a legally enforceable right to offset the recognised amount with the same counterparty (Société Générale). The assets (OTC Options) and the liabilities (the Warrants) are settled (and intended to be settled) simultaneously.

In application of IAS 32 - Offsetting a financial asset and a financial liability, the Company proceeds to the accounting netting of the non-sold amounts. The impact of the off-setting for the non-sold Notes and the corresponding Fully Funded Swaps and impact of the off-setting for the non-sold Warrants and the corresponding options are described in Note 4.1 and Note 4.2.

2.3.4 Other assets and other liabilities

Settlement accounts for trades are included in other assets or other liabilities and are presented separately in distinctive captions on assets or liabilities side.

2.3.5 Shareholders’ equity

Equity are the resources contributed to the Company by external shareholders as capital, as well as the cumulative and undistributed results (retained earnings).
The statement “Changes in Shareholders’ Equity” presents the various changes that affect the components of equity over the reporting period.

2.3.6 Interest income and expense

Interest is recognized as expense or income over the life of the financing service granted or received, proportionally to the principal amount outstanding.

Interest income and expense are recorded in the statement of profit and loss under Interest and similar income and Interest and similar expense for all financial instruments measured using the effective interest method (instruments at amortised cost and debt instruments at fair value through other comprehensive income).

The effective interest rate is taken to be the rate used to net discount future cash inflows and outflows over the expected life of the instrument in order to establish the net book value of the financial asset or liability. The calculation of this rate considers the future cash flows estimated on the basis of the contractual provisions of the financial instrument without taking account of possible future credit losses and also includes commissions paid or received between the parties where these may be assimilated to interest, directly linked transaction costs, and all types of premiums and discounts.

Where a financial asset is classified in Stage 3 for impairment, subsequent interest income is measured at the effective interest rate applied to the net carrying amount of the financial asset with an offsetting entry equal to the outstanding financial asset before impairment.

2.3.7 Fee income and expense

Fee income and Fee expense combine fees on services rendered and received, as well as fees on pledge security granted that cannot be assimilated to interest. Fees that can be assimilated to interest are integrated into the effective interest rate on the associated financial instrument and are recorded under Interest income and Interest expenses.

The Company recognizes fee income or expense for an amount equivalent to the remuneration for the service provided and depending on the progress transferring control of these services:

- Fees for ongoing services, such as custody fees and administration costs are recognized as income over the life of the service;
- Fees for one-off services, such as issuance and listing fees are recognized as income when the service is provided.

The possible mismatch between the payment date of the service provided and the date of execution of the service gives assets and liabilities depending on the type of contract and mismatch which are recognized under Other Assets and Other Liabilities. For example: supplier contracts generate trade payables, accrued expenses or prepaid expenses.

Income related to the issuance of Notes and Warrants falls under the scope of IFRS 15 and as such, is considered separately as income generated by two services when the Company performs its activities:

- The issuing fee, which is recognized upfront for the initiation and the structuration of the issuance;
- Account and security servicing fee during the lifecycle of the security.

2.3.8 Other operating expenses

The Company records operating expenses according to the type of services to which they refer.

Other operating expenses mainly include lease payments, building maintenance and other costs, travel and business expenses, outsourcing and advisory fees and marketing and advertising expenses.

2.3.9 Income tax

Income tax includes current taxes and deferred taxes:

- Current taxes correspond to the amount of taxes due (or refundable) as calculated according to the taxable profit base for the reporting period;
- Deferred taxes correspond to the amount of taxes resulting from past transactions and that will be payable (or refundable) in a future reporting period.

2.3.9.1. Current tax

Current tax is based on the taxable profit and determined in accordance with the rules established by the local taxation authorities, upon which income taxes are payable. This tax expense also includes net allowances for tax adjustments pertaining to income tax.

Tax credits arising in respect of interest from loans and income from securities are recorded in the relevant interest account as they are applied in settlement of income taxes for the year. The related tax charge is included under Income tax in the statement of profit and loss

2.3.9.2. Deferred tax

Deferred taxes are recognized whenever the Company identifies a temporary difference between the accounting base and tax base for assets and liabilities that will affect future tax payments or from tax loss carried forward.

The amount is based on the tax rate enacted or substantively enacted which is expected to apply when the asset is realized or the liability settled. These deferred taxes are adjusted in the event of changes to tax rates. This amount is not discounted to present value. The Company off-sets its deferred tax assets against liabilities as there is both legal right to offset its current tax assets and liabilities and it is the Company's intention to settle on a net basis.

2.3.9.3. Other commitments linked to secured Notes

In relation to each Serie of Secured Notes, in order to secure its obligations in respect of such Notes, the Company enters into a pledge agreement which is governed by the Luxembourg act dated 5 August 2005 on financial collateral arrangements, as amended. Under each pledge agreement, the Company grants first ranking security over the Collateral Assets contained in one or more accounts held by the Company with BNY Mellon Luxembourg (or such other custodian or account bank as is specified in the applicable Final Terms, pursuant to the terms of a custodian agreement between, inter alia, the Company and the collateral custodian).

The security granted under each pledge agreement is granted either in favour of:

- (i) in the case of English Law Notes, The Bank of New York Mellon Corporate Trustee Services Limited or such other security trustee as is specified in the applicable Final Terms as security trustee on behalf of itself and the relevant Noteholders and the other relevant Secured Parties (as defined in the Additional Terms and Conditions for Secured Notes) or,
- (ii) in the case of French Law Notes, directly in favour of the relevant Noteholders and the other relevant Secured Parties as represented by The Bank of New York Mellon Corporate Trustee Services Limited or such other security agent as is specified in the applicable Final Terms as security agent.

Following the occurrence of a Secured Note Acceleration Event (as defined in the Additional Terms and Conditions for Secured Notes), all Noteholders whose Notes have become immediately due and payable is first entitled to claim for any outstanding amounts due to them under the terms of the Guarantee. If neither the Issuer nor the Guarantor (pursuant to the terms of the Guarantee) has paid all amounts due to Noteholders within a period of 3 Collateral Business Days following the occurrence of a Secured Note Acceleration Event, Noteholders may send a notice in writing to the Security Trustee (in the case of English Law Notes) or the Security Agent (in the case of French Law Notes) requesting that the relevant Pledge Agreement be enforced in accordance with the terms of the Base Prospectus.

The Company borrows the securities to be pledged from Société Générale Group. In accordance with IFRS 9, the borrowing of the securities to be pledged by the Company is not assimilated to the transfer of assets and thus does not result in recognition in the interim statement of financial position. The risks and rewards associated to the securities remain in Société Générale Group and as such are not presented in the Company's interim statement of financial position.

The pledged securities are accounted as an off balance-sheet commitment "Securities pledged". The committed amount is re-measured at each closing to reflect the value of the securities pledged.

2.4. GEOPOLITICAL CRISES AND MACROECONOMIC CONTEXT

The restrictions related to the Covid-19 pandemics in Mainland China ended during the first quarter 2023 which renewed optimism about economic activity for the year. However, the conflict in Ukraine still causes great uncertainty heightened by tensions in the banking sector in the U.S.A. and in Europe. Economic policies are clearly restrictive. Focusing on the containment of inflation, central banks tightened monetary policies, in particular with rapid and significant increases in interest rates. In the euro area:

- the slowdown in economic activity observed during the first half of 2023 should continue during the rest of the year with a modest rebound in 2024-2025;
- inflation would remain high in 2023 to drop down to around 3% in 2024 and fall back to the target in the mid-term.

The monetary tightening imposed by the ECB should soften from the end of 2023 on.

In this context, the Société Générale Group updated the macroeconomic scenarios chosen for the preparation of the consolidated financial statements and maintained some adjustments applied to its models to determine the credit risk adjustments (expected credit losses) in the preparation of its condensed interim financial statements.

NOTE 3 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents amount to KEUR 22 529 as at 30 June 2023 (31 December 2022: KEUR 36 176) and are mainly composed of cash held with SG Luxembourg and Société Générale.

As at 30 June 2023 and 31 December 2022, this caption only contains cash that is repayable on demand.

NOTE 4 – FINANCIAL INSTRUMENTS

4.1. Financial assets at fair value through profit or loss

	30.06.2023 (‘000 EUR)	**31.12.2022** (‘000 EUR)
Financial assets at fair value through profit or loss		
- Mandatorily at fair value through profit or loss (Fully Funded Swaps)	49 931 054	38 757 924
- Trading derivatives (Options)	76 499	1 025 209
Total	**50 007 553**	**39 783 133**

As at 30 June 2023, financial assets mandatorily at fair value through profit or loss (Fully Funded Swaps) amount to KEUR 49 931 054 (31 December 2022: KEUR 38 757 924) and replicate all the Notes issued by the Company (see Note 4.2). Differences between Fully Funded Swaps and Notes arise due to late settlements.

As at 30 June 2023, Trading derivatives (Options) amount to KEUR 76 499 (31 December 2022: KEUR 1 025 209) and replicate all the Warrants issued by the Company (see Note 4.2). Differences between Options and Warrants arise due to late settlements.

As at 30 June 2023, the impact of the offsetting of financial assets and financial liabilities (decrease in the balance sheet) is KEUR 25 871 520 for the non-sold Notes and the corresponding Fully Funded Swaps (31 December 2022: KEUR 28 592 180) and KEUR 4 887 790 for the non-sold Warrants and the corresponding Options (31 December 2022: KEUR 4 462 437) (see Note 4.2).

The movements in financial assets at fair value through profit or loss were as follows:

	(‘000 EUR) Mandatorily at fair value through profit or loss	(‘000 EUR) Trading derivatives	(‘000 EUR) Total
As at 1 January 2023	**38 757 924**	**1 025 209**	**39 783 133**
Acquisition	20 680 868	2 093 641	22 774 509
Maturity/Disposal/Liquidation/Cancellation	(15 972 391)	(2 127 917)	(18 100 308)
Change in fair value and foreign exchange difference	3 743 993	(490 616)	3 253 377
Offsetting of Assets and Liabilities (Change)	2 720 660	(423 818)	2 296 842
As at 30 June 2023	**49 931 054**	**76 499**	**50 007 553**

	(‘000 EUR) Mandatorily at fair value through profit or loss	(‘000 EUR) Trading derivatives	(‘000 EUR) Total
As at 1 January 2022	**40 322 401**	**714 838**	**41 037 239**
Acquisition	40 385 254	35 456 241	75 841 495
Maturity/Disposal/Liquidation/Cancellation	(42 593 531)	(36 732 528)	(79 326 059)
Change in fair value and foreign exchange difference	(5 675 247)	1 475 158	(4 200 089)
Offsetting of Assets and Liabilities (Change)	6 319 047	111 500	6 430 547
As at 31 December 2022	**38 757 924**	**1 025 209**	**39 783 133**

4.2. Financial liabilities at fair value through profit or loss

	30.06.2023 (‘000 EUR)	31.12.2022 (‘000 EUR)
Financial liabilities at fair value through profit or loss		
- Designated at fair value through profit or loss (Notes)	49 930 005	38 754 129
- Trading derivatives (Warrants)	76 429	1 025 105
Total	**50 006 434**	**39 779 234**

As at 30 June 2023, the Company has issued secured and unsecured Notes for a total amount of KEUR 49 930 005 (31 December 2021: KEUR 38 754 129):

- 22 370 unsecured Notes were issued (stock) for a total amount of KEUR 45 059 895 (31 December 2022: 21 324 unsecured Notes were issued (stock) for a total amount of KEUR 34 578 193);
- 401 secured Notes were issued (stock) for a total amount of KEUR 4 870 110 (31 December 2022: 514 secured Notes were issued (stock) for a total amount of KEUR 4 171 467).

