

Company Code: 600104

Abbreviation of the Company: SAIC Motor

SAIC MOTOR CORPORATION LIMITED
Annual Report 2022

Important Note

1. **Board of directors (the "Board"), board of supervisors, directors, supervisors and senior management of the Company certify that this report does not contain any false or misleading statements or material omissions and are jointly and severally liable for the authenticity, accuracy and integrity of the content.**
2. **All directors attended Board meetings.**
3. **Deloitte Touche Tohmatsu Certified Public Accountants LLP issued a standard and unqualified auditors' report to the Company.**
4. **Mr. Chen Hong, Chairman of the Board, Mr. Wei Yong, the chief financial officer, and Ms. Gu Xiao Qiong, head of Accounting Department, certify the authenticity, accuracy and integrity of the financial reports contained in the annual report of the current year.**
5. **Plan of profit distribution or capital reserve capitalization resolved by the Board**
 The Company plans to distribute cash dividends of RMB 3.37 (inclusive of tax) per 10 shares, amounting to RMB 3,873,908,518.85 in total based on 11,495,277,504 shares, that is, the total shares of 11,683,461,365 net of the number of shares (188,183,861 shares) on the special securities account for repurchase as of the disclosure date of the annual report. The Company has no plan of capitalization of capital reserve this year. During the period from the disclosure date of the annual report to the registration date of equity distribution, if there is any change in the number of shares entitled to profit distribution due to situations such as repurchase of shares, the total amount of profit distribution is maintained and the amount of distribution per share is adjusted accordingly.
6. **Risk statement of forward-looking description**
Applicable N/A
 The forward-looking description on future plan and development strategy in this report does not constitute substantive commitment to investors. Please note the investment risk.
7. **Does the situation exist where the controlling shareholder and other related parties occupy the funds of the Company for non-operational use?**
 No.
8. **Does the situation exist where the Company provides external guarantee which is not in compliance with the required decision-making procedures?**
 No.
9. **Are over 1/2 of directors not able to ensure the authenticity, accuracy and integrity of the annual report disclosed by the Company?**
 No.
10. **Significant risk alert**
 There are no significant risks which have substantive effects on the Company's production and operation during the reporting period. The Company has described the possible risks that the

Company may be exposed to in the process of production and operation in this report. Please refer to "Possible Risks" in Section III Management Discussion and Analysis.

11. Others

Applicable N/A

Contents

Section I Definitions 5

Section II General Information and Major Financial Indicators of the Company 6

Section III Management Discussion and Analysis 11

Section IV Corporate Governance..... 34

Section V Environmental and Social Responsibility 52

Section VI Important Events..... 58

Section VII Changes in Shares and Shareholders 73

Section VIII Preferred Shares 77

Section IX Bonds 78

Section X Financial Report..... 82

List of Documents Available for Inspection	Financial statements with signatures of head of the Company, chief financial officer and head of accounting department
	Auditors' report with the seal and signatures of accounting firm and certified public accountants
	Announcements and documents disclosed during the reporting period

Section I Definitions

I. Definition

In this report, unless the context otherwise indicated, the following terms are defined as below:

Definitions of frequently-used words		
CSRC	Refers to	China Securities Regulatory Commission
SSE	Refers to	Shanghai Stock Exchange
Shanghai SASAC	Refers to	Shanghai State-owned Assets Supervision and Administration Commission
Company, the Company, the Group, SAIC Group, SAIC Motor	Refers to	SAIC Motor Corporation Limited
SAIC (Group)	Refers to	Shanghai Automotive Industry (Group) Co., Ltd.
SAIC VOLKSWAGEN	Refers to	SAIC Volkswagen Automobile Co., Ltd.
SAIC GM	Refers to	SAIC General Motors Co., Ltd.
SAIC Passenger Vehicle, Passenger Vehicle Branch	Refers to	SAIC Motor Corporation Limited Passenger Vehicle Branch
SRIH	Refers to	SAIC MOTOR R&D INNOVATION HEADQUARTERS
SGMW	Refers to	SAIC GM Wuling Co., Ltd.
SAIC Maxus	Refers to	SAIC Maxus Vehicle Co., Ltd.
Shanghai Sunwin	Refers to	Shanghai Sunwin Bus Co., Ltd.
SAIC HONGYAN	Refers to	SAIC HONGYAN Automobile Co., Ltd.
Nanjing Iveco	Refers to	Nanjing Iveco Automobile Co., Ltd.
SAIC Motor-CP	Refers to	SAIC Motor-CP Co., Ltd.
SAIC Indonesia, Wuling Indonesia	Refers to	SAIC-GM-Wuling Motor Indonesia
HASCO Motor, HASCO	Refers to	HUAYU Automotive Systems Co., Ltd.
SNAT	Refers to	Shanghai New Power Automotive Technology Company Limited
SFC, SAIC SFC	Refers to	SAIC Finance Co., Ltd.
SAIC-GMAC	Refers to	SAIC-GMAC Automotive Finance Co., Ltd.
Chexiang Technology	Refers to	Shanghai Chexiang Technology Industry Co., Ltd.
Anji Logistics	Refers to	Anji Automotive Logistics Co., Ltd.
IM Motors	Refers to	IM Motors Co., Ltd.
SHPT	Refers to	Shanghai Hydrogen Propulsion Technology Co., Ltd.
Z-one Tech	Refers to	Z-one Technology co., Ltd.
RISING Auto	Refers to	Rising Auto Technology Co., Ltd.
DIAS	Refers to	DIAS Automotive Electronic Systems Co., Ltd.
Fin Shine	Refers to	Shanghai Sail-Cloud Technology Co., Ltd.

Section II General Information and Major Financial Indicators of the Company

I. Information of the Company

Name of the Company in Chinese	上海汽车集团股份有限公司
Abbreviation of company name in Chinese	上汽集团
Name of the Company in English	SAIC Motor Corporation Limited
Abbreviation of company name in English	SAIC Motor
Legal representative of the Company	Mr. Chen Hong

II. Contacts

	Secretary of the Board	Securities affairs representative
Name	Mr. Chen Xun	Mr. Lu Xiao Long
Address	No. 400, North Caoxi Road, Xuhui District, Shanghai, China	No. 400, North Caoxi Road, Xuhui District, Shanghai, China
Telephone number	(021) 22011138	(021) 22011138
Facsimile number	(021) 22011777	(021) 22011777
E-mail	saicmotor@saic.com.cn	saicmotor@saic.com.cn

III. Basic information of the Company

Registered address	Room 509, No.1 Tower, No. 563 Songtao Road, Pilot Free Trade Zone, Shanghai, China
Changes in registered address	No change during the reporting period
Office address	No. 400, North Caoxi Road, Xuhui District, Shanghai, China
Post code of office address	200030
Website	http://www.saicmotor.com
E-mail	saicmotor@saic.com.cn

IV. Information disclosure and the location

Media and website for disclosure of the Company's annual report	"Shanghai Securities News", "China Securities Journal" and "Securities Times"
CSRC website for disclosure of the Company's annual report	http://www.sse.com.cn
Location where the Company's annual report is available	Office of the Board

V. Profile of the Company's shares

Profile of the Company's shares				
Class of shares	Stock exchange	Short name	Stock code	Former short name
A shares	Shanghai Stock Exchange	SAIC MOTOR	600104	Shanghai Automotive

VI. Other relevant information

Information of the accounting firm appointed by the Company (domestic)	Name	Deloitte Touche Tohmatsu Certified Public Accountants LLP
	Office address	F/30, No. 222 Yan An Road East, Huangpu District, Shanghai
	Signing Certified Public Accountants	Yuan Shou Qing, Luo Yi Ming

VII. Major accounting data and financial indicators in recent three years**(I) Major accounting data**

Unit: RMB

Major accounting data	2022	2021	Year-on-year change (%)	2020
Total operating income	744,062,883,284.04	779,845,786,393.56	-4.59	742,132,450,370.73
Operating income	720,987,528,302.03	759,914,635,560.08	-5.12	723,042,589,215.28
Net profit attributable to shareholders of listed companies	16,117,549,650.39	24,533,097,943.83	-34.30	20,431,037,479.76
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss	8,991,524,863.70	18,575,001,265.06	-51.59	17,744,125,367.99
Net cash flow from operating activities	9,504,540,284.51	21,615,739,153.91	-56.03	37,517,935,804.19
	31 December 2022	31 December 2021	Year-on-year change (%)	31 December 2020
Net assets attributable to shareholders of listed companies	279,233,525,947.44	273,773,675,300.63	1.99	260,102,954,415.43
Total assets	990,107,381,169.76	916,922,695,643.33	7.98	919,414,755,796.94

(II) Major financial indicators

Major financial indicators	2022	2021	Year-on-year change (%)	2020
Basic earnings per share (RMB/Share)	1.400	2.120	-33.96	1.752
Diluted earnings per share (RMB/Share)	1.400	N/A	N/A	N/A
Basic earnings per share after deducting non-recurring profit or loss (RMB/Share)	0.781	1.605	-51.34	1.522
Weighted average return on net assets (%)	5.84	9.19	Decreased by 3.35%	8.02
Weighted average return on net assets after deducting non-recurring profit or loss (%)	3.26	6.96	Decreased by 3.70%	6.96

Explanation on major accounting data and financial indicators in recent three years

Applicable N/A

In 2022, due to the disruption in the operation of the supply chain of the industry, the Company's production and sales volume decreased. Besides, due to more intense market competition, higher price of raw materials etc., the Company faced pressure on profitability level, and the major financial indicators showed year-on-year decreases.

VIII. Differences in accounting data under China and foreign accounting standards**i. Differences in net profit and net assets attributable to shareholders of the listed companies where financial statements are disclosed in accordance with International Accounting Standards and China Accounting Standards**

Applicable N/A

ii. Differences in net profit and net assets attributable to shareholders of the listed companies where financial statements are disclosed in accordance with Foreign Accounting Standards and China Accounting Standards

Applicable N/A

iii. Explanation on differences between China and foreign accounting standards

Applicable N/A

IX. Major quarterly financial data for the year 2022

Unit: RMB

	First Quarter (Jan. to Mar.)	Second Quarter (Apr. to Jun.)	Third Quarter (Jul. to Sept.)	Fourth Quarter (Oct. to Dec.)
Total operating income	182,471,908,553.41	133,521,209,830.50	211,415,869,893.36	216,653,895,006.77
Operating income	176,776,182,710.45	128,242,188,087.12	205,218,230,477.73	210,750,927,026.73
Net profit attributable to shareholders of listed companies	5,515,609,122.72	1,394,005,911.45	5,739,538,341.41	3,468,396,274.81
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss	4,953,023,141.82	1,154,959,518.25	4,533,096,071.02	-1,649,553,867.39
Net cash flow from operating activities	-9,143,042,342.27	4,439,510,746.17	9,803,760,729.14	4,404,311,151.47

Explanation on differences between above quarterly data and disclosed data in periodic reports

Applicable N/A

X. Items and amounts of non-recurring profit or loss

√Applicable □N/A

Unit: RMB

Items of non-recurring profit or loss	2022	Note (if applicable)	2021	2020
Profit or loss on disposal of non-current assets	2,861,927,027.00		4,522,318,862.58	861,690,832.00
Government grants recognized in profit or loss (other than grants which are closely related to the Company's business and are either in fixed amounts or determined under quantitative methods in accordance with the national standard)	3,659,334,808.82		4,032,306,772.41	3,078,860,531.18
The excess of attributable fair value of identifiable net assets over the consideration paid for the acquisition of subsidiaries, associates and joint ventures	993,558,775.01		5,456,162.00	9,600,202.00
Profit or loss on debt restructuring	-751,177.33		1,695,113.00	-196,365.28
Profit or loss on changes in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, other than those used in the effective hedging activities relating to normal operating business	-50,208,898.51		35,968,969.21	7,331,420.95
Income from investments in other equity instruments	8,479,952.60			
Reversal of impairment provision for accounts receivable that are tested for impairment losses individually	31,340,053.18			
Profit or loss on entrusted loans	22,724,343.34		24,606,304.16	42,746,182.50
Income from a business combination not involving enterprises under common control that is achieved in stages and involves multiple transactions			-1,711,806.78	307,853,661.00
Other non-operating income and expenses other than the above	995,512,062.69		-105,364,740.28	-224,575,436.41
Less: Effects of income tax	639,137,781.42		781,094,388.83	484,715,038.90
Effects of minority interests (Net of tax)	756,754,378.69		1,776,084,568.70	911,683,877.27
Total	7,126,024,786.69		5,958,096,678.77	2,686,912,111.77

The Company shall explain about the non-recurring profit or loss defined in accordance with *Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 - Non-recurring Profit or Loss* and the recurring profit or loss that was defined from non-recurring profit or loss listed in *Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 - Non-recurring Profit or Loss*.

□Applicable √N/A

XI. Items measured at fair value

√Applicable □N/A

Unit: RMB

Item	1 January 2022	31 December 2022	Changes	Effects on profit of the period
Held-for-trading financial assets	53,883,499,373.59	45,230,022,623.99	-8,653,476,749.60	-296,667,896.48
Financing with receivables	11,369,104,594.18	11,550,691,647.05	181,587,052.87	
Other current assets - Interbank depository receipts	53,923,058,871.00	26,138,075,534.51	-27,784,983,336.49	
Other debt investments	34,252,527.10	843,316,530.00	809,064,002.90	
Investment in other equity instruments	22,543,932,882.53	17,194,589,995.63	-5,349,342,886.90	
Other non-current financial assets	8,200,237,311.05	16,624,603,978.18	8,424,366,667.13	219,719,953.24
Held-for-trading financial liabilities	15,932,323.02	51,500,458.60	35,568,135.58	103,117.47
Other non-current liabilities		100,000,000.00	100,000,000.00	
Total	149,970,017,882.47	117,732,800,767.96	-32,237,217,114.51	-76,844,825.77

XII. Other explanations

□Applicable √N/A

Section III Management Discussion and Analysis

I. Discussion and Analysis of Operations

In 2022, faced with the cumulated impact of unexpected factors such as obstructed industry supply chain operations, significant market fluctuations and raw material prices running at high level, the Company resolutely implemented the requirement of “maintaining economic stability, and ensuring security in development”, and strived to cope with the impact of various unexpected factors, with the unity to overcome the difficulties, so that the resilience of production and operation has been enhanced and the pace of innovation and transformation has been accelerated. During the reporting period, the Company sold 5.303 million vehicles, remaining the first in China for 17 consecutive years; Sales of self-owned brand vehicles reached 2.785 million, accounting for 52.5% of the Company's total sales; Sales of new energy vehicles reached 1.073 million, an increase of 46.5% year-on-year; Overseas sales of vehicles reached 1.017 million, an increase of 45.9% year-on-year, and the vehicle exports remained the first in the domestic industry for seven consecutive years; The Company became the first Chinese automotive group to achieve "double million" in terms of both annual sales of new energy vehicles and sales of vehicles in overseas markets.

1. Make every effort to prevent risks and expand the market to ensure the overall smooth and orderly production and operation

Firstly, work hard together to guarantee production. The Company implemented earnestly the spirit of important instruction "people first and life first" and made every effort to protect the life and health of employees, especially during the static management of enterprises in Shanghai from the middle and end of March to the beginning of June, when more than 58,000 employees stationed in the factory, the Company did a good job in strict safety protection and provided a strong guarantee for the orderly resumption of work and production and the stabilization of production and operation. At the same time, the Company organized employees to participate in volunteer services and raised living materials from different sources to guarantee employees' safety and health, and maintained normal production, operation and sales to the maximum extent through grid-based management and shift transfer to ensure that the overall operation of the Company was smooth and orderly.

Secondly, cooperate to stabilize the industry chain and prevent risks. The Company has set up an industry chain guarantee committee to analyze and evaluate the risk points of "chain breaking" and coordinated with key enterprises to take a series of supply guarantee measures. In order to alleviate the "chip shortage", the Company made reasonable allocation of short-term common shortage of chips, strengthened direct coordination with original chip manufacturers and component partners, and accelerated the localization of chips. To solve the bottleneck of overseas transport capacity, the Company improved the business synergy layout, strategically invested in construction of foreign trade ro-ro fleet and strengthened the supply capacity of foreign trade ro-ro space etc. to ensure the rapid development of overseas business. In addition, the Company deepened cooperation with financial institutions, strengthening foreign exchange risk management and improving cash flow management, and formulated and implemented special support policies to help distributors relieve operating pressure and overcome the difficulties together.

Thirdly, seize the opportunity to expand the market. Combined with the national and local policies to promote auto consumption, the Company made great efforts to activate market demand through a series of "combined measures" such as deduction and exempt of insurance premium, preferential financial schemes and after-sales benefits, and further promoted the reform of marketing system around user experience and scenario-based trend, to promote the sales of new energy vehicles and mid- and high-end models. SAIC Volkswagen's mid- and high-end products maintained steady sales, SAIC GM Cadillac brand and Buick MPV products performed well in the segment market, the high-end intelligent

electric vehicle IM L7 and Rising R7 of independent brands were launched to the market, and new products such as Roewe iMAX8 pure electric version, third generation super hybrid eRX5, MG4 ELECTRIC, Maxus MIFA9 and Wuling Xingchen HEV were launched one after another. The sales of new energy products accounted for more than 20% of the total sales of the Company in the year, and the sales of new energy vehicles of independent brands reached 33.2%.

Fourthly, lead the overseas market to a higher level. After overcoming one difficulty after another, such as chip shortage and tight shipping space, the Company achieved an annual overseas sales volume of 500,000 for MG brand for the first time, ranking first in overseas sales of a single brand in China for four consecutive years; the proportion of independent brands in the overseas sales structure was further increased to 2/3, among which the sales volume of new energy vehicles exceeded 180,000, an increase of 207% year-on-year; the Company has formed two "100,000 vehicles" and four "50,000 vehicles" overseas regional markets. The overseas system construction has been continuously optimized and the overall operation quality has been significantly improved.