In addition to the guarantee on first demand granted by Société Générale on unsecured and secured Notes, subscribers of the secured Notes issued by the Company benefit from additional collateral assets securing the payment due under the Notes terms, structured in form of a pledge governed by Luxembourg Law. This pledge may only be enforced following a default of the Company or Société Générale in its role of Guarantor.

Pledged collateral assets are deposited on an account held in the name of the Company with an authorised custodian not belonging to the Société Générale Group and are pledged in favour of the Notes holders.

As at 30 June 2023, securities deposited at BNY Mellon Luxembourg as collateral for secured issuances amount to KEUR 5 543 641 (31 December 2022: KEUR 5 280 150).

As at 30 June 2023, the Company also issued Warrants for a total amount of KEUR 76 429 (31 December 2022: KEUR 1 025 105). Refer to Note 9 for further details on Off-balance sheet items related to the Warrants activity.

As at 30 June 2023, the impact of the offsetting (decrease in the balance sheet) is KEUR 25 871 520 for the non-sold Notes and the corresponding Fully Funded Swaps (31 December 2022: KEUR 28 592 180) and KEUR 4 887 790 for the non-sold Warrants and the corresponding Options (31 December 2022: KEUR 4 462 437) (see Note 4.1).

The movements in financial liabilities at fair value through profit or loss were as follows:

	('000 EUR) Designated at fair value through profit or loss	('000 EUR) Trading derivatives	('000 EUR) Total
As at 1 January 2023	**38 754 129**	**1 025 105**	**39 779 234**
Acquisition	21 032 691	2 093 571	23 126 262
Cancelled/Liquidation/Maturity Disposal	(15 972 464)	(2 115 587)	(18 100 381)
Change in fair value and foreign exchange difference	3 394 989	(502 842)	2 904 477
Offsetting of Assets and Liabilities (Change)	2 720 660	(423 818)	2 296 842
As at 30 June 2023	**49 930 005**	**76 429**	**50 006 434**

	('000 EUR) Designated at fair value through profit or loss	('000 EUR) Trading derivatives	('000 EUR) Total
As at 1 January 2022	**40 323 850**	**714 854**	**41 038 704**
Acquisition	40 391 104	35 350 594	75 741 697
Cancelled/Liquidation/Maturity Disposal	(42 594 180)	(37 050 667)	(79 644 846)
Change in fair value and foreign exchange difference	(5 685 692)	1 898 824	(3 786 868)
Offsetting of Assets and Liabilities (Change)	6 319 047	111 500	6 430 547
As at 31 December 2022	**38 754 129**	**1 025 105**	**39 779 234**

4.3. Financial liabilities at amortised cost

As at 30 June 2023 and 31 December 2022, financial liabilities at amortised cost are mainly composed of a convertible bond of KEUR 48 000 issued by the Company and fully subscribed by SG Luxembourg, with maturity in 2024. Conversion may occur each year.

On this convertible bond, the Company pays to SG Luxembourg both variable interests calculated on Euribor 3M plus a margin of 0.34% (total rate of 3.355% as at 30 June 2023) and activity related interests. Activity related interests mean an amount equal to 100% of the activity related profit generated by the Company.

The convertible bond maturity shall be automatically extended by successive periods of one year, unless either the Issuer or the Holder has exercised its right to terminate the bond on the scheduled maturity date. The conversion option belongs to the Holder.

NOTE 5 – LOANS AND RECEIVABLES

As at 30 June 2023 and 31 December 2022, loans and receivables only consist in term deposits with SG Luxembourg, which represent the reinvestment of the Company's share capital, reserves and other available funds.

As at 31 December 2022, expected credit losses calculated on loans and receivables in accordance with IFRS 9 amounted to KEUR (1). As at 30 June 2023, the diminution of the expected credit losses resulted in a reversal of the IFRS9 impairment amounting to KEUR 1, as presented in the Caption reversal of Cost of Risk in the Statements of Profit and Loss.

NOTE 6 – TAXATION

The Company is liable for all taxes applicable to Luxembourg commercial companies.

Since 2007, the Company has been part of a tax integration group led by SG Luxembourg with regard to Net Worth Tax and Income Tax, as authorised by the article 164 bis LIR and has concluded a Tax Sharing Agreement (the "Agreement") with SG Luxembourg. Under the Agreement, the Company pays to SG Luxembourg, with respect to each financial year, an amount equal to the tax which would be levied on the profits of the Company in the absence of any tax consolidation with the Parent.

The rate of current tax applied as of 30 June 2023 is 25.09% (30 June 2022: 24.94%). The current tax rate includes the corporate tax and the municipal tax.

For the period ended 30 June 2023, tax expenses amount to KEUR 0 (30 June 2022: KEUR 98).

NOTE 7 – SHAREHOLDERS' EQUITY

7.1. Share capital and Share premium

On 30 November 2020, 100 shares were sold by SG Luxembourg to Société Générale for a total amount of EUR 4 000. SG Luxembourg still held 49 907 shares amounting to EUR 1 996 280 for which it waived its entire voting rights. As at 31 December 2022, the subscribed and fully paid share capital amounted to EUR 2 000 360, divided into 50 009 shares with nominal value of EUR 40 each.

By resolution adopted on 13 January 2023, the Executive Board decided to increase the capital of the Company from EUR 2 000 360 to EUR 2 000 400 by the issue of a new share with a nominal value of EUR 40, subscribed by SG Luxembourg. In the context of the capital increase, the 2022 activity related interests amounting to KEUR 22 050 have been allocated to the Share premium. It was then paid to the shareholders in June 2023.

As at 30 June 2023, the subscribed and fully paid share capital is EUR 2 000 400, divided into 50 010 shares with nominal value of EUR 40 each.

The Company manages its capital to ensure it will be able to continue as a going concern. The capital amount may be increased, subject to the approval of the Shareholders, if the Company's activity evolves, incurring specific additional risks.

7.2. Reserves

7.2.1 Legal reserve

In accordance with the Luxembourg law, the Company is required to allocate a minimum of 5% of its annual net profit to a Legal reserve until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

As at 30 June 2023, the legal reserve amounts to KEUR 200 (31 December 2022: KEUR 200).

7.2.2 Other reserves

Since 2013, the Company is fiscally integrated in its parent company SG Luxembourg. SG Luxembourg constitutes the Net Wealth Tax reserve for the Company. As a consequence, no Net Wealth Tax reserve has been constituted by the Company since 2013.

During the first half of 2023, a dividend of KEUR 375 has been paid leading to a residual amount of KEUR 1 (31 December 2022: KEUR 375)

NOTE 8 – COMMISSION INCOME

Commission income can be broken down as follows:

	30.06.2023 (‘000 EUR)	**30.06.2022 (‘000 EUR)**
Issuing upfront fees on Notes	20 381	14 367
Servicing fees on Notes	2 847	3 484
Commission on Warrants	440	605
Total	**23 668**	**18 456**

As at 30 June 2023, KEUR 3 699 are retained as deferred income under the caption “other liabilities” (30 June 2022: KEUR 3 956).

NOTE 9 – OFF-BALANCE SHEET

As at 30 June 2023, financial instruments to be issued (commitment taken before 30 June 2023 with value date after 30 June 2023) amount to KEUR 3 302 045 (31 December 2022: KEUR 3 383 129).

Warrants issuance summary

The Warrants issued as at 30 June 2023 and 31 December 2022 break down as follows:

				30 June 2023			31 December 2022		
Warrant Type	**Category of Underlying**	**Type of Underlying**	**Option Type**	**Quantity**	**Notional** (‘000 EUR)	**Fair Value** (‘000 EUR)	**Quantity**	**Notional** (‘000 EUR)	**Fair Value** (‘000 EUR)
Basket Warrant	Basket	Index	Call	-	-	-	-	-	-
Commodity Future Warrant	Future	Mutual Fund	Put	-	-	-	-	-	-
		Commodity Future	Call	-	-	-	-	-	-
			Put	1	54 000	0	1	10 501	6 350
Commodity Warrant	Commodity	Bruts	Call	-	-	-	6	502 194	-
			Put	-	-	-	-	-	-
		Commodity Future	Call	-	-	-	-	-	-
		Index	Call	-	-	-	-	-	-
		Mutual Fund	Call	-	-	-	-	-	-
			Put	-	-	-	-	-	-
		Precious metals	Call	-	-	-	-	-	-
			Put	-	-	-	-	-	-
		Future Contract	Call	-	-	-	-	-	-
Currency Warrant	Currency	Currency	Call	-	-	-	-	-	-
			Put	-	-	-	-	-	-
Equity Warrant	Equity	Bruts	Call	-	-	-	-	-	-
			Put	6	5 895	40	-	-	-
		Mutual fund	Call	3	159 815	14	5	74 186	14
		Ordinary Share	Call	829	11 490 243	22 700	802	7 255 408	269 708
			Put	404	5 676 731	4 603	341	4 466 777	142 467
		Own Share	Call				-	-	-
			Put	-	-	-	-	-	-
		Preference	Call	-	-	-	-	-	-
			Put	-	-	-	-	-	-
		REIT	Call	-	-	-	1	32 817	13

Notes to the condensed interim financial statements (continued)
As at 30 June 2023

				30 June 2023			31 December 2022		
Warrant Type	**Category of Underlying**	**Type of Underlying**	**Option Type**	**Quantity**	**Notional** (‘000 EUR)	**Fair Value** (‘000 EUR)	**Quantity**	**Notional** (‘000 EUR)	**Fair Value** (‘000 EUR)
Real Estate Investment Trust	Real Estate Investment Trust	Real Estate Investment Trust	Call	3	80 097	0	-	-	-
			Put	-	-	-	-	-	-
Index Warrant	Index	Index	Call	395	13 050 086	28 021	417	13 301 522	531 574
			Put	290	12 091 727	16 123	250	9 706 138	69 953
Fund Warrant	Fund	Mutual Fund	Call	-	-	-	5	165 377	12
			Put	1	31 303	1	-	-	-
		Fund	Call	14	104 401	4 927	16	194 050	4 834
Total Call			**Call**	**1 244**	**24 884 643**	**55 663**	**1 252**	**21 525 553**	**806 335**
Total Put			**Put**	**702**	**17 859 657**	**20 766**	**592**	**14 183 416**	**218 770**
Total Warrants				**1 946**	**42 744 300**	**76 429**	**1 844**	**35 708 969**	**1 025 105**

NOTE 10 – RISK MANAGEMENT

The Company and several of its service providers are subsidiaries of the Société Générale Group and therefore benefit from Société Générale's internal control systems.