2. Focus on innovation and transformation to improve core capabilities and speed up the realization of achievements

Firstly, continuously deepen and improve the innovation technology system. The Company established the SRIH to build a platform organically integrating "technical innovation, team entrepreneurship and personal growth", and integrated internal and external innovation resources to create "seven major technical bases". In terms of improvement of electric layout, the Company established a joint laboratory for solid-state batteries with Qingtao Energy; worked with PetroChina, Sinopec, CATL, etc. to establish Energiex, which supported Rising R7 battery swap version and completed the development and delivery of the first generation of battery swap stations; SHPT launched the fourth generation of fuel cell system on a variety of models to expand diversified demonstration application scenarios. In terms of upgrading of intelligent connection technology, Z-one Tech held the second SOA conference and launched the SOA digital mall, which initially realized the business loop of "software available for purchase and sale"; deepened cooperation with OPPO, Horizon Robotics, etc. in fields of "ecological domain" and chips with large computing capacity; SAIC AI LAB further advanced the research and development of autopilot algorithm and preliminarily completed the Robotaxi data factory; Overseas Intelligent Mobility Technology continued to empower international business, and the overseas connected car users equipped with i-SMART have exceeded 300,000. In addition, the research and development of technologies such as intelligent chassis, one-piece casting and integrated thermal management were also proceeding in an orderly manner to accelerate the building of an independent and controllable industry chain.

Secondly, accelerate the launching of innovative strategic projects. After the delivery of IM L7, the product spectrum was continuously improved, the user rights program was officially implemented, and the pre-sale of LS7, the second mass-production model, was launched. Rising Auto focused on the launch of R7, deepening the construction of marketing channels, and building a diversified, all-scenario energy replenishment ecology. The Robotaxi project had a total operating mileage of more than 1.5 million kilometers and released the autopilot technology architecture 2.0, which has been put into operation. The Intelligent Heavy Truck project was awarded a demonstration operation license for intelligent connected vehicles, completed a total of more than 150,000 TEUs of transshipment, and formally launched a "gradually unmanned" operation test of truck platooning under the high-speed scenario in the East Sea Bridge.

Thirdly, continuously enrich and expand the industrial innovation ecology. In terms of industry and investment linkage, the Company actively explored the integrative development of industry chain, innovation chain and value chain in strategic direct investment business, and carried out in-depth layout closely around the Group's strategy in the fields of new energy, semiconductor, advanced manufacturing and automotive electronics etc., which further expanded the "social circle" of innovation while increasing the profit contribution. In terms of smart mobility, XiangDao Mobility strengthened its brand

positioning of "safe and reliable" and launched scenario-based special services; Shencheng Cab accelerated the expansion of its "one-click taxi hailing" smart screen. In terms of digital transformation, two factories of the Company were selected as the Smart Manufacturing Demonstration Factories in 2022 by the Ministry of Industry and Information Technology, and the digital capabilities, such as the cloud platform services of Fin Shine were continuously improved, providing important support for rapid response to market changes and improvement of organizational management efficiency.

3. Insist on power and vitality injection to deepen the reform of state-owned enterprises and strengthen the building of the teams

Firstly, further optimize and improve the corporate governance. During the reporting period, SAIC (Group), the controlling shareholder of the Company, and COSCO Shipping Group achieved cross shareholding, which laid an important foundation for the Company to expand cooperation in the fields of industry, capital and business in the future. At the same time, the application for the spin-off of SHPT to be listed on the Science and Technology Innovation Board (STAR Market) was accepted by SSE; the new round of market financing for IM Motors and Xiangdao Mobility etc. was successfully completed.

Secondly, further strengthen the construction of the cadre team. Adhere to the principle of "A cadre should be ready to accept a higher or lower post, employees could be hired or fired, and income could be increased or decreased" and make salary reduction and post adjustment for middle-level cadres whose performance was "to be improved" in the annual assessment; perform the "Implementation Plan to Accelerate the Discovery, Training and Selection of Young Cadres", vigorously promote young cadres to important positions, continue to carry out temporary post taking for young cadres, selecting young cadres to innovative business and key projects for practical training.

Thirdly, further strengthen the training and motivation of the talent team. In terms of talent cultivation, introduce leading talents and overseas experts through multiple channels to accelerate the gathering of high-level talents; continue to select technical leaders and create skill master workshops, playing the leading role of talents; establish a "direct resume send-out" mechanism with key universities to reserve excellent graduates; hold global design competition for the tenth consecutive year, which has attracted a total of 200 design talents to join the Company. In terms of incentive innovation, make optimized incentive plans and put them into practice according to the characteristics of innovative enterprises; for different teams of R&D, sales and financial investment, study and formulate various incentive initiatives such as technology incubation incentive, sales increment incentive and fund incentive to provide mechanism and talent guarantee for innovation development, transformation and upgrading, and high-quality development.

II. Industry in which the Company operates during the reporting period

In the first half of 2022, due to the obstructed operation of automotive industry supply chain, both the supply and demand sides were under great pressure, making the whole industry extremely difficult; in the second half of the year, under the effective driving by a series of policies to stabilize growth and promote consumption, such as halving of the purchase tax, the automotive market has recovered to a certain extent. Although the market performance during the traditional "Golden September and Silver October" was not as good as expected, and unfavorable factors such as the structural shortage of automotive chips and high prices of raw materials also had an impact on the production and operation of automotive enterprises and market sales, China's automotive industry still showed strong development resilience under pressures.

According to the statistics of China Association of Automobile Manufacturers, during the reporting period, the auto production and sales in China reached 27.02 million and 26.86 million, an increase of 3.4% and 2.1% year-on-year respectively, with a recovery growth maintained; among them, the production and sales of passenger vehicles were 23.84 million and 23.56 million, an increase of 11.2%

and 9.5% year-on-year respectively and the production and sales of commercial vehicles were 3.18 million and 3.3 million, a decrease of 31.9% and 31.2% year-on-year respectively.

From the perspective of the development characteristics of the industry: Firstly, new energy vehicles continued to show explosive growth. The annual sales of new energy vehicles reached 6.887 million in 2022, an increase of 93.4% year-on-year, and the market penetration rate reached 25.6%; among them, the performance of plug-in hybrid products was particularly outstanding, with a year-on-year growth of more than 1.5 times. Secondly, the auto exports achieved a leap-forward breakthrough. The auto exports reached 3.111 million in 2022, an increase of 54.4% year-on-year, making China the second largest automotive exporter in the world; among them, the exports of new energy vehicles grew 1.2 times year-on-year, which became an important growth pole for the auto export in China. Thirdly, the market share of Chinese-brand passenger vehicles reached a record high. By seizing the transformation opportunities of new energy and intelligent connection technology and taking competitive advantages of the local supply chain, Chinese-brand passenger vehicles not only achieved a record high with a domestic market share of over 45%, but also made significant progress in the overseas market share from 1.9% in 2019 to 6.2% in 2022.

III. Businesses engaged by the Company during the reporting period

The Company's business mainly covers vehicles, auto parts and components, mobility and services, finance, overseas business, innovative technologies, etc. The Company has formed a pattern of six business segments, with the vehicle segment as the leader and each segment closely synergizing, mutually empowering and integrating.

1. Vehicle segment. It is mainly engaged in the R&D, production and sales of passenger and commercial vehicles. SAIC Volkswagen, SAIC GM and SGMW, affiliated companies of the Company, are leading Sino-foreign joint ventures in the domestic market segment, among which SGMW has become a model of Chinese automobile enterprises in building self-owned brands under the joint venture model; at the same time, the Company has accelerated the construction of the passenger and commercial vehicle businesses of self-owned brands such as Roewe, MG and MAXUS by deepening independent innovation, and innovatively built "IM Motors" and "RISING Auto", so as to promote the upward development of self-owned brands.
2. Auto parts and components segment. It is mainly engaged in the R&D, production and sales of power drive systems, chassis systems, interior and exterior trim systems, and components and systems of new energy and smart vehicles such as batteries, electric drives and electronic control. The main affiliated auto parts and components enterprises of the Company include HASCO Motor, SNAT, UAES, SAIC Transmission, SEAT, SAIC-CATL, CATL-SAIC, etc.
3. Mobility and services segment. It is mainly engaged in logistics and transportation, mobility services, automobile life-support services, energy-saving, charging and swapping services, etc. Anji logistics, an affiliated company of the Company, is the largest contract logistics enterprise in China and is accelerating the development of a socialized express logistics platform for the public sector; the online car-hailing business of Xiangdao Mobility has fully covered 6 megalopolises in Yangtze River Delta, i.e. "Shanghai, Nanjing, Hangzhou, Hefei, Suzhou-Wuxi-Changzhou and Ningbo", with a platform compliance rate of more than 90%; the Company is also actively promoting new services such as charging and swapping, photovoltaic power generation, hazardous waste disposal and power battery recycling to help achieve the strategic goal of "carbon peaking and carbon neutrality".
4. Finance segment. It is mainly engaged in auto finance, corporate finance, insurance sales and industrial financial investment. Among them, the auto finance business is mainly to provide financing services for dealers and end customers; the corporate finance business is mainly to provide fund deposit and loan, settlement, bills, foreign exchange and various agency services for affiliated member enterprises of the Company within the scope allowed by the regulatory authority; the insurance sales business is mainly to provide intermediary services of auto insurance for

consumers; the industrial financial investment business mainly focuses on equity investments in the upstream and downstream of new four modernizations of "electrification, intelligent networking, sharing, and internationalization" industry chain. During the reporting period, five invested enterprises were successfully listed, and another seven invested enterprises have initiated the application for the listing.

5. Overseas business segment. In response to the Belt and Road Initiative, the Company has initially built an overseas automobile industry chain integrating R&D, manufacturing, marketing, finance, logistics, parts and components and second-hand cars; The Company has set up 3 overseas vehicle manufacturing bases in Thailand, Indonesia and India, and more than 2,000 overseas marketing and service networks, and launched six self-operated international routes in Southeast Asia, Mexico, West Coast of South America and Europe. The Company's products and services have entered more than 90 countries and regions around the world and formed two "100,000 vehicles" regional markets in Europe and America and four "50,000 vehicles" regional markets in ANZ, the Middle East, ASEAN and South Asia.
6. Innovative technology segment. Facing the competition in the "new track" of electric intelligent connection, it is mainly engaged in the R&D of core technologies in new energy, software, artificial intelligence, big data, Internet of Things and other new fields, mainly including Z-one Tech, SHPT, DIAS, Zhonghaiting, SAIC AI LAB, Fin Shine, and other "little giants of science and innovation". During the reporting period, the application of SHPT (an affiliated company of the Company) for listing on the STAR Market was accepted by SSE. The Company empowers industrial transformation and upgrading through innovative technologies, and actively promotes the industrialization and commercialization of innovation achievements by taking advantage of the capital market.

IV. Analysis on core competitiveness during the reporting period

√Applicable □N/A

Firstly, the Company reshapes new system advantages for users' new needs. The Company is "user-centered" to speed up business model transition. Efforts are made to enhance operational services for online direct users through intelligent and digital technologies. The Company continues to promote the transformation and upgrading of organizational structure, business system and operation mechanism through deepening marketing reform, which makes the whole business chain closely focus on users' needs, stand in users' shoes and better create value for them. In transforming to new tracks of intelligent electric vehicles, the Company gives full play to the advantages such as user bases, service networks, industrial layouts, stable cash flows and mature vehicle manufacturing systems accumulated on traditional tracks, thus continuously consolidating the business system foundation, improving the resource support capability and promoting brand rejuvenation.

Secondly, the Company creates new technological advantages for new industry tracks. Following the new trend of "scenarios create value, data determines experience, software defines vehicles", the Company strives to build the architecture for new generation intelligent electric vehicles, which stimulates a number of key vehicle technology research projects, speeds up the research and development and implementation of key technologies, thus building a brand-new vehicle integration capability from closed-loop of chips, operating systems, software and data to corresponding scenarios. It is featured with the latest product and manufacturing technologies, such as centralized control combined with area/domain control, cloud management integration, data driving and iteration, intelligent sensing, intelligent driving, intelligent cockpit, intelligent vehicle motion control, integrated casting, distributed manufacturing, etc. At the same time, the Company keeps a close eye on the technology development trend and deepens technology research and development in the technical application of solid-state batteries, 800V high voltage, ChatGPT artificial intelligence and machine learning and in the fields of renewable energy and material science, thus accelerating the formation of independent core capabilities.

Thirdly, the Company builds new cooperation advantages with partners for new development in the future. The Company inherits and carries forward the cooperation culture, always adheres to creating

win-win results with global partners, and constantly expands new cooperation space that is wider, higher and deeper. On one hand, the Company continuously improves its international business layouts, explores overseas business through technological innovation advantages of electric intelligent internet connection, and joins hands with partners to accelerate the development of global markets. On the other hand, the Company implements national strategies, focusing on key links such as green and low-carbon development and self-reliance in science and technology, and adheres to independent innovation and open cooperation in terms of new energy industrial chain construction, research and application of intelligent vehicles, artificial intelligence algorithms, chip design and manufacturing, network data security, digital industrial ecology, etc., thus accelerating the resilience enhancement of the industrial supply chain. Making full use of the market-oriented mechanism and capital market, the Company continuously expands the "circle of friends", jointly builds a new industrial ecology and promotes high-quality development of the automobile industry.

V. Operation conditions in the reporting period

During the reporting period, the Company achieved total operating income of RMB 744.063 billion, a decrease of 4.59% year-on-year, net profit attributable to shareholders of listed companies of RMB 16.118 billion, a decrease of 34.30% year-on-year, and weighted average ROE of 5.84%, a decrease of 3.35 pct compared with the previous year.

(I) Analysis on principal business

1. Analysis on changes in relevant accounts in income statement and cash flow statement

Unit: RMB

Accounts	2022	2021	Changes (%)
Operating income	720,987,528,302.03	759,914,635,560.08	-5.12
Operating costs	651,700,777,153.06	686,742,792,553.92	-5.10
Selling expenses	30,175,402,864.14	29,505,101,466.14	2.27
Administrative expenses	25,641,378,773.93	24,103,526,327.66	6.38
Financial expenses	-764,406,025.70	564,183,662.31	-235.49
R&D expenses	18,030,919,437.98	19,668,497,536.95	-8.33
Net cash flow from operating activities	9,504,540,284.51	21,615,739,153.91	-56.03
Net cash flow from investing activities	-6,778,783,682.67	-1,497,529,157.01	-352.66
Net cash flow from financing activities	9,135,383,345.80	-16,170,026,831.09	156.50

Changes in financial expenses are mainly due to the increase in exchange gains of the subsidiaries of the Company arising from the changes in exchange rate.

Changes in net cash flow from operating activities are mainly because the Company's accounts receivable and inventories increase year-on-year due to the disruption in operation of the supply chain of the industry, resulting in a year-on-year decrease in net cash flow from operating activities.

Changes in net cash flow from investing activities are mainly because SFC has adjusted its allocation of financial assets based on its liquidity requirements for the year, and the cash received from investments has a year-on-year decrease.

Changes in net cash flow from financing activities are mainly due to the year-on-year increase in cash receipts from borrowings for business development.

Details of significant changes in business type, composition or sources of profit of the Company for the period

□Applicable √N/A

2. Income and cost analysis

√Applicable □N/A

The details are as follows:

(1) Analysis on principal businesses by industry, product, geographical region and distribution mode

Unit: RMB

By industry						
By industry	Operating income	Operating costs	Gross margin ratio (%)	Changes in operating income (%)	Changes in operating costs (%)	Changes in gross margin ratio (%)
Automotive manufacturing	720,987,528,302.03	651,700,777,153.06	9.61	-5.12	-5.10	Decreased by 0.02pct
Financing	23,075,354,982.01	4,607,414,292.43	80.03	15.78	-0.38	Increased by 3.24pct
Total	744,062,883,284.04	656,308,191,445.49	11.79	-4.59	-5.07	Increased by 0.44pct
By product						
By product	Operating income	Operating costs	Gross margin ratio (%)	Changes in operating income (%)	Changes in operating costs (%)	Changes in gross margin ratio (%)
Vehicles	505,066,480,922.39	482,122,361,279.85	4.54	-9.32	-8.97	Decreased by 0.37pct
Parts	168,526,908,114.37	130,323,730,495.11	22.67	5.72	6.49	Decreased by 0.56pct
Trading	11,846,849,423.98	11,121,474,933.25	6.12	-4.85	-4.02	Decreased by 0.82pct
Service and others	35,547,289,841.29	28,133,210,444.85	20.86	14.34	21.47	Decreased by 4.65pct
Financial services	23,075,354,982.01	4,607,414,292.43	80.03	15.78	-0.38	Increased by 3.24pct
Total	744,062,883,284.04	656,308,191,445.49	11.79	-4.59	-5.07	Increased by 0.44pct
By geographical region						
By geographical region	Operating income	Operating costs	Gross margin ratio (%)	Changes in operating income (%)	Changes in operating costs (%)	Changes in gross margin ratio (%)
China	660,682,665,214.07	579,611,486,234.74	12.27	-8.63	-9.27	Increased by 0.62pct
Others	83,380,218,069.97	76,696,705,210.75	8.02	46.97	46.07	Increased by 0.57pct
Total	744,062,883,284.04	656,308,191,445.49	11.79	-4.59	-5.07	Increased by 0.44pct

(2) Analysis on production and sales volume

√Applicable □N/A

Enterprises	Unit	Production	Sales	Inventories	Changes in production volume (%)	Changes in sales volume (%)	Changes in inventories (%)
SAIC VOLKSWAGEN	Vehicles	1,340,048	1,320,833	28,579	7.50	6.35	223.84
SAIC GM	Vehicles	1,175,205	1,170,107	7,799	-11.74	-12.13	184.12
SAIC Passenger Vehicle	Vehicles	846,111	839,187	9,279	5.46	4.80	260.77
SGMW	Vehicles	1,586,798	1,600,007	21,104	-5.07	-3.62	-38.50
SAIC Maxus	Vehicles	211,073	214,155	9,677	-12.89	-8.03	-24.70
IM Motors	Vehicles	6,202	5,000	1,315	-	-	-
SAIC Motor-CP	Vehicles	35,450	32,581	7,198	11.90	0.15	2,121.60
Wuling Indonesia	Vehicles	30,379	30,037	1,432	15.63	17.10	38.49
MG Motor India Private Limited	Vehicles	51,036	48,498	2,839	25.58	19.06	532.29
Others	Vehicles	41,420	42,239	3,476	-48.64	-56.55	-19.41
Total	Vehicles	5,323,722	5,302,644	92,698	-2.74	-2.94	37.48

Description of production and sales

Others mainly include Shanghai Sunwin Bus Co., Ltd., SAIC HONGYAN Automobile Co., Ltd. and Nanjing Iveco Automobile Co., Ltd., etc.