For any further information on the risks relating to the Group, investors and/or Noteholders should refer to the "Risk and Capital Adequacy" section of the Registration Document (https://www.societegenerale.com).

10.1. Market risk

Market risk is the risk that changes in market prices, such as interest rates, securities prices, and foreign exchange rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Company issues Notes and Warrants. The Notes are systematically hedged with Fully Funded Swaps concluded with Société Générale, with strictly identical characteristics. In the same way, the Warrants issued are hedged with Options concluded with Société Générale, with strictly identical characteristics.

The risks associated with the investment in the Notes and Warrants depend on several factors. Such factors vary depending on the characteristics of the Notes and Warrants issued, in particular depending on the underlying, the maturity of the Notes, the secured / unsecured status of the Notes, the interest rates incurred, the volatility of the underlying, etc. The main risks in relation to investments in Notes and Warrants issued by the Company are described in the Base Prospectus under the section "Risk Factor".

Because of its structure (perfect match between the assets and the liabilities), the impact of an immediate change of a market parameter would have no consequence on the net profit of the Company.

The Company is also exposed to structural interest rate risk, namely through the following transactions: reinvestment of available equity by participating interests or loans to the Company's treasury (SG Luxembourg) with hedged interest rate risk (fixed rate contracted with SG Luxembourg**)**. The structural interest rate risk is monitored via the sensitivity of the economic value of the positions measured through modified duration.

Modified duration is calculated based on the change in the net present value of positions subsequent to a 1% change in the rate curve. Exposure monitoring is based on the determination of modified duration over the short (up to one year), medium (one to five years) and long (more than five years) term.

10.2. Credit risk

Credit risk is the risk that a third party will not be able to meet its contractual obligation.

The Company only contracts financial instruments with its parent companies, SG Luxembourg and Société Générale. Therefore, the credit risk of the Company is limited to the credit risk on SG Luxembourg and Société Générale. Should this situation evolve, specific limits would be proposed to limit the credit risk incurred.

As at 30 June 2023 and 31 December 2022, no financial assets were past due. An Expected Credit Loss is calculated on deposits, amounting to KEUR (1) as of 30 June 2023 following a reversal of impairment of KEUR 1 on the period (see note 5).

All the Notes and Warrants issued by the Company benefit from a guarantee provided by Société Générale, meaning that payments in respect of the instruments issued by the Company are unconditionally and irrevocably guaranteed by Société Générale (the Guarantor).

As at 30 June 2023, the rating of Société Générale is: A- from Fitch Ratings, A from R&I, A from Standard & Poor's and A1 from Moody's.

10.3. Interest rate risk

Interest rate risk is the risk that changes in market interest rates may adversely affect the value of the assets and liabilities of the Company. Due to the financial instruments contracted by the Company with Société Générale to hedge the financial instruments issued, the Company is not significantly exposed to interest rate risk.

10.4. Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet the payment obligations associated with its financial liabilities when they fall due.

The Company does not face any liquidity risk thanks to the perfect replication between the contractual obligations of:

i) The financial instruments issued by the Company; and

ii) The financial assets held for hedging by the Company.

As at 30 June 2023, analysis per remaining maturities is as follows:

30.06.2023 - EUR' 000	< 3 months	From 3 months to 1 year	From 1 to 5 years	> 5 years	Total
Cash and cash equivalents	22 529	-	-	-	**22 529**
Financial assets at fair value through profit or loss					
- Mandatorily at fair value through profit or loss	2 626 138	6 717 835	18 057 325	22 529 755	**49 931 054**
- Trading derivatives	9 343	30 486	36 670	0	**76 499**
Loans and receivables	-	48 284	800	1 000	**50 084**
Other assets	354 695	-	-	-	**354 695**
Total assets	**3 012 705**	**6 796 605**	**18 094 796**	**22 530 755**	**50 434 861**
Financial liabilities at amortised cost	447	65 289	-	-	**65 736**
Financial liabilities at fair value through profit or loss					
- Designated at fair value through profit or loss	2 593 131	6 721 495	18 094 796	22 557 562	**49 930 005**
- Trading derivatives	9 273	30 486	36 670	-	**76 429**
Other liabilities	360 733	-	-	-	**360 733**
Tax liabilities	-	-	-	-	**-**
Total liabilities	**2 963 584**	**6 817 270**	**18 094 488**	**22 557 5627**	**50 432 903**

Notes to the condensed interim financial statements (continued)
As at 30 June 2023

As at 31 December 2022, analysis per remaining maturities is as follows:

31.12.2022 - EUR' 000	< 3 months	From 3 months to 1 year	From 1 to 5 years	> 5 years	Total
Cash and cash equivalents	36 176	-	-	-	36 176
Financial assets at fair value through profit or loss					
- *Mandatorily at fair value through profit or loss*	3 359 065	5 269 282	16 320 598	13 808 979	38 757 924
- *Trading derivatives*	441 726	357 417	226 066	-	1 025 209
Loans and receivables	48 023	200	800	1 000	50 023
Other assets	343 495	-	-	-	343 495
Total assets	**4 228 485**	**5 626 899**	**16 547 464**	**13 809 979**	**40 212 827**
Financial liabilities at amortised cost	517	70 068	-	-	70 585
Financial liabilities at fair value through profit or loss					
- *Designated at fair value through profit or loss*	3 360 079	5 220 409	16 334 968	13 838 673	38 754 129
- *Trading derivatives*	441 621	357 417	226 067	-	1 025 105
Other liabilities	360 231	-	-	-	360 231
Tax liabilities	-	201	-	-	201
Total liabilities	**4 162 448**	**5 648 095**	**16 561 035**	**13 838 673**	**40 210 251**

10.5. Fair Value measurement

According to the fair value hierarchy established by IFRS 13, Level 3 (L3) comprises products valued using inputs that are not based on observable market data (referred to as unobservable inputs).

For these products, fair value is determined using models based on valuation techniques commonly used by market participants to measure financial instruments, such as discounted future cash flows for Notes or the Black & Scholes formula for certain options and using valuation parameters that reflect current market conditions as at the interim statement of financial position date. These valuation models are validated independently by the experts from the Market Risk Department of the Group's Risk Division.

Furthermore, the parameters used in the valuation models, whether derived from observable market data or not, are checked by the Finance Division of Société Générale, in accordance with the methodologies defined by the Market Risk Department.

The Notes and the related Fully Funded Swaps are classified as Level 3 when the valuation of the associated embedded derivatives (underlyings of the Notes) is also based on unobservable market data.

On each element of an identified list of unobservable parameters, it comes to determining the uncertainty of marking, and cross sensitivities with this uncertainty for a confidence interval of the value of the positions.

In parallel, marking the levels of each of these parameters is collected and reported in the Note.

The methods for determining the level of uncertainty, as well as calculating the confidence interval from sensibilities depend on each parameter.

Transfers from Level 2 to Level 3 are determined at the end of each month and occur in case of a modification within a parameter (e.g. no longer linked to the deal, modification of the observability rule of the parameter).

Notes to the condensed interim financial statements (continued)
As at 30 June 2023

10.5.1 Estimates of Level 3 instruments and other most significant unobservable inputs as at 30 June 2023 (by type of underlyings)

Type of underlyings	**Assets** In KEUR	**Liabilities** In KEUR	**Main products**	**Valuation techniques used**	**Significant unobservable inputs**	**Range of inputs Min & Max**
Equity / Funds	17 359	17 359	Derivatives on funds, equities or baskets of stocks derivatives on funds, equities or baskets of stocks	Various option models on funds, equities or baskets on stocks	Equity volatilities	[3.2% ; 196.2%]
					Equity dividends	[0.0% ; 15.9%]
					Unobservable correlations	[-72.4% ; 99.9%]
					Hedge funds volatilities	[7.6% ; 7.6%]
					Mutual fund volatilities	[5.4% ; 27.8%]
Rates, Forex and others	4 467	4 467	Hybrid forex / interest rate or credit / interest rate derivatives	Hybrid forex interest rate or credit interest rate option pricing models	Correlations	[-67.0% ; 90.0%]
			Forex derivatives	Forex option pricing models	Forex volatilities	[1.0% ; 47.0%]
			Interest rate derivatives whose notional is indexed on the prepayment behaviour on European collateral pools	Prepayement modeling	Constant prepayment rates	[0.0% ; 20.0%]
			Inflation instruments and derivatives	Inflation pricing models	Inflation correlations	[72.0% ; 90.0%]
Credit	3 844	3 844	Collateralised Debt Obligations and index tranches	Recovery and base correlation projection models	Time to default correlations	[0% ; 100%]
					Recovery rate variance for single name underlyings	[0% ; 100%]
			Other credit derivatives	Credit default models	Time to default correlations	[0% ; 100%]
					Quanto correlations	[-50% ; 40%]
					Unobservable credit spreads	[0 bps ; 1 000 bps]
Commodity	0	0	Derivatives on commodities baskets	Option models on commodities	Commodities correlations	NA NA
Total	**25 670**	**25 670**				

Unobservable inputs add a degree of uncertainty in the valuation of Level 3 instruments. However, by its very nature, and considering mirror transactions are concluded with Société Générale to hedge the financial liabilities issued by the Company, the Company has no market risk exposure. The impact of an immediate change in an unobservable parameter would have no consequence on the net profit or net equity of the Company.

Moreover, changes in an unobservable parameter would have by underlying a mirror effect on both assets and liabilities.