(3) Implementation of significant purchase and sales contracts

□Applicable √N/A

(4) Cost analysis

Unit: RMB

By industry						
By industry	Items	2022	Proportion to total costs (%)	2021	Proportion to total costs (%)	Changes (%)
Automotive manufacturing	Raw materials, labor salaries and wages, depreciation, energy, etc.	651,700,777,153.06	99.30	686,742,792,553.92	99.33	-5.10
Financial services	Labor salaries and wages, depreciation, energy, etc.	4,607,414,292.43	0.70	4,625,093,592.78	0.67	-0.38
Total		656,308,191,445.49	100.00	691,367,886,146.70	100.00	-5.07
By product						

By product	Items	2022	Proportion to total costs (%)	2021	Proportion to total costs (%)	Changes (%)
Vehicles	Raw materials, labor salaries and wages, depreciation, energy, etc.	482,122,361,279.85	73.46	529,615,693,850.05	76.60	-8.97
Parts	Raw materials, labor salaries and wages, depreciation, energy, etc.	130,323,730,495.11	19.86	122,379,419,450.29	17.70	6.49
Trading	Raw materials, labor salaries and wages, depreciation, energy, etc.	11,121,474,933.25	1.69	11,587,676,466.95	1.68	-4.02
Service and others	Raw materials, labor salaries and wages, depreciation, energy, etc.	28,133,210,444.85	4.29	23,160,002,786.63	3.35	21.47
Financial services	Labor salaries and wages, depreciation, energy, etc.	4,607,414,292.43	0.70	4,625,093,592.78	0.67	-0.38
Total		656,308,191,445.49	100.00	691,367,886,146.70	100.00	-5.07

(5) Changes in consolidation scope due to changes in equity of major subsidiaries during the reporting period

Applicable N/A

For details, refer to Section X, (8) of this report.

(6) Major changes or adjustments in the Company's business, products or services during the reporting period

Applicable N/A

(7) Major customers and suppliers

A. Major sales customers of the Company

Applicable N/A

Turnover from top five customers amounts to RMB 79,518,495,500, accounting for 11.03% of the total annual turnover, of which the amount from related parties is RMB 0, accounting for 0% of the total annual turnover.

Situations where the proportion of sales to a single customer exceeds 50% of the total sales, and there are new customers among the top 5 customers or heavy dependence on a few customers during the reporting period

Applicable N/A

B. Major suppliers of the Company

√Applicable □N/A

Purchase from top five suppliers amounts to RMB 333,550,201,000, accounting for 51.18% of the total annual purchase amount, of which the amount from related parties is RMB 10,724,289,700, accounting for 1.65% of the total annual purchase amount.

Situations where the proportion of purchase from a single supplier exceeds 50% of the total purchase amount, and there are new suppliers among the top 5 suppliers or heavy dependence on a few suppliers during the reporting period

□Applicable √N/A

Other explanations

3. Expenses

√Applicable □N/A

Unit: RMB

Items	2022	2021	Changes (%)
Selling expenses	30,175,402,864.14	29,505,101,466.14	2.27
Administrative expenses	25,641,378,773.93	24,103,526,327.66	6.38
R&D expenses	18,030,919,437.98	19,668,497,536.95	-8.33
Financial expenses	-764,406,025.70	564,183,662.31	-235.49
Income tax expenses	5,228,427,640.03	7,615,900,531.24	-31.35

Note: 1. Financial expenses decreased by 235.49% compared with the same period of the previous year, mainly due to the increase in exchange gains of the subsidiaries of the Company arising from the changes in exchange rate.

2. Income tax expenses decreased by 31.35% compared with the same period of the previous year, mainly due to the decrease in taxes payable by the Company as a result of the decrease in taxable income.

4. Research and development expenditures**(1) Research and development ("R&D") expenditures**

√Applicable □N/A

Unit: RMB

R&D expenditures expensed in the current period	18,030,919,437.98
R&D expenditures capitalized in the current period	2,835,273,489.50
Total R&D expenditures	20,866,192,927.48
Proportion of R&D expenditures to operating income (%)	2.89
Proportion of capitalization of R&D expenditures (%)	13.59

(2) R&D personnel

√Applicable □N/A

Number of R&D personnel in the Company	34,800
Proportion of R&D personnel to the total number of employees in the Company (%)	16.1
Education background of R&D personnel	
Category	Number
Master degree and above	14,259
Bachelor degree and below	20,541
Age structure of R&D personnel	
Category	Number
35 years old and below	23,032
35-45 years old (45 years old inclusive)	9,413
Over 45 years old	2,355

(3) Explanations

√Applicable □N/A

Based on the deepening understanding of electric intelligent connected vehicle products, the Company further clarified its innovative development ideas, focused on development tasks, and coordinated the independent R&D resources, helping accelerate the development of independent brands. In 2022, the Group increased R&D expenditures and accelerated the integration of innovation resources, establishing SAIC Motor R&D Innovation Headquarters, which was positioned as the "integrator" of vehicle products and the "source" of forward-looking technologies, undertaking the research and development of basic common technologies for vehicles to realize the availability of high-value modules of the Group.

In terms of core capability improvement, the Company created "seven major technical bases" which include three major vehicle platforms ("Xingyun" Pure electronic platform, "Zhufeng" electromechanical integration vehicle architecture and Xinghe hydrogen exclusive architecture) and four key system architectures ("Cube" power battery system, "Blue Core" powertrain system, "Green Core" electric drive system and "Galaxy" intelligent vehicle full stack solution). With "platformization, modularization and less normalization" as the direction, the Company continued to promote the iterative and upgrade of the technical bases, deepen and optimize the technology layout in forward-looking and "bottleneck" areas, striving to achieve ultimate user experience and create first-class vehicle products on the new track. At the same time, the Company brought together a number of scientific and innovative leading enterprises inside and outside the industry to build an "innovative technology ecology", which will continue to empower the creation of more intelligent electric products.

In terms of implementation of innovative technologies, the first product IM L7 has been officially delivered to customers in June 2022, and the delivery of Rising R7 has been started in October 2022, which marked an important step for SAIC to build high-end intelligent electric vehicles; under specific operation scenarios such as port terminals, SAIC launched the self-developed "5G+L4" intelligent heavy trucks and AIV products, and started a "gradually unmanned" operation test of intelligent heavy trucks at East Sea Bridge, which has completed a total of more than 150,000 TEUs of transshipment; the Robotaxi project focused on the "new city" scenario, and has completed the trial operation in Shanghai and Suzhou.

(4) Reasons for significant changes in the composition of R&D personnel and their impact on the development of the Company in the future

□Applicable √N/A

5. Cash flows

√Applicable □N/A

Unit: RMB

Items	2022	2021	Changes (%)
Net cash flow from operating activities	9,504,540,284.51	21,615,739,153.91	-56.03
Net cash flow from investing activities	-6,778,783,682.67	-1,497,529,157.01	-352.66
Net cash flow from financing activities	9,135,383,345.80	-16,170,026,831.09	156.50

Note: Analysis on changes in cash flows is set out in the analysis table of changes in relevant accounts in income statement and cash flow statement.

(II) Explanation on significant changes in profit arising from non-principal business

□Applicable √N/A

(III) Analysis on assets and liabilities

√Applicable □N/A

1. Assets and liabilities

Unit: RMB

Items	Amount at 31 December 2022	Proportion of amount at 31 December 2022 to total assets (%)	Amount at 31 December 2021	Proportion of amount at 31 December 2021 to total assets (%)	Changes (%)
Notes receivable	5,875,419,207.62	0.59	4,380,964,033.05	0.48	34.11
Accounts receivable	62,913,102,665.60	6.35	47,463,533,394.88	5.18	32.55
Inventories	88,535,001,044.30	8.94	56,635,907,090.04	6.18	56.32
Debt investments	24,039,000,000.00	2.43	399,394,000.00	0.04	5,918.87
Other non-current financial assets	16,624,603,978.18	1.68	8,200,237,311.05	0.89	102.73
Other non-current assets	13,229,771,297.46	1.34	9,058,047,386.12	0.99	46.06
Short-term borrowings	38,337,475,598.51	3.87	27,849,482,034.01	3.04	37.66
Notes payable	77,636,152,320.80	7.84	41,825,836,994.99	4.56	85.62
Non-current liabilities due within one year	39,543,710,127.34	3.99	25,697,132,489.50	2.80	53.88
Deferred tax liabilities	3,415,756,308.88	0.34	4,885,199,353.86	0.53	-30.08

Other explanations

1) The balance of notes receivable increased by 34.11% compared with the closing balance of the previous period, mainly due to the increase in the bank acceptances receivable by the subsidiaries of the Company.

2) The balance of accounts receivable increased by 32.55% compared with the closing balance of the previous period, mainly due to the increase in the Company's overseas business volume, and the increase in accounts receivable as a result of the longer collection period for overseas payments.

- 3) The balance of inventories increased by 56.32% compared with the closing balance of the previous period, mainly due to the slowdown of inventory consumption caused by multiple factors such as the disruption in operation of the supply chain of the industry and more intense market competition in 2022.
- 4) The balance of debt investments increased by 5,918.87% compared with the closing balance of the previous period, mainly due to the reclassification of time deposits over 1 year from bank deposits to debt investments in accordance with the relevant regulatory requirements during the year.
- 5) The balance of other non-current financial assets increased by 102.73% compared with the closing balance of the previous period, mainly due to the increase in shareholding of unlisted companies by subsidiaries of the Company.
- 6) The balance of other non-current assets increased by 46.06% compared with the closing balance of the previous period, mainly due to the increase in the allocation of long-term assets by SAIC Finance Co., Ltd. based on market returns and liquidity of the Company.
- 7) The balance of short-term borrowings increased by 37.66% compared with the closing balance of the previous period, mainly due to the increase in short-term borrowings for business development.
- 8) The balance of notes payable increased by 85.62% compared with the closing balance of the previous period, mainly due to the increase in the proportion of payments by notes.
- 9) The balance of other non-current liabilities due within one year increased by 53.88% compared with the closing balance of the previous period, mainly due to the increase in the portion of new long-term borrowings due within one year that the Company obtained for business development.
- 10) The balance of deferred tax liabilities decreased by 30.08% compared with the closing balance of the previous period, mainly due to the decrease in deferred tax liabilities corresponding to the changes in fair value of the Company's financial assets.

2. Overseas assets

Applicable N/A

(1) Asset size

Including: Overseas assets amounting to RMB 79,443,650,302.16, accounting for 8.02% of total assets.

(2) Relevant explanation on the relatively high proportion of overseas assets

Applicable N/A

3. Restriction of significant assets as at the end of the reporting period

Applicable N/A

4. Other explanations

Applicable N/A

(IV) Analysis on operation data in automotive industry

Applicable N/A

The details are as follows:

Analysis on operation data for automotive manufacturing

1. Production capacity

Applicable N/A

Existing production capacity

√Applicable □N/A

Unit: 10 Thousand (vehicles)

Major manufactures	Designed production capacity	Production capacity in the reporting period	Utilization rate (%)
SAIC VOLKSWAGEN	208.8	134.0	64
SAIC GM	190.8	117.5	62
SAIC Passenger Vehicle	80.0	84.61	106
SGMW	176.0	158.7	90
SAIC Maxus	37.5	21.1	56
SAIC Motor-CP (Note 1)	7.2	3.5	58
Wuling Indonesia	6.0	3.0	51
MG Motor India Private Limited	5.6	5.1	91
Others (Note 2)	13.7	4.1	30

Note 1: Due to the improvement of production efficiency, the designed production capacity of SAIC Motor-CP has been increased, and the utilization rate was accounted for based on the actual completion time.

Note 2: Others mainly include Shanghai Sunwin Bus Co., Ltd., SAIC HONGYAN Automobile Co., Ltd. and Nanjing Iveco Automobile Co., Ltd., etc.

Capacity under construction

√Applicable □N/A

Unit: RMB 10 Thousand

Plant under construction	Planned investment	Amount invested in the reporting period	Accumulated investment	Estimated completion date	Estimated capacity
SAIC Passenger Vehicle Zhengzhou Base, Phase II	535,980	11,290	466,500	2023	240,000

Capacity calculation criteria

√Applicable □N/A

The calculation of designed production capacity is on the basis of 250 working days per year, and 16 working hours per day, namely 4000 working hours for one year; “production capacity in the reporting period” refers to actual production for the reporting period; utilization rate is the actual production volume for the reporting period divided by designed production capacity.

2. Sales and production of vehicles

√Applicable □N/A

By vehicle type

√Applicable □N/A

Categories	Sales (Vehicles)			Production (Vehicles)		
	2022	2021	Changes (%)	2022	2021	Changes (%)
Basic passenger vehicle (Sedan)	2,625,382	2,474,358	6.10	2,637,673	2,479,665	6.37
Sports utility vehicle (SUV)	1,506,765	1,457,541	3.38	1,528,448	1,462,114	4.54
Multi-purpose vehicle (MPV)	458,560	632,997	-27.56	459,789	636,131	-27.72
Cross passenger vehicle	204,174	225,912	-9.62	202,323	226,883	-10.82
Bus	90,004	114,913	-21.68	88,734	117,257	-24.33
Truck	417,759	557,779	-25.10	406,755	551,443	-26.24
Total	5,302,644	5,463,500	-2.94	5,323,722	5,473,493	-2.74

By region

√Applicable □N/A

Categories	Sales in domestic market (Vehicles)			Sales in overseas market (Vehicles)		
	2022	2021	Changes (%)	2022	2021	Changes (%)
Basic passenger vehicle (Sedan)	2,319,594	2,320,233	-0.03	305,788	154,125	98.40
Sports utility vehicle (SUV)	947,809	1,020,431	-7.12	558,956	437,110	27.88
Multi-purpose vehicle (MPV)	420,613	592,963	-29.07	37,947	40,034	-5.21
Cross passenger vehicle	174,099	207,499	-16.10	30,075	18,413	63.34
Bus	75,769	100,962	-24.95	14,235	13,951	2.04
Truck	347,301	524,163	-33.74	70,458	33,616	109.60
Total	4,285,185	4,766,251	-10.09	1,017,459	697,249	45.92

3. Sales and production of auto parts

√Applicable □N/A

The Company's businesses of auto parts are mainly operated by HASCO (stock code: 600741), a subsidiary controlled by the Company. For details of its business in 2022, refer to the annual report 2022 published on www.sse.com.cn by HASCO (600741).

Categorized by auto parts

□Applicable √N/A

Categorized by market

□Applicable √N/A

4. New energy vehicles

√Applicable □N/A

Production capacity of new energy vehicles

√Applicable □N/A

Major plants	Designed production capacity (Vehicles)	Production capacity in the reporting period (Vehicles)	Utilization rate (%)
SAIC VOLKSWAGEN	-	108,647	-
Including: SAIC VOLKSWAGEN MEB Plant	240,000	81,933	34
SAIC GM	-	50,910	-
SAIC Passenger Vehicle	-	247,031	-
SGMW	-	621,424	-
SAIC Maxus	-	38,790	-
IM Motors	-	6,202	-
SAIC Motor-CP Co., Ltd.	-	1,916	-
MG Motor India Private Limited	-	4,924	-
Wuling Indonesia	-	8,369	-
Others	-	4,371	-

Note 1: Except for SAIC VOLKSWAGEN MEB Plant, the Company's other new energy products are manufactured on the same line and share production capacity with traditional ICE vehicles. The Company can adjust the two types of products in line with market conditions and implement flexible production.

Note 2: Others mainly include Shanghai Sunwin Bus Co., Ltd., SAIC HONGYAN Automobile Co., Ltd. and Nanjing Iveco Automobile Co., Ltd., etc.

Sales and production of new energy vehicles

√Applicable □N/A

Categories	Sales (Vehicles)			Production (Vehicles)		
	2022	2021	Changes (%)	2022	2021	Changes (%)
Passenger vehicles	1,031,465	707,398	45.81	1,048,999	707,534	48.26
Commercial vehicles	41,965	25,248	66.21	43,585	25,108	73.59
Total	1,073,430	732,646	46.51	1,092,584	732,642	49.13

Income and subsidies of new energy vehicles

√Applicable □N/A

Unit: RMB 10 Thousand

Categories	Income	Subsidy for new energy vehicles	Proportion of subsidy to revenue (%)
Passenger vehicles	5,624,549	215,571	4
Commercial vehicles	470,442	28,736	6

Note: The deserved amount of subsidy for new energy vehicles is for 2022.

5. Automotive finance

√Applicable □N/A

Details of automotive finance

√Applicable □N/A

Unit: RMB 100 million

Name of subsidiary		SAIC Finance Co., Ltd.				
Basic information						
Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit	
153.80	1,928.58	424.35	119.58	62.71	56.76	
Major operating indicators						
Amount of loans		Sum of loans	Balance of loans		Credit impairment loss	
2,107.39		1,971,593	1,031.54		29.48	
Major regulatory indicators						
Core tier-1 capital adequacy ratio (%)	Tier-1 capital adequacy ratio (%)	Capital adequacy ratio (%)	NPL ratio (%)	Provision coverage (%)	Loan provision ratio (%)	Liquidity ratio (%)
23.98	23.98	25.10	0.52	546.36	2.86	117.51

Name of subsidiary		SAIC-GMAC Automotive Finance Co., Ltd.				
Basic information						
Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit	
85.00	1,353.34	222.56	77.48	50.66	37.94	
Major operating indicators						
Amount of loans		Sum of loans	Balance of loans		Credit impairment loss	
2,098.97		1,704,714	1,183.27		29.54	
Major regulatory indicators						
Core tier-1 capital adequacy ratio (%)	Tier-1 capital adequacy ratio (%)	Capital adequacy ratio (%)	NPL ratio (%)	Provision coverage (%)	Loan provision ratio (%)	Liquidity ratio (%)
12.36	12.36	13.49	0.68	368.43	2.5	177.98

Distribution of 5-level categories of loans

√Applicable □N/A

Unit: RMB 100 million

Item	SAIC Finance Co., Ltd.		SAIC-GMAC Automotive Finance Co., Ltd.	
	Amount	Ratio (%)	Amount	Ratio (%)
Normal	1,019.21	98.80	1,154.89	97.60
Attention	6.94	0.67	20.36	1.72
Subprime	5.13	0.50	2.41	0.20
Doubtful	0.26	0.03	3.19	0.27
Loss			2.42	0.21
Total	1,031.54	100.00	1,183.27	100.00

Note: The data of SAIC Finance Co., Ltd. shown above is from the single company.

6. Other explanations

□Applicable √N/A

(V) Investment analysis**General analysis on equity investments**

√Applicable □N/A

The Company is an automotive manufacturing enterprise with an extensive business layout and various types of investments. At the end of the reporting period, balance of the Company's long-term equity investments was RMB 64.645 billion, increased by RMB 3.795 billion or 6.24% compared with opening balance. Details of various investments are set out in the notes to this report.