10.5.2. Carrying amounts and fair values of assets and liabilities not measured at fair value in the interim statement of financial position

30.06.2023 - EUR' 000	**Carrying amount**	**Fair value**
Cash and cash equivalents	22 529	22 529
Financial assets at fair value through profit or loss		
- *Mandatorily at fair value through profit or loss*	49 931 054	49 931 054
- *Trading derivatives*	76 499	76 499
Loans and receivables *	50 084	49 956
Other assets	354 695	354 695
Total	**50 434 861**	**50 434 733**
Financial liabilities at amortised cost *	65 736	65 856
Financial liabilities at fair value through profit or loss		
- *Designated at fair value through profit or loss*	49 930 005	49 930 005
- *Trading derivatives*	76 429	76 429
Other liabilities	360 733	360 733
Tax liabilities	0	0
Total	**50 432 903**	**50 433 023**

31.12.2022 - EUR' 000	**Carrying amount**	**Fair value**
Cash and cash equivalents	36 176	36 176
Financial assets at fair value through profit or loss		
- *Mandatorily at fair value through profit or loss*	38 757 924	38 757 924
- *Trading derivatives*	1 025 209	1 025 209
Loans and receivables *	50 023	49 873
Other assets	343 495	343 495
Total assets	**40 212 827**	**40 212 677**
Financial liabilities at amortised cost *	70 585	70 602
Financial liabilities at fair value through profit or loss		
- *Designated at fair value through profit or loss*	38 754 129	38 754 128
- *Trading derivatives*	1 025 105	1 025 105
Other liabilities	360 231	360 232
Tax liabilities	201	201
Total	**40 210 251**	**40 210 268**

* For Loans and receivables and Financial liabilities at amortised cost, the fair values are calculated by discounting the expected future cash flows under a EUR risk free curve adjusted with Société Générale Group credit spread curve (EUR swap curve from Bloomberg and Société Générale credit spread curve provided by Risk department Paris).

Determining fair value is dependent on many factors and can be an estimate of what value may be obtained in the open market at any point in time.

10.5.3. The fair value hierarchy of IFRS 13

As at 30 June 2023, the Company determined the fair values of its financial instruments on the basis of the following hierarchy:

30.06.2023 - EUR' 000	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
- Mandatorily at fair value through profit or loss	**-**	**24 281 795**	**25 649 259**	**49 931 054**
Commodities instruments	-	-	-	-
Credit derivatives/securities	-	410 987	3 558 385	3 969 372
Equity and index securities	-	21 348 983	17 342 822	38 691 804
Foreign exchange instruments/securities	-	629 228	265 348	894 576
Interest rate instruments/securities	-	1 772 178	4 201 827	5 974 004
Other financial instruments	-	120 420	280 877	401 297
- Trading derivatives	**-**	**55 794**	**20 705**	**76 499**
Equity and Index instruments	-	55 720	15 852	71 572
Foreign exchange instruments / securities	-	-	-	-
Other financial instruments	-	74	4 853	4 927
Financial liabilities at fair value through profit or loss				
- Designated at fair value through profit or loss	**-**	**24 280 746**	**25 649 259**	**49 930 005**
Commodities instruments	-	-	-	-
Credit derivatives/securities	-	410 899	3 558 385	3 939 284
Equity and index securities	-	21 309 232	17 342 822	38 652 054
Foreign exchange instruments / securities	-	628 460	265 348	893 808
Interest rate instruments/securities	-	1 812 008	4 201 827	6 013 835
Other financial instruments	-	120 146	280 877	401 023
- Trading derivatives	**-**	**55 724**	**20 705**	**76 429**
Equity and Index instruments	-	55 651	15 852	71 502
Foreign exchange instruments / securities	-	-	-	-
Other financial instruments	-	74	4 853	4 927

Notes to the condensed interim financial statements (continued)
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As at 31 December 2022, the Company determined the fair values of its financial instruments on the basis of the following hierarchy:

31.12.2022 - EUR' 000	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss				
- Mandatorily at fair value through profit or loss	**-**	**13 596 360**	**25 161 564**	**38 757 924**
Commodities instruments	-	30 733	-	30 733
Credit derivatives/securities	-	803 553	3 465 041	4 268 594
Equity and index securities	-	8 793 626	17 551 097	26 344 723
Foreign exchange instruments/securities	-	629 111	259 004	888 115
Interest rate instruments/securities	-	3 212 257	3 643 974	6 856 231
Other financial instruments	-	127 080	242 448	369 528
- Trading derivatives	**-**	**1 000 904**	**24 306**	**1 025 209**
Equity and Index instruments	-	994 397	17 630	1 012 027
Foreign exchange instruments / securities	-	-	-	-
Other financial instruments	-	6 507	6 676	13 182
Financial liabilities at fair value through profit or loss				
- Designated at fair value through profit or loss	**-**	**13 592 564**	**25 161 564**	**38 754 129**
Commodities instruments	-	30 733	-	30 733
Credit derivatives/securities	-	803 734	3 465 041	4 268 775
Equity and index securities	-	8 791 638	17 551 097	26 342 735
Foreign exchange instruments/securities	-	629 220	259 004	888 224
Interest rate instruments/securities	-	3 210 159	3 643 974	6 854 133
Other financial instrument	-	127 080	242 448	369 529
- Trading derivatives	**-**	**1 000 799**	**24 306**	**1 025 105**
Equity and Index instruments	-	994 292	17 630	1 011 922
Foreign exchange instruments / securities	-	-	-	-
Other financial instruments	-	6 507	6 676	13 183

Notes to the condensed interim financial statements (continued)
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The following table describes the variation in Level 3 by financial instruments (in KEUR):

Financial liabilities at fair value through profit or loss	**Balance at 01.01.2023**	Acquisitions	Change in fair value	Reimbursements	Transfers from L2 to L3	Transfers from L3 to L2	Offsetting of the assets and liabilities	**Balance at 30.06.2023**
Designated at fair value through profit or loss	**25 161 564**	**11 992 570**	**2 447 363**	**(13 323 238)**	**145 982**	**(5 003 890)**	**4 228 908**	**25 649 259**
Equity and index instruments	17 551 097	9 104 262	2 257 546	(11 673 729)	60 523	(4 822 574)	4 865 697	**17 342 822**
Commodities securities	-	-	-	-	-	-	-	**-**
Credit derivatives	3 465 041	678 023	68 287	(743 370)	86 290	(155 809)	159 924	**3 558 385**
Foreign exchange instruments	259 003	41 472	(41 092)	(35 324)	1 003	(10 992)	51 276	**265 348**
Interest rate instruments	3 643 975	2 045 665	177 396	(806 368)	(1 834)	(4 127)	(852 879)	**4 201 827**
Other financial instruments	242 448	123 148	(14 774)	(64 447)	-	(10 388)	4 890	**280 877**
Trading derivatives	**24 306**	**-**	**(1 408)**	**(3 720)**	**333**	**-**	**1 194**	**20 705**
Equity and index instruments	17 630	-	(1 520)	(1 495)	333	-	904	**15 852**
Other financial instruments	6 676	-	112	(2 225)	-	-	290	**4 853**

The variations in Level 3 financial assets are similar.

Transfers from Level 3 to Level 2

The consensus data provided by external counterparties are considered observable if the underlying market is liquid and if the prices provided are confirmed by actual transactions. For high maturities these consensus data are not observable. This is the case for the implied volatility used for the valuation of options with maturities of more than five years. However, when the residual maturity of the instrument falls below five years its fair value becomes sensitive to observable parameters.

Transfers from Level 2 to Level 3

Transfers from Level 2 to Level 3 can occur in case of a modification within a parameter (no longer linked to the deal modification of the observability rule of the parameter etc…).

10.5.4. The fair value hierarchy of notes issued in RUB

As at 30 June 2023 the Company has issued 181 Notes in ruble (RUB) for a total amount of KEUR 51 015 (as at 31 December 2022 195 notes for a total amount of KEUR 47 006)

The following table describes the variation of the notes issued in RUB by financial instruments (in KEUR):

Financial liabilities at fair value through profit or loss	**Balance at 01.01.2023**	Acquisitions	Change in fair value	Reimbursements	Offsetting of the assets and liabilities	**Balance at 30.06.2023**
Designated at fair value through profit or loss	**47 006**	**-**	**(5 783)**	**363**	**9 429**	**51 015**
Equity and index instruments	44 694	-	(5 517)	1 210	9 256	**49 643**
Credit derivatives	-	-	-	-	-	**-**
Foreign exchange instruments	408	-	-	(545)	137	**-**
Interest rate instruments	900	-	-	(900)	-	**-**
Other financial instruments	1 004	-	(266)	598	36	**1 372**

10.6. Operational risk

Operational risk is the risk of loss or fraud caused by defects or failures in internal procedures or systems human error or external events including IT risk and management risk. Particular attention is paid to compliance risk which receives enhanced monitoring.

The Company participates in the effort to strengthen the management and monitoring of operational risk led by the Société Générale Group. This effort is guided by the Operational Risk Department which reports to the Société Générale Group Risk Department and is relayed by different Group operational risk monitoring units responsible for implementing the policies and directives issued by the Société Générale Group and monitoring and controlling operational risks.

The monitoring arrangement mainly relies on four processes supervised by the operational risk departments: periodic risk and control self-assessment (RCSA) collecting internal data on losses due to operational errors with exhaustive real-time reporting of incidents pattern analyses and permanent control system.

These procedures are supplemented by a crisis management unit and a business continuity plan.

NOTE 11 – INFORMATION ON LITIGATIONS

During the year ended 31 December 2020, SG Issuer, as the Issuer of Notes linked to the credit risk of a French corporate, and Société Générale, as the Guarantor, were brought before the Courts of Paris (alongside other French financial institutions) by end investors to obtain compensation for the financial loss they suffered on their investment in these securities. The French corporate was the subject of a “safeguard procedure”, which constitutes a credit event under the terms of the Notes which had a strong impact on the value of the Notes. These investors rely on unfounded allegations according to which SG Issuer and Société Générale were aware of the difficulties of the French corporate when setting up and marketing these Notes and that in doing so, they failed to meet their regulatory obligations (to act in an honest, fair and professional manner, to provide information on the product risks and to determine the suitability of the Notes for retail investors).

On 27 July 2021, the Company received a new letter from end investors in order to obtain compensation for the financial loss they suffered on their investment in securities issued by the Company. This letter relates to the same litigation described above.

For this litigation, along with any other litigation relating to securities issued by SG Issuer, SG Issuer is entitled to an indemnification by Société Générale in respect of any sum due by SG Issuer regarding potential damages or attorneys' fees.

NOTE 12 – SUBSEQUENT EVENTS

There was no subsequent event which could have a significant impact on the condensed interim financial information as at 30 June 2023.

APPENDIX III

REPRODUCTION OF THE PRESS RELEASE DATED 3 NOVEMBER 2023 CONTAINING THE GUARANTOR'S CONSOLIDATED FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

The information set out below is a reproduction of the press release dated 3 November 2023 containing the Guarantor's consolidated financial results for the third quarter ended 30 September 2023.

SOCIETE GENERALE

RESULTS AT 30 SEPTEMBER 2023

Press release

Paris, 3 November 2023

The results are for the first time published and commented under the reported view, as announced during the Capital Markets Day

QUARTERLY RESULTS

Quarterly revenues of EUR 6.2 billion, down by -6.2% vs. Q3 22, mainly as a result of the peak of the impact of short-term hedges on the net interest income reached in Q3 23 in French retail

Cost-to-income ratio at 70.4% in Q3 23, with operating expenses increasing by less than +1% vs. Q3 22, at constant perimeter

Low cost of risk at 21 basis points in Q3 23, now on expected to be below 20 basis points for FY 2023

Exceptional net income impact of EUR -610m[1] due to the goodwill impairment of the African, Mediterranean basin and Overseas activities and Equipment Finance activities for a total amount of around EUR -340 million, and also, the booking of a provision for Deferred Tax Assets for a total of around EUR -270 million

Group net income of EUR 295 million (EUR 905 million excluding exceptional items[1])

Reported ROTE at 3.8% (6.0% excluding exceptional items[1])

9M 23 RESULTS

Revenues of EUR 19.1 billion

Cost-to-income ratio at 72.4%[2]**,** 68.9% excluding contribution to the Single Resolution Fund

Cost of risk at 15 basis points

Group net income of EUR 2.1 billion, vs. EUR 755 million in 9M-22

Reported ROTE at 5.0%[2]**,** vs. 1.0% in 9M-22

BALANCE SHEET AND LIQUIDITY PROFILE

CET 1 ratio of 13.3%[3] **at end-Q3 23**, around 350 basis points above the regulatory requirement

Liquidity Coverage Ratio at 147% at end-Q3 23

Stable deposit base vs. Q2 23

Provision for distribution of EUR 1.33[4] **per share**, at end-September 2023

MAJOR MILESTONES ACHIEVED

Record quarter for client acquisition at BoursoBank, with 412,000 new clients

Creation of the brand Ayvens, following the completion of the LeasePlan acquisition by ALD

Completion of the 2022 share buy-backs for a total of around EUR 440 million

Slawomir Krupa, the Group's Chief Executive Officer, commented:

"This quarter was marked by a good commercial performance in most businesses, limited increase in operating expenses and a low cost of risk. Global Banking and Investor Solutions notably posted stable revenues compared to a high level last year, and International Retail Banking maintained a solid performance. The Group's net result was penalized by the negative effect of short-term hedges on net interest income in French retail, the impact of which peaked in Q3 23. It also includes, as announced during our Capital Markets Day, exceptional accounting items, with no impact on the capital ratio, or on shareholder distribution. Finally, in line with previous quarters, the balance sheet is very solid with a CET 1 ratio of 13.3%, up 20 basis points, and a robust liquidity profile."

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[1] Non-cash items with no impact on 2023 shareholder distribution

[2] Cost-to-income ratio based on reported figures (vs. underlying previously), cost-to-income ratio and ROTE at 69.8% and 6.5% respectively excluding the contribution to the Single Resolution Fund

[3] Phased-in ratio, pro-forma including Q3-23 results

[4] Based on a pay-out ratio of 50% of the Group net income, at the high-end of the 40%-50% payout ratio, as per regulation, restated from non-cash items and after deduction of interest on deeply subordinated notes and undated subordinated notes

Note: 2022 figures restated in compliance with IFRS 17 and IFRS 9 for insurance entities, and in accordance with changes in performance reporting mentioned in appendix 3

1. GROUP CONSOLIDATED RESULTS

In EURm	Q3 23	Q3 22	Change		9M 23	9M 22	Change	
Net banking income	6,189	6,600	-6.2%	-9.2%*	19,147	20,544	-6.8%	-7.4%*
Operating expenses	(4,360)	(4,083)	+6.8%	+2.0%*	(13,858)	(13,539)	+2.4%	+0.9%*
Gross operating income	1,829	2,517	-27.3%	-27.5%*	5,289	7,005	-24.5%	-23.7%*
Net cost of risk	(316)	(456)	-30.7%	-33.1%*	(664)	(1,234)	-46.2%	-37.4%*
Operating income	1,513	2,061	-26.6%	-26.2%*	4,625	5,771	-19.9%	-21.3%*
Net profits or losses from other assets	6	4	+50.0%	+50.2%*	(92)	(3,286)	+97.2%	+97.2%*
Impairment losses on goodwill	(338)	0	n/s	n/s	(338)	0	n/s	n/s
Income tax	(624)	(369)	+69.1%	+69.1%*	(1,377)	(1,029)	+33.8%	+30.7%*
Net income	563	1,700	-66.9%	-67.1%*	2,836	1,464	+93.7%	+87.4%*
O.w. non-controlling interests	268	255	+5.1%	+2.5%*	773	709	+9.0%	+6.3%*
Reported Group net income	295	1,445	-79.6%	-79.5%*	2,063	755	x 2.7	x 2.6*
ROE	0.9%	9.5%			3.6%	0.9%		
ROTE	3.8%	10.8%			5.0%	1.0%		
Cost to income	70.4%	61.9%			72.4%	65.9%		

Asterisks* in the document refer to data at constant perimeter and exchange rate

Societe Generale's Board of Directors, which met on 2 November 2023 under the chairmanship of Lorenzo Bini Smaghi, examined the Societe Generale Group's results for Q3 23 and for the first nine months of 2023.

Net banking income

Net banking income decreased in Q3 23 by -6.2% (-9.2%*) vs. Q3 22 largely due to the decline in the net interest income in French Retail, Private Banking and Insurance, and to negative revenue in the Corporate Centre (in particular, impacts from the unwinding of hedges on TLTRO operations and other volatile items).

Revenues recorded by French Retail, Private Banking and Insurance decreased by -16.4% vs. Q3 22 owing to the decline in the net interest income which continues to be impacted by short-term hedges that were taken until 2022. Insurance's revenues climbed by +11% vs. Q3 22.

Global Banking & Investor Solutions recorded lower revenues, down by a slight -0.4% in Q3 23 vs. a very good Q3 22, thanks to sustained level of activity. Global Markets & Investor Services posted solid revenues compared with a strong reference point in Q3 22 (-1.7%), driven by robust commercial activity in equity derivatives and a good performance in fixed income activities. Financing & Advisory activities posted a robust performance, with increased revenues in the asset finance platform. The securitisation and natural resources finance activities also turned in a solid performance. Investment banking activities rebounded during the quarter, particularly in the acquisition finance segment and for primary bond market activities. Global Transaction & Payment Services' activities continued to grow on back of high interest rates.

International Retail, Mobility and Leasing Services' revenues climbed by +12.0% (-0.8%*) vs. Q3 22, in particular following the integration of LeasePlan by ALD.

Corporate Centre recorded revenues of EUR -231m in Q3 23 which included around EUR -63 million euros due to the unwinding of hedges on TLTRO operations, in addition to impacts from the change in fair value of the swaps used for the replacement of equity stakes in subsidiaries.

Over 9M 23, net banking income decreased by -6.8% vs. 9M 22.

Operating expenses

In Q3 23, operating expenses came to EUR 4,360 million, up by +6.8% vs. Q3 22.

They include around EUR 230 million for the integration of LeasePlan's activities in ALD excluding transformation charges, and EUR 145 million in transformation costs. At constant perimeter, operating expenses are increasing by less than +1% vs. Q3 22.

Over 9M 23, operating expenses totalled EUR 13,858 million, up by +2.4% vs. 9M 22.

They include EUR 339 million for the integration of LeasePlan's activities in ALD, excluding transformation charges and EUR 627 million in transformation costs.

The cost-to-income ratio came to 72.4% in 9M 23 (68.9% excluding the contribution to the Single Resolution Fund.

Cost of risk

The cost of risk for Q3 23 was moderate at 21 basis points, i.e., EUR 316 million. It breaks down into a provision on non-performing loans of EUR 419 million (28 basis points) and a reversal of provision on performing loans for EUR -103 million (around -7 basis points). The Group now estimates that the cost of risk for FY 2023 will be lower than 20 basis points.

At end-September 2023, the Group's provisions on performing loans amounted to EUR 3,612 million.

The non-performing loans ratio amounted to 2.9%[1] at 30 September 2023. The gross coverage ratio on stood at 46%[2] at 30 September 2023 (80% after taking into account guarantees and collateral).

At 30 September 2023, the Group sharply reduced its offshore exposure to Russia to around EUR 1.0 billion of EAD (Exposure at Default) compared with EUR 1.6 billion at 30 June 2023 (-38%). The maximum risk exposure on this portfolio is estimated at around EUR 0.3 billion before provision. Total provisions stands at EUR 0.2 billion. The onshore residual exposure is very limited at around EUR 15 million and relates to the integration of LeasePlan activities in Russia.

Group net income

Group net income stood at EUR 295 million in Q3 23, i.e., a Return on Tangible Equity (ROTE) of 3.8%.

It was negatively impacted by EUR -610m of exceptional items, which include on the one hand, the goodwill impairment of the African, Mediterranean basin and Overseas activities and Equipment Finance activities for a total of around EUR -340 million, and on the other hand, the booking of a provision for Deferred Tax Assets of around EUR -270 million.

Group net income for 9M 23 came to EUR 2,063 million, i.e., a reported ROTE of 5.0%; and of 6.5% excluding the contribution to the Single Resolution Fund contribution.

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[1] Ratio calculated according to EBA methodology published on 16 July 2019

[2] Ratio of S3 provisions to gross book value of NPL before netting of guarantees and collateral

Accelerating the decarbonisation of our businesses with new targets

Société Générale is committed to a process of aligning its financing with trajectories compatible with the objectives of carbon neutrality in 2050, starting with the most CO2-emitting activities, as defined by the Net Zero Banking Alliance (NZBA).

The Group has set new targets, announced for the most at the Capital Markets Day on 18 September 2023:

- Accelerate the reduction of upstream Oil & Gas exposure, reaching -80% by 2030 vs. 2019, with an intermediary 2025 step of -50% (vs. the previous commitment of -20%);
- Stop providing[1] financial products and services dedicated to upstream Oil & Gas greenfield projects;
- Phase-out exposure[2] on upstream Oil & Gas private pure players and reinforce engagement with energy sector clients, particularly on their climate strategy;
- New target on Oil & Gas financed GHG emissions of -70% by 2030 vs. 2019[3];
- New Automotive sector[4] target of -51% carbon emission intensity by 2030 vs. 2021;
- New Steel sector target for an alignment score of 0 by 2030, based on the Sustainable Steel Principles for the 1.5°C scenarios of the IEA[5] and MPP[6];
- New Cement sector target of -20% carbon emission intensity by 2030 vs. 2022.

Investing in innovation and developing partnerships to generate more impact

- Launch of a EUR 1 billion transition new investment fund. The fund's objective is to support clients on energy transition, green technologies, nature-based solutions and impact-driven opportunities which support the UN's Sustainable Development Goals;
- Create an independent scientific advisory board composed of experts covering climate, nature, social issues and sustainable development that will enrich the Group's ESG reflections, bringing long-term perspectives and scientific views;
- Explore new areas of cooperation with the International Finance Corporation (IFC), a member of the World Bank Group, in sustainable finance projects.

Being a responsible employer of choice

- The Group is seeking to further strengthen its commitment to gender diversity, allocating **EUR 100 million to reduce the pay gap and targeting more than 35% of women in senior leadership roles by 2026**.