1. Significant equity investments

□Applicable √N/A

2. Significant non-equity investments

□Applicable √N/A

3. Financial assets at fair value

√Applicable □N/A

Unit: RMB

Category of assets	1 January 2022	Profit or loss from changes in fair value for the period	Accumulated changes in fair value included in equity	Impairment provided for the period	Purchases	Sales/redemption	Other changes	31 December 2022
Held-for-trading financial assets	53,883,499,373.59	-296,667,896.48			201,575,763,201.66	-209,932,572,054.78		45,230,022,623.99
Financing with receivables	11,369,104,594.18		6,254,235.62		70,575,907,555.20	-70,400,574,737.95		11,550,691,647.05
Other current assets - Interbank depository receipts	53,923,058,871.00		-36,458,047.84		26,174,533,582.35	-53,923,058,871.00		26,138,075,534.51
Other debt investments	34,252,527.10		-156,569.67		843,316,529.97	-34,095,957.40		843,316,530.00
Investments in other equity instruments	22,543,932,882.53		-5,782,763,139.72		448,768,826.81	-15,348,573.99		17,194,589,995.63
Other non-current financial assets	8,200,237,311.05	219,719,953.24			8,946,505,157.48	-741,858,443.59		16,624,603,978.18
Total	149,954,085,559.45	-76,947,943.24	-5,813,123,521.61		308,564,794,853.47	-335,047,508,638.71		117,581,300,309.36

Investment in securities

Applicable N/A

Investment in private equity

Applicable N/A

1. Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (L.P.)

- 1) Establishment or expansion of the Fund: In order to explore the opportunities brought by industrial restructuring and innovation, and to deepen the layout in the field of new energy and intelligent connection, the Company made an additional contribution of RMB 7.5 billion to Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (L.P.), which focused on the investment field of automotive industry chain and related fields, including but not limited to new energy, intelligent connection, sharing, intelligent manufacturing, new materials, etc. The total capital contribution of the Fund after the additional contribution was RMB 13.5495 billion, of which the Group contributed RMB 13.5 billion, holding 99.63% of equity, SAIC Financial Holding contributed RMB 45 million, holding 0.33% of equity, Shangqi Capital contributed RMB 2.25 million, holding 0.02% of equity, and Hengxu Capital contributed RMB 2.25 million, holding 0.02% of equity.
- 2) Operation and progress of the Fund: As at 31 December 2022, the total paid-in capital of the Fund was RMB 9.819 billion, investing in 19 projects and 4 sub-funds, with a total contribution of RMB 9.817 billion.

2. Jiaxing SAIC Chuangyong Equity Investment Partnership (Limited Partnership)

- 1) Establishment or expansion of the Fund: Jiaxing SAIC Chuangyong Fund was established on 23 June 2022 and completed the filing on 13 July 2022. The initial contribution size was RMB 3 billion, among which SAIC Financial Holding contributed RMB 2.95 billion, holding 98.3333% of equity, SAIC Venture Capital contributed RMB 48 million, holding 1.6000% of equity, Shangqi Capital contributed RMB 1 million, holding 0.0333% of equity, and Hengxu Capital contributed RMB 1 million, holding 0.0333% of equity. The Fund mainly invested in sub-funds and direct investment projects, focusing on areas including "carbon peaking and carbon neutrality", intelligent connection, automotive electronics, advanced manufacturing, new materials, semiconductors, multiple extensions of the automotive industry such as metaverse, information technology application innovation industry, etc., and moderate layout of innovative business.
- 2) Operation and progress of the Fund: As at 31 December 2022, the total paid-in capital of the Fund was RMB 1.173 billion, investing in 14 projects and 2 sub-funds, with a total contribution of RMB 1.168 billion.

3. Shandong Shangqi Shangao New Power Equity Investment Fund Partnership (Limited Partnership)

- 1) Establishment or expansion of the Fund: Shangao Fund was established on 8 June 2022 and completed the filing on 7 July 2022. The initial contribution size was RMB 0.807 billion, among which Shandong Hi-speed Group contributed RMB 399 million, holding 49.4424% of equity, SNAT contributed RMB 199 million, holding 24.6592% of equity, SAIC Financial Holding contributed RMB 199 million, holding 24.6592% of equity, Shanghai Qisu Business contributed 8 million, holding 0.9913% of equity, Shandong High-speed Beiyin Investment contributed RMB 1 million, holding 0.1239% of equity, and Shangqi Capital contributed RMB 1 million, holding 0.1239% of equity. The Fund focused on the automotive industry chain, with emphasis on direct investment projects in the field of

automotive new energy (including drive motors and power batteries), hydrogen fuel cell industry chain, engine aftertreatment, aided driving and autopilot, automotive electronics and semiconductors, and new automotive materials.

- 2) Operation and progress of the Fund: As at 31 December 2022, the total paid-in capital of the Fund was RMB 0.8 billion, investing in 9 projects, with a total contribution of RMB 0.413 billion.

4. Nanjing Junhongtianyin Equity Investment Partnership (Limited Partnership)

- 1) Establishment or expansion of the Fund: Nanjing Junhongtianyin Fund was established on 28 September 2022 and completed the filing on 1 November 2022. The initial contribution size was RMB 1.551 billion, among which SAIC Financial Holding contributed RMB 1400 million, holding 90.26% of equity, Jiangning High Tech Fund contributed RMB 150 million, holding 9.67% of equity, and Nanjing Hengyishang contributed RMB 1 million, holding 0.06% of equity. Nanjing Junhongtianyin Fund was the link fund of Suzhou Shenqilina Green Equity Investment Partnership (Limited Partnership) (hereinafter referred to as "Hengxu Green Mobility Fund"), which contributed RMB 1.55 billion to Hengxu Green Mobility Fund and held 52.0484% of equity. Hengxu Green Mobility Fund was established on 29 November 2022 and completed filing on 8 December 2022. The Fund mainly invested in fields of green transportation, clean energy, energy saving and emission reduction, advanced manufacturing, frontier technology, big consumption and big health, etc.
- 2) Operation and progress of the Fund: As at 31 December 2022, the total paid-in capital of the Fund was RMB 1.1036 billion, investing in 1 project, with a total contribution of RMB 0.116 billion.

Derivative investments

√Applicable □N/A

The Proposal on Derivative Trading Business in 2022, which was reviewed and approved at the 8th meeting of the 8th Board of Directors of the Company, stipulated that the scope of derivative transactions included foreign exchange forwards, foreign exchange swaps, interest rate swaps, and currency swaps etc., the limit of derivative transactions was USD 7.2 billion or other equivalent foreign currencies, and the term of derivative transactions matched with the term of the transactions of underlying assets or the term of the exposure being hedged, generally not exceeding three years.

The enterprises conducted business in accordance with the approved limit. As at 31 December 2022, there were no cases in which the limit was exceeded. The balance of the limit at the end of December 2022 was USD 1.7 billion or other equivalent foreign currencies. Foreign exchange forward and interest rate swap business was conducted, the term of which matched with the term of the transactions of underlying assets or the term of the exposure being hedged and was not exceeding three years.

4. Specific progress of significant asset reconstructing and integration during the reporting period

□Applicable √N/A

(VI) Disposal of significant assets and equity

□Applicable √N/A

(VII) Analysis on major holding companies and joint stock companies

√Applicable □N/A

Unit: RMB 10 Thousand

Company name	Business nature	Main products or services	Registered capital	Total assets	Net assets attributable to owners of the Company	Total operating income	Net profit attributable to owners of the Company
SAIC VOLKSWAGEN	Manufacturing	Manufacturing and sales of vehicles	1,150,000	10,490,287.76	2,611,366.08	16,471,455.13	872,894.64
SAIC GM	Manufacturing	Manufacturing and sales of vehicles	USD 108,300	9,975,660.48	2,113,523.74	16,279,269.50	557,919.38
SGMW	Manufacturing	Manufacturing and sales of vehicles	166,808	5,795,355.92	1,073,924.21	8,113,802.58	146,041.32
HASCO	Manufacturing	Manufacturing and sales of auto parts	315,272	16,279,693.94	5,296,835.91	15,826,790.68	720,312.52
SFC	Finance	Financial services	1,538,000	32,410,734.43	4,839,560.21	2,154,801.25	625,825.80

(VIII) Structured entities controlled by the Company

√Applicable □N/A

As at 31 December 2022, the Company directly consolidated six structured entities and included those structured entities over which it had control in its consolidated financial statements, after taking into account its investment decision rights, its exposure to variable returns and the use of its investment decision rights to affect variable returns. Refer to the notes to this report for the relevant information.

VI. Discussion and analysis on future development of the Company**(I) Industry structure and development trend**

√Applicable □N/A

From the perspective of industry structure, the global automotive industry is currently in a period of significant change from the traditional track represented by fuel vehicles to the new track represented by intelligent electric vehicles, in which traditional OEMs, ICT crossover enterprises and new vehicle manufacturers compete with each other and each has its own advantages. On the one hand, although the rise of the new track may become a substitute for the traditional track to a certain extent, the “innovation factors” formed such as software, algorithms and ecology can also transform and improve the traditional track, promoting the transformation and upgrading of the traditional track; on the other hand, the stable cash flow, strong profitability, mature vehicle manufacturing system etc. on the traditional track, can be used as important resources and advantages to promote and help the new track to develop better and faster.