[1] Effective from 1 January 2024. The new sectoral policy detailing the terms is available on Societe Generale's web page.
[2] Effective from 1 January 2024.
[3] Oil and Gas absolute financed GHG Emissions on scope 1, 2 and 3 end use covering the broad value chain from upstream, midstream to downstream.
[4] Concerning the credit exposure to car manufacturers.
[5] International Energy Agency.
[6] Mission Possible Partnership's Technology Moratorium.

2. THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 68.1 billion at 30 September 2023 (vs. EUR 67.0 billion at 31 December 2022). Net asset value per share was EUR 71.6 and tangible net asset value per share was EUR 62.1.

The consolidated balance sheet totalled EUR 1,599 billion at 30 September 2023 vs. EUR 1,485 billion at 31 December 2022. The total funded balance sheet (see Methodology note 9) stood at EUR 967 billion vs. EUR 930 billion at 31 December 2022. The net amount of customer loan outstandings totalled EUR 497 billion vs. EUR 516 billion 31 December 2022. At the same time, customer deposits amounted to EUR 612 billion, up around 3% vs. 31 December 2022.

At 30 September 2023, the parent company had issued EUR 46.5 billion of medium/long-term debt, having an average maturity of 4.9 years and an average spread of 78 basis points (over 6-month midswaps, excluding subordinated debt). The subsidiaries had issued EUR 3.9 billion. In all, the Group has issued a total of EUR 50.4 billion in medium/long-term debt.

The Liquidity Coverage Ratio (LCR) was well above regulatory requirements at 147% at end-September 2023 (155% on average in Q3), vs. 141% at end-December 2022. At the same time, the Net Stable Funding Ratio (NSFR) stood at 117% at end-September 2023 vs. 114% at end-December 2022.

The Group's **risk-weighted assets** (RWA) were down vs. end of June 2023, at EUR 384.2 billion at 30 September 2023 according to CRR2/CRD5 rules. Risk-weighted assets in respect of credit risk account for 84.4% of the total, i.e., EUR 324.2 billion, up by 7.8% vs. 31 December 2022.

At 30 September 2023, the Group's **Common Equity Tier 1** ratio[1] stood at 13.3%, or around 350 basis points above the regulatory requirement of 9.76%. The Group's Common Tier 1 ratio (CET 1) at 30 September 2023 includes an +6 basis-point impact from the phasing of IFRS 9. Excluding this impact, the fully-loaded ratio amounts to 13.2%. At end-September 2023, the Tier 1 ratio stood at 15.9% while the total capital ratio amounted to 18.6%, above the respective regulatory requirements of 11.66% and 14.20%.

The **leverage ratio** stood at 4.2% at 30 September 2023, above the regulatory requirement of 3.5%.

With a RWA level of 32.5% and leverage exposure of 8.5% at end-September 2023, the Group's TLAC ratio is significantly above the respective Financial Stability Board requirements for 2023 of 22.1% and 6.75%. Likewise, MREL-eligible outstandings, which stood at 34.0% of RWA and 8.9% of leverage exposure at end-September 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 including Q3 23 results

3. FRENCH RETAIL BANKING, PRIVATE BANKING AND INSURANCE

In EURm	Q3 23	Q3 22	Change	9M 23	9M 22	Change
Net banking income	1,883	2,253	-16.4%	6,070	6,931	-12.4%
Net banking income excl. PEL/CEL	*1,877*	*2,200*	*-14.7%*	*6,070*	*6,784*	*-10.5%*
Operating expenses	(1,591)	(1,635)	-2.7%	(5,036)	(5,090)	-1.1%
Gross operating income	292	618	-52.8%	1,034	1,841	-43.8%
Net cost of risk	(144)	(196)	-26.5%	(342)	(264)	+29.5%
Operating income	148	422	-64.9%	692	1,577	-56.1%
Net profits or losses from other assets	0	3	-100.0%	3	6	-50.0%
Reported Group net income	110	317	-65.3%	518	1,177	-56.0%
RONE	2.8%	7.9%		4.5%	10.1%	
Cost to income	84.5%	72.6%		83.0%	73.4%	

SG network, Private Banking and Insurance

Average loan outstandings contracted by -4% on the Q3 22 level to EUR 204 billion. Loan outstandings to corporate and professional clients excluding government-guaranteed PGE loans rose by +1% vs. Q3 22 and were driven by short-term credits. Home loan outstandings contracted by -5% vs. Q3 22 owing to the Group's strict lending policy implemented since mid-2022.

Average outstanding balance sheet deposits of SG network clients declined by -5% vs. Q3 22 to EUR 238 billion (shift from sight deposits to interest-bearing deposits).

As a result, the average loan/deposit ratio came to 86% in Q3 23.

Private Banking activities cover Private Banking activities in and outside of France. Assets under management totalled EUR 143 billion in Q3 23. Private Banking's net asset inflows amounted to EUR 0.6 billion at Q3 23. Net banking income for the quarter stood at EUR 367 million, up +5.2% vs. Q3 22 (EUR 1,115 million for 9M 23, up +4.7% vs. 9M 22).

Insurance, which covers activities in and outside of France, has been consolidated in the French Retail Banking, Private Banking and Insurance core business as of this quarter.
Life insurance outstandings stood at EUR 132 billion at end-September 2023. The unit-linked share accounted for 37% at a high level, and was up 2.7 points vs. the end-September 2022 level. Gross life insurance inflows amounted to EUR 2.6 billion in Q3 23.
Protection insurance premiums were by +4% vs. Q3 22, with solid commercial momentum in property and casualty premiums (+9% vs. Q3 22).

BoursoBank

BoursoBank is riding high on its new ambition, having registered 412,000 new clients, which is a quarterly record, and with a stable profile. Totally, it acquired 838,000 new clients over the first nine months of 2023. The leading online bank in France reached 5.4 million clients at the end of September 2023, with a low churn rate[1], which is decreasing and lower than the market's.

Assets under management continue to rise at a consistent pace by vintage.

Average loan outstandings dipped by -4.3% on the Q3 22 level to EUR 15 billion. Home loan production gradually picked up over the quarter.

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[1] *Bain & Company study 2022*

Average outstanding savings including deposits and financial savings were +20.5% higher vs. Q3 22 at EUR 55 billion. Deposits outstanding rose strongly by +24% vs. Q3 22 on back of robust collection over the quarter (EUR 1.4 million), notably on interest-bearing products. Life insurance outstandings increased by +9.5% vs. Q3 22, with the unit-linked share accounting for 43%. Net inflows were slightly positive over the quarter.

BoursoBank strengthened its day-to-day banking, posting a +25% rise in number of transactions vs. Q3 22 and a record number of credit card operations.

Net banking income

In Q3 23, revenues totalled EUR 1,877 million, down -15% vs. Q3 22, excluding PEL/CEL. Net interest income excluding PEL/CEL contracted by -27% vs. Q3 22, mainly due to the impact of the short-term hedges on the NII, the higher interest rate on regulated savings schemes, the consequences of the usury rate and the end of the TLTRO programme. Fee income decreased by -2% relative to Q3 22.

Over 9M 23, revenues totalled EUR 6,070 million, down by -11% vs. 9M 22, excluding PEL/CEL. The net interest income excluding PEL/CEL was down by -21% vs. 9M 22. Fee income rose slightly by +0.4% relative to 9M 22.

Based on latest assumptions consistent with the current economic environment, the forecast of the net interest income of French retail banking, Private Banking and Insurance is expected to decrease by more than 20% in 2023 vs. 2022. In 2024, based on the latest budget assumptions, the NII of the French retail banking, Private Banking and Insurance is expected to be at a level higher or equal to the 2022 amount.

Operating expenses

In Q3 23, operating expenses came to EUR 1,591 million (-2.7% vs. Q3 22) including EUR 46 million in restructuring costs. The cost-to-income ratio stood at 84.5% for Q3 23.

Over 9M 23, operating expenses totalled EUR 5,036 million (-1.1% vs. 9M 22). The cost-to-income ratio stood at 83.0%.

Cost of risk

In Q3 23, the cost of risk amounted to EUR 144 million or 24 basis points, which was slightly higher than in Q2 23 (18 basis points).

Over 9M 23, the commercial cost of risk totalled EUR 342 million or 18 basis points vs. 14 basis points in 9M 22.

Group net income

In Q3 23, Group net income came to EUR 110 million, down -65.0% vs. Q3 22. RONE stood at 2.8% in Q3 23.

Over 9M 23, Group net income totalled EUR 518 million, down -56% vs. 9M 22. RONE stood at 4.5% in 9M 23.

4. GLOBAL BANKING & INVESTOR SOLUTIONS

In EUR m	Q3 23	Q3 22	Variation		9M 23	9M 22	Variation	
Net banking income	2,309	2,318	-0.4%	+2.1%*	7,455	7,649	-2.5%	-1.4%*
Operating expenses	(1,479)	(1,470)	+0.6%	+3.4%*	(5,188)	(5,281)	-1.8%	-0.8%*
Gross operating income	830	848	-2.1%	-0.1%*	2,267	2,368	-4.3%	-2.8%*
Net cost of risk	(13)	(80)	-83.8%	-83.2%*	9	(343)	n/s	n/s
Operating income	817	768	+6.4%	+8.4%*	2,276	2,025	+12.4%	+14.3%*
Reported Group net income	647	601	+7.7%	+9.6%*	1,813	1,598	+13.4%	+15.4%*
RONE	16.9%	14.7%			15.6%	13.4%		
Cost to income	64.1%	63.4%			69.6%	69.0%		

Net banking income

Global Banking & Investor Solutions delivered a good performance in the third quarter, posting revenues of EUR 2,309 million, stable in comparison to a strong Q3 22.

Over the first nine months of the year, revenues are slightly down by -2.5% vs. 9M 22 (EUR 7,455 million vs. EUR 7,649 million).

Global Markets & Investor Services recorded revenues of EUR 1,482 million in Q3 23, which was a minor -1.7% decrease in comparison to a high reference point in Q3 22. Over 9M 23, revenues stood at EUR 4,940 million, a -5.4% decrease vs. 9M 22.

Global Markets turned in a solid performance with revenues of EUR 1,314 million, down -2.4% vs. Q3 22, which was a record third quarter result[1]. Over 9M 23, revenues decreased by -5.7% vs. 9M 22 to EUR 4,383 million.

The Equities business posted a very solid performance overall, recording revenues of EUR 800 million for Q3 23, which was a minor -1.0% decrease vs. a very high Q3 22, on back of a broadly robust commercial activity notably driven by strong momentum in investment solutions despite less conducive market conditions than in Q3 22, notably in the flow and financing businesses. Over 9M 23, revenues decreased by -8.4% vs. 9M 22 to EUR 2,431 million.

Fixed income and Currencies recorded a solid performance, notably on back of investment solutions on rates despite a less favourable market environment, particularly for flow businesses. In Q3 23, revenues decreased by -4.6% vs. Q3 22 to EUR 514 million. Over 9M 23, revenues dipped slightly by -2.0% vs. 9M 22 to EUR 1,952 million.

Securities Services' revenues were up by +4.3% over the quarter to EUR 168 million. Excluding the impact of the valuation of various equity participations, business activity decreased by -4.0% compared with Q3 22. Over 9M 23, revenues fell by -3.1% vs. 9M 22, but rose by +2.9% excluding these participations. Assets under Custody and Assets under Administration amounted to EUR 4,671 billion and EUR 577 billion, respectively.

The Financing and Advisory business posted a record Q3 performance, with revenues of EUR 827 million, up by +2.1% vs. Q3 22. Over 9M 23, revenues came to EUR 2,515 million, up by +3.6% vs. 9M 22.

The Global Banking & Advisory business turned in a solid performance. Revenues decreased by -2.7% vs. Q3 22. Business benefited notably from the solid activity in Asset-Backed Products. Investment Banking

(1) At comparable business model in the post Global Financial Crisis (GFC) regulatory regime

also reaped the benefit of good commercial momentum that was driven by robust activity in acquisition finance and continued strong performance in debt capital markets activities. Meanwhile, the Asset Finance and Natural Resources platforms had a sustained commercial performance over the quarter. Over the first nine months of the year, business contracted by -4.1% vs. 9M 22.

Global Transaction and Payment Services recorded strong revenue growth of +18.3% vs. Q3 22, reaping the dual benefit of high interest rates and increased fee income. Over 9M 23, revenues advanced strongly by +35.3% vs. 9M 22.

Operating expenses

Operating expenses for the quarter totalled EUR 1,479 million, including EUR 41 million in transformation charges, up by a slight +0.6% vs. Q3 22, reflecting the tight rein on costs despite the inflationary backdrop. Accordingly, the cost-to-income ratio came to 64.1% in Q3 23.

Over 9M 23, operating expenses contracted by -1.8% vs. 9M 22. The cost-to-income ratio for 9M 23 consequently came to 69.6%. Excluding the contribution to the Single Resolution Fund (SRF), the ratio was 63.1%.

Cost of risk

In Q3 23, the cost of risk remained at very low 3 basis points (or EUR 13 million) vs. -7 basis points in Q2 23.

Over 9M 23, the cost of risk stood at -1 basis points vs. 26 basis points in 9M 22.

Group net income

Group net income came to **EUR 647 million**, up by +7.7%. For the first nine months of the year, it rose by a sharp +13.4% to EUR 1,813 million.

Global Banking and Investor Solutions again reported **strong RONE of 16.9% for the quarter**. Over the first nine months of the year, **reported RONE came to 15.6% and 18.8% excluding the contribution to the SRF**.

5. INTERNATIONAL RETAIL BANKING, MOBILITY AND LEASING SERVICES

In EURm	Q3 23	Q3 22	Change		9M 23	9M 22	Change	
Net banking income	2,228	1,990	+12.0%	-0.8%*	6,492	6,028	+7.7%	+4.6%*
Operating expenses	(1,237)	(920)	+34.5%	+9.0%*	(3,479)	(2,940)	+18.3%	+10.5%*
Gross operating income	991	1,070	-7.4%	-9.2%*	3,013	3,088	-2.4%	-1.0%*
Net cost of risk	(175)	(150)	+16.7%	+8.4%*	(349)	(572)	-39.0%	-10.7%*
Operating income	816	920	-11.3%	-12.1%*	2,664	2,516	+5.9%	+0.3%*
Net profits or losses from other assets	1	2	-50.0%	-50.0%*	0	12	-100.0%	-100.0%*
Reported Group net income	377	511	-26.2%	-26.0%*	1,325	1,395	-5.0%	-11.0%*
RONE	14.9%	22.2%			18.6%	18.9%		
Cost to income	55.5%	46.2%			53.6%	48.8%		

International Retail Banking's outstanding loans rose by +5.0% vs. Q3 22 to EUR 66.3 billion. Outstanding deposits increased by +3.5% vs. Q3 22 to EUR 81.6 billion.

In Europe, outstanding loans were up + 5.2% vs. end-September 2022 to EUR 41.4 billion, with +4.2% vs. Q3 22 in the Czech Republic and +12.5% vs. Q3 22 in Romania. Outstanding deposits grew across all segments in the two countries, by +3.5% vs. Q3 22 to EUR 54.2 billion.

In Africa, Mediterranean Basin and French Overseas Territories, outstanding loans (EUR 25 billion in Q3 23) and outstanding deposits (EUR 27.4 billion in Q3 23) grew respectively by +3.7% and +3.4% vs. Q3 22. Commercial performances were particularly robust in sub-Saharan Africa, which posted loan outstandings growth of +12.7% vs. Q3 22 and deposit outstandings of +5.8% vs. Q3 22.

Mobility and Leasing Services also showed strong momentum. Earning assets grew by +14.1% to EUR 50.2 billion at end-September 2023 vs. EUR 44.0 billion at end-September 2022. Growth was driven by the increase in car values.

Consumer Finance loan outstandings rose by +2.9% vs. Q3 22 to EUR 24 billion at end-September 2023. Equipment Finance posted leasing ousststandings of EUR 15 billion in Q3 23, up by + 3.7% vs. Q3 22 on back of robust new production.

Net banking income

In Q3 23, net banking income amounted to EUR 2,228 million, up by +12% vs. Q3 22.

Over 9M 23, revenues grew by +7.7% vs. 9M 22 to EUR 6,492 million.

International Retail Banking's net banking income was robust during the quarter, posting a steady growth of +2.8% vs. Q3 22 to EUR 1,044 million in Q3 23. Over the first nine months of 2023, net banking income was stable vs. 9M 22 at EUR 3,124 million.

Revenues in Europe were down in the third quarter to EUR 506 million (-4.5% vs. Q3 22). Momentum in Romania remained solid (+8.0% vs. Q3 22), while NII in Czech Republic, which remains high vs. past years, is down compared to a high level in Q3 22.

Net banking income for the Africa, Mediterranean Basin and French Overseas Territories business unit reported a strong increase of +10.7% vs. Q3 22 to EUR 538 million in Q3 23.

Mobility and Leasing Services recorded net banking income growth of +21.6% vs. Q3 22 to EUR 1,184 million. Boosted by the integration of LeasePlan, Ayvens posted a +37.2% increase, with stable margin revenues on leasing contracts and services (excluding reduction in depreciation costs and non-operating items). Regarding Used Car Sales (UCS) net result (including the negative impact of reduction in depreciation costs), it is normalising to an average of EUR 1,033 per unit vs EUR 3,014 in Q3 22. Excluding this reduction impact in depreciation costs, UCS results per unit would have been EUR 2,346 in Q3 23 vs. EUR 3,607 in Q3 22.

In Q3 23, the contribution of LeasePlan's revenues was around EUR 300 million, impacted by negative Marked-to-Market of hedging portfolio (EUR -82m) and consolidation adjustments on UCS and depreciation costs (EUR ~-150m in total).

Consumer Finance posted lower net banking income, notably owing to the impact of the usury rate in France.

Over 9M 23, Mobility and Leasing Services recorded net banking income of EUR 3,368 million, up by +16.6% vs. 9M 22.

Operating expenses

In Q3 23, operating expenses increased by +34.5% vs. Q3 22 to EUR 1,237 million (+9%*), impacted by LeasePlan expenses excluding transformation charges, for around EUR 230 million, and by around EUR 45 million in restructuring costs related to the integration. The cost-to-income ratio stood at 55.5% in Q3 23.

Over 9M 23, operating expenses came to EUR 3,479 million, up by 18.3% vs. 9M 22 (+10.5%*).

Amid an inflationary backdrop, **International Retail Banking** posted a +7.4% increase in operating expenses during the quarter vs. Q3 22 to EUR 567 million.

Operating expenses for **Mobility and Leasing Services** came to EUR 670 million, which was a +70.9% increase vs. Q3 22. At constant scope and exchange rates, these expenses rose by +9%* vs. Q3 22.

Cost of risk

In Q3 23, the cost of risk fell to 43 basis points (or EUR 175 million) vs. 47 basis points in Q3 22.

Over 9M 23, the cost of risk stood at 32 basis points vs. 56 basis points in 9M 22.

Group net income

In Q3 23, Group net income came to EUR 377 million, down -26.2% vs. Q3 22. RONE stood at 14.9% in Q3 23. RONE was 17.2% for International Retail Banking and 13.3% for Mobility and Leasing Services in Q3 23.

Over 9M 23, Group net income totalled EUR 1,325 million, down -5% vs. 9M 22, while RONE stood at 18.6%. RONE for International Retail Banking was 17.3%, and 19.8% for Mobility and Leasing Services.

6. CORPORATE CENTRE

In EURm	Q3 23	Q3 22	9M 23	9M 22
Net banking income	(231)	39	(870)	(64)
Operating expenses	(53)	(58)	(155)	(228)
Gross operating income	(284)	(19)	(1,025)	(292)
Net cost of risk	16	(30)	18	(55)
Net profits or losses from other assets	4	(1)	(96)	(3,304)
Impairment losses on goodwill	(338)	-	(338)	-
Income tax	(211)	121	(80)	391
Reported Group net income	(839)	16	(1,593)	(3,415)

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.

Corporate Centre's net banking income totalled EUR -231 million in Q3 23 vs. EUR +39 million in Q3 22. It notably included the negative impact from the unwinding of hedges on TLTRO operations for around EUR -0.1 billion at Q3 23 (approximately EUR -0.3 billion in 2023) and the negative impact from the change in market value of replacement swaps of the equity stakes in subsidiaries.

Operating expenses totalled EUR -53 million in Q2 23 vs. EUR -58 million in Q3 22.

Moreover, the Group recorded goodwill impairment on the Africa, Mediterranean Basin and French Overseas Territories activities and on Equipment Finance activities for a total amount of around EUR 340 million[1], and booked a provision for deferred tax assets of around EUR 270 million[1].

The Corporate Centre's contribution to Group net income totalled EUR -839 million in Q3 23 vs. EUR +16 million in Q3 22.

[1] Non-cash items with no impact on 2023 shareholder distribution

7. 2023 AND 2024 FINANCIAL CALENDAR

2023 and 2024 financial communications calendar

8 February 2024	Fourth quarter and full year 2023 results
3 May 2024	First quarter 2024 results
01 August 2024	Second quarter and half year 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 EURm	Q3 23	Q3 22	Variation	9M 23	9M 22	Variation
French Retail, Private Banking and Insurance	110	317	-65.3%	518	1,177	-56.0%
Global Banking and Investor Solutions	647	601	+7.7%	1,813	1,598	+13.4%
International Retail, Mobility and Leasing Services	377	511	-26.2%	1,325	1,395	-5.0%
Core Businesses	**1,134**	**1,429**	**-20.6%**	**3,656**	**4,170**	**-12.3%**
Corporate Centre	(839)	16	n/s	(1,593)	(3,415)	+53.4%
Group	**295**	**1,445**	**-79.6%**	**2,063**	**755**	**x 2.7**

CONSOLIDATED BALANCE SHEET

In EUR m	30.09.2023	31.12.2022 R
Cash, due from central banks	234,004	207,013
Financial assets at fair value through profit or loss	490,511	427,151
Hedging derivatives	32,050	32,971
Financial assets at fair value through other comprehensive income	89,527	92,960
Securities at amortised cost	27,468	26,143
Due from banks at amortised cost	87,404	68,171
Customer loans at amortised cost	487,788	506,635
Revaluation differences on portfolios hedged against interest rate risk	(2,389)	(2,262)
Insurance and reinsurance contracts assets	487	353
Tax assets	4,302	4,484
Other assets	82,243	82,315
Non-current assets held for sale	1,591	1,081
Investments accounted for using the equity method	208	146
Tangible and intangible fixed assets	59,006	33,958
Goodwill	5,247	3,781
Total	**1,599,447**	**1,484,900**

In EUR m	30.09.2023	31.12.2022 R
Due to central banks	10,828	8,361
Financial liabilities at fair value through profit or loss	391,803	304,175
Hedging derivatives	45,062	46,164
Debt securities issued	154,010	133,176
Due to banks	118,564	133,011
Customer deposits	543,919	530,764
Revaluation differences on portfolios hedged against interest rate risk	(9,248)	(9,659)
Tax liabilities	2,436	1,645
Other liabilities	105,466	107,315
Non-current liabilities held for sale	1,583	220
Insurance contracts related liabilities	137,621	135,875
Provisions	4,322	4,579
Subordinated debts	14,824	15,948
Total liabilities	**1,521,190**	**1,411,574**
Shareholder's equity	-	-
Shareholders' equity, Group share	-	-
Issued common stocks and capital reserves	21,110	21,248
Other equity instruments	10,136	9,136
Retained earnings	34,393	34,479
Net income	2,063	1,825
Sub-total	**67,702**	**66,688**
Unrealised or deferred capital gains and losses	375	282
Sub-total equity, Group share	**68,077**	**66,970**
Non-controlling interests	10,180	6,356
Total equity	**78,257**	**73,326**
Total	**1,599,447**	**1,484,900**

9. APPENDIX 2: METHODOLOGY

1 –The financial information presented for the third quarter and nine months 2023 was examined by the Board of Directors on November 2nd, 2023 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. This information has not been audited

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 - 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		Q3 23	Q3 22	9M 23	9M 22
French Retail, Private Banking and Insurance	Net Cost Of Risk	144	196	342	264
	Gross loan Outstandings	243,740	246,467	248,757	244,941
	Cost of Risk in bp	**24**	**32**	**18**	**14**
Global Banking and Investor Solutions	Net Cost Of Risk	13	80	(9)	343
	Gross loan Outstandings	167,057	190,678	170,165	179,454
	Cost of Risk in bp	**3**	**17**	**(1)**	**26**
International Banking, Mobility and Leasing Solutions	Net Cost Of Risk	175	150	349	572
	Gross loan Outstandings	162,873	127,594	145,227	136,405
	Cost of Risk in bp	**43**	**47**	**32**	**56**
Corporate Centre	Net Cost Of Risk	(16)	30	(18)	55
	Gross loan Outstandings	22,681	15,924	19,364	15,093
	Cost of Risk in bp	**(31)**	**75**	**(13)**	**49**
Societe Generale Group	Net Cost Of Risk	316	456	664	1,234
	Gross loan Outstandings	596,350	580,663	583,512	575,893
	Cost of Risk in bp	**21**	**31**	**15**	**29**

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").

5 - 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)	Q3 23	Q3 22	9M 23	9M 22
Shareholders' equity Group share	68,077	66,835	68,077	66,835
Deeply subordinated and undated subordinated notes	(11,054)	(9,350)	(11,054)	(9,350)
Interest payable to holders of deeply & undated subordinated notes, issue premium amortisation(1)	(102)	(80)	(102)	(80)
OCI excluding conversion reserves	853	844	853	844
Distribution provision(2)	(1,059)	(1,916)	(1,059)	(1,916)
Distribution N-1 to be paid	-	(334)	-	(334)
ROE equity end-of-period	56,715	56,000	56,715	56,000
Average ROE equity	56,572	55,400	56,326	55,058
Average Goodwill(3)	(4,279)	(3,667)	(3,991)	(3,646)
Average Intangible Assets	(3,390)	(2,720)	(3,128)	(2,726)
Average ROTE equity	48,903	49,013	49,207	48,686
Group net Income	295	1,445	2,063	755
Interest paid and payable to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisation	(165)	(126)	(544)	(404)
Cancellation of goodwill impairment	338	1	338	3
Adjusted Group net Income	468	1,320	1,858	354
ROTE	3.8%	10.8%	5.0%	1.0%

RONE calculation: Average capital allocated to Core Businesses (in EURm)

In EURm	Q3 23	Q3 22	Change	9M 23	9M 22	Change
French Retail , Private Banking and Insurance	15,898	16,104	-1.3%	15,488	15,500	-0.1%
Global Banking and Investor Solutions	15,324	16,346	-6.3%	15,486	15,865	-2.4%
International Retail, Mobility and Leasing Services	10,136	9,191	+10.3%	9,505	9,816	-3.2%
Core Businesses	41,358	41,641	-0.7%	40,479	41,181	-1.7%
Corporate Centre	15,214	13,759	+10.6%	15,847	13,877	+14.2%
Group	56,572	55,400	+2.1%	56,326	55,058	+2.3%

2022 figures restated in compliance with IFRS 17 and IFRS 9 for insurance entities.

(1) Interest net of tax (2) The dividend to be paid is calculated based on a pay-out ratio of 50% of the Group net income restated from non-cash items and after deduction of deeply subordinated notes and on undated subordinated notes, (3) Excluding goodwill arising from non-controlling interests.

6 - 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)	9M 23	H1 23	2022
Shareholders' equity Group share	68,077	68,007	66,970
Deeply subordinated and undated subordinated notes	(11,054)	(10,815)	(10,017)
Interest of deeply & undated subordinated notes, issue premium amortisation[1]	(102)	(28)	(24)
Book value of own shares in trading portfolio	86	134	67
Net Asset Value	57,007	57,298	56,996
Goodwill[2]	(4,128)	(4,429)	(3,652)
Intangible Assets	(3,423)	(3,356)	(2,875)
Net Tangible Asset Value	49,456	49,513	50,469
Number of shares used to calculate NAPS[3]	796,242	801,471	801,147
Net Asset Value per Share	71.6	71.5	71.1
Net Tangible Asset Value per Share	62.1	61.8	63.0

2022 figures restated in compliance with IFRS 17 and IFRS 9 for insurance entities.

(1) Interest net of tax, (2) Excluding goodwill arising from non-controlling interests, (3) The number of shares considered is the number of ordinary shares outstanding at end of period, excluding treasury shares and buybacks, but including the trading shares held by the Group (expressed in thousand of shares)

7 - 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)	9M 23	H1 23	2022
Existing shares	821,765	822,101	845,478
Deductions			
Shares allocated to cover stock option plans and free shares awarded to staff	6,818	6,845	6,252
Other own shares and treasury shares	14,864	13,892	16,788
Number of shares used to calculate EPS[1]	**800,083**	**801,363**	**822,437**
Group net Income (in EUR m)	2,063	1,768	1,825
Interest on deeply subordinated notes and undated subordinated notes (in EUR m)	(544)	(379)	(596)
Adjusted Group net income (in EUR m)	1,520	1,390	1,230
EPS (in EUR)	1.90	1.73	1.50

8 - The Societe Generale Group's Common Equity Tier 1 capital is calculated in accordance with applicable CRR2/CRD5 rules. The fully loaded solvency ratios are presented pro forma for current earnings, net of dividends, for the current financial year, unless specified otherwise. When there is reference to phased-in ratios, these do not include the earnings 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.

9 – 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).

(1) The number of shares considered is the average number of ordinary shares of the period, excluding treasury shares and buybacks, but including the trading shares held by the Group.

Deduction from customer deposits and reintegration into short-term financing of certain transactions equivalent to market resources.

- 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: PRESS RELEASE DATED NOVEMBER 2ND 2023 - PUBLICATION OF THE NEW QUARTERLY RESULTS SERIES

Press release

Paris, 2 November 2023,

Societe Generale today reports new quarterly series reflecting changes in the presentation of the Group's financial performance as announced on the Capital Markets Day on 18 September 2023.

During the Capital Markets Day on 18 September 2023, the Group announced several changes in the financial reporting of the Group and its businesses:

- Insurance business will from now on be integrated into French retail, forming the French Retail Banking, Private Banking and Insurance business.
- The Consumer Finance business in Europe has been transferred to Mobility and Leasing Services in International Retail Banking, Mobility and Leasing Services.
- Transformation charges, previously accounted for at the Corporate Centre, will from now on be directly borne by the businesses.
- Normative return of businesses is now based on a 12% capital allocation vs. 11% previously

The historical quarterly series have been restated in accordance with these changes in governance and financial reporting.

None of the above items has any impact on the Group's financial results.

2022 quarterly series are restated accordingly and are available on Societe Generale's website (The data of this press release have not been audited.)

Societe Generale

Societe Generale is a top tier European Bank with 117,000 employees serving 25 million clients in more than 60 countries across the world. We have been supporting the development of our economies for nearly 160 years, providing our corporate, institutional, and individual clients with a wide array of value-added advisory and financial solutions. Our long-lasting and trusted relationships with the clients, our cutting-edge expertise, our unique innovation, our ESG capabilities and leading franchises are part of our DNA and serve our most essential objective - to deliver sustainable value creation for all our stakeholders.

The Group runs three complementary sets of businesses, embedding ESG offerings for all its clients:

- **French Retail, Private Banking and Insurance**, with leading retail bank SG and insurance franchise, premium private banking services, and the leading digital Bank BoursoBank.
- **Global Banking and Investor Solutions**, a top tier wholesale bank offering tailored-made solutions with distinctive global leadership in Equity Derivatives, Structured Finance and ESG.
- **International Retail, Mobility & Leasing Services**, comprising well-established universal banks (in Czech Republic, Romania and several African countries), Ayvens (the new ALD I LeasePlan brand), a global player in sustainable mobility, as well as specialized financing activities.

Committed to building together with its clients a better and sustainable future, Societe Generale aims to be a leading partner in the environmental transition and sustainability overall. The Group 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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