From the perspective of industry trend, China's automotive industry, as a pillar industry of the national economy, has not only further strengthened its development resilience after experiencing multiple challenges such as chip shortage, disruption in supply chain and a sharp rise in the price of raw materials, but has also significantly improved its competitiveness on the new track with electric intelligent connection technology as a breakthrough and provided important conditions for the speed-up of global

development. With the steady improvement of the macroeconomy, stable growth of residents' income, continuous demand release of non-first-time buyers, and continuous development of overseas markets, China's automotive industry will be in a period with promising strategic opportunities for a long time. It is expected that domestic auto sales will reach 28 million by 2025, among which the sales of new energy vehicles will be over 13 million, and exceed 31 million by 2030, among which new energy vehicles will occupy a dominant position with a market share of about 70%.

China's automotive market is expected to continue its recovery growth trend in 2023. In terms of passenger vehicles, the improvement in the macroeconomy has driven the recovery of demand fundamentals, and the optimization of policies in various regions will also promote the recovery of production and sales. Although the domestic vehicle market will encounter great challenges at the beginning of the year due to the overdraft of the preferential policies for the purchase of fuel vehicles, the vehicle market is expected to show a first low and then high trend after experiencing a low point in the first quarter. In terms of commercial vehicles, supported by infrastructure and other favorable factors, the demand for commercial vehicles is expected to usher in a periodic bottoming recovery and realize recovery from the bottom level. At the same time, new energy vehicles and vehicle exports will maintain rapid growth.

The domestic auto demand is expected to reach about 25.5 million in 2023, a year-on-year increase of about 4%, including 22 million for passenger vehicles, a year-on-year increase of about 2%, and 3.5 million for commercial vehicles, a year-on-year increase of about 17%. The demand for new energy vehicles is expected to be 8.3 million in 2023, a year-on-year increase of more than 30%, and the vehicle exports are expected to reach 4 million, a year-on-year increase of more than 20%.

(II) The Company's development strategy

Applicable N/A

The Company will, under market-oriented strategy, firmly grasp the general direction of the "new four modernizations" and core capabilities construction of its own brand. Driven by continuous and rapid implementation of major innovations and supported by digital transformation, the Company will achieve parallel development of manufacturing and services, create a new SAIC Motor with more influential brand, more competitive system and more flexible mechanism. While maintaining the leading position in the domestic sales market of vehicles, the Company is focusing on promoting structure adjustment and layout optimization. The Company plans to reach global sales of 7 million vehicles worldwide by 2025, including:

Brand structure will change from joint venture-based to both self-owned brands and joint venture brands, with the global sales of self-owned brands accounting for 60%; product technology will change from traditional automotive technology to electric intelligent connection upgrading, with the global sales of new energy vehicles accounting for 50% and the sales of intelligent connected vehicles equipped with L2 and above ADAS technologies accounting for more than 50%; market structure will change from domestic-based to both domestic and overseas marketplaces, with the overseas sales reaching 1.5 million and accounting for more than 20%. The Company will strive to become a trillion-dollar automobile industry group with global competitiveness and international brand influence, and strive for a world-class automobile enterprise.

(III) Business plan

Applicable N/A

In 2023, the Company will, adhering to the work keynote of "seeking for improvement on a steady basis and prioritizing progress", make every effort to prevent risks and stabilize growth. The Company will overcome the interference of unfavorable factors to enhance the operation resilience and improve quality and efficiency by focusing on both the supply and demand sides, further developing the potential of cost reduction and efficiency increase, and seizing structural market opportunities. The Company will also unswervingly strengthen innovation and promote transformation, further cultivating and strengthening

new momentum for development: reinforce technical bases around user needs to promote fast and effective launching of major projects and key products, and continuously deepen the system and mechanism reform to better stimulate the team vitality. The Company will strive to achieve annual sales of 6 million vehicles, a year-on-year increase of more than 10%, a total operating income of more than RMB 800 billion, and an operating cost of RMB 710 billion.

1. The Company will coordinate market development and risk prevention, steadily improving the quality and efficiency of economic operation. In terms of market development, the Company will focus on terminal retail, make good use of various support policies, innovate consumption scenarios, release consumption potential, and further optimize production, sales and inventory structure. The Company will strive to sell more than 1.5 million new energy vehicles throughout the year and 1.2 million vehicles to the overseas market. The Company will deeply develop the key overseas markets by launching a new generation of star "global vehicles" to promote a new leap in the quality and efficiency of international business. In terms of supply assurance, the Company will focus on the safety of the industry chain, accelerate the localization of chips, continuously strengthen the management of the supply chain, and continue to deepen the coordination of "production, transportation and sales". In terms of risk prevention, the Company will carry out various tasks based on the new situations at the new stage, continue to focus on cost reduction and efficiency improvement, quality and safety, and work with certainty to respond to uncertain challenges.

2. The Company will continuously deepen the reform and innovation work, strengthening the core competitiveness for the new track. Firstly, the Company will accelerate the integration of resources based on various scenarios, and strengthen the core capabilities of electric intelligent connection, so as to promote the implementation of advanced technologies. Secondly, the Company will enhance the innovation capability to actively empower major strategic projects such as IM Motors, RISING Auto, Robotaxi, and intelligent heavy trucks by optimizing the organization mechanism, and continue to expand the application scale. Thirdly, the Company will continuously strengthen the innovation capability of each business segment, targeted at the key vehicles of independent brands, to promote the improvement of the innovation capability of independent brands.

3. The Company will further strengthen the team building of cadres and talents, constructing a talent highland for innovation and development. Firstly, the Company will continuously strengthen the management of professional managers by optimizing and improving the market-oriented selection and employment mechanism. Secondly, the Company will strengthen the training and selection of young cadres by exploring and improving diversified ways such as rotation, temporary posting, training etc. Thirdly, the Company will focus on the team building of technological innovation talents through the introduction of urgently needed talents, absorption of the new force, strengthening of service guarantees and other initiatives. Fourthly, the Company will further expand the team of high-skilled talents by optimizing the talent training system and focusing on skill training.

(IV) Potential risks

Applicable N/A

Firstly, the global economy is facing dual pressures of slow growth and high inflation. There is still significant uncertainty in the recovery of China's domestic demands, and there is also a risk of a decline in external demand for exports. Secondly, the impact of complex external factors on the supply chain of the global automotive industry still exists. Thirdly, the automotive industry has become more competitive due to the conversion of the traditional and new tracks, and the Company is faced with new challenges in strengthening and improving the quality of business development under the background of high cost and slow recovery in demand.

(V) Other explanations

Applicable N/A

VII. Explanation on conditions and reasons for undisclosed matters due to regulations or other special reasons

Applicable N/A

Section IV Corporate Governance**I. Explanation on corporate governance**

Applicable N/A

In accordance with laws and regulations including the *Company Law*, *Securities Law*, *Code of Corporate Governance for Listed Companies*, *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, *Articles of Association* and relevant normative documents issued by CSRC and SSE, the Company continuously improved its governance level. During the reporting period, the Company made great efforts to maintain stable operation, actively prevented and controlled various risks and continued to accelerate innovative development in the face of changes in external environment, such as disruption in operation of the supply chain of the industry and sharp fluctuation in market. At the same time, the Company stucked to regulated operation, strictly fulfilled the obligation of information disclosure, actively carried out investors' relationship management, and seriously fulfilled social responsibilities to effectively promote the high-quality development of the Company.

(I) Shareholders and general meeting of shareholders

During the reporting period, the Company strictly followed the relevant provisions of the *Code of Corporate Governance for Listed Companies*, *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, *Articles of Association* and *Rules of Procedure for General Meeting of Shareholders* to convene general meeting of shareholders. The annual meetings were held on-site or online, combining online voting with on-site voting. At the same time, the Company engaged an attorney to attend general meeting of shareholders to witness and verify meeting procedures, and the identification of the attendants, proposal to be deliberated, and voting related matters to ensure the validity of the general meeting of shareholders and the equal status and rights of all shareholders to exercise their rights. The Company held one general meeting of shareholders in 2022, and please refer to "review of general meeting of shareholders" for further details.

(II) Directors and Board

There are 7 directors of the Company including 1 external director (no other duty role in the Company except for director and is not an independent director) and 3 independent directors. Strategic committee, audit committee as well as nomination, remuneration and appraisal committee are established under the Board of the Company, of which external directors and independent directors account for three fifths, and comprise audit committee and nomination, remuneration and appraisal committee with the independent director acting as chairman of the committee. During the reporting period, the Board of Directors held 6 board meetings, 2 meetings of the strategic committee, 4 meetings of the audit committee and 2 meetings of the nomination, remuneration and appraisal committee, please refer to "Particulars about board meetings convened during the reporting period" and "Particulars about special committees under the Board of Directors" for details. All the directors performed their obligations and duties in a faithful, diligent and prudent manner. They devoted continuous attention to the operation and management of the Company and actively participated in on-site interviews and investigations. They carefully deliberated on the proposals, carried out thorough discussions and exchanges and made scientific decisions at all

meetings. No circumstances of violating laws and regulations or damaging the interests of the Company or shareholders were found.

(III) Supervisors and board of supervisors

The Company's board of supervisors and supervisors have earnestly performed the supervisory and examination responsibilities endowed by the general meeting of shareholders in a spirit of being highly responsible for all the shareholders according to the provisions of the *Articles of Association* and *Rules of Procedure for the Board of Supervisors* and implemented effective supervision on the Company's standard operation, financial condition, internal control construction and duty-performing of directors and senior management. During the reporting period, the board of supervisors held 3 meetings in total, during which they deliberated and supervised important matters such as regular reports, construction for internal control, related party transactions, management of the raised funds, spin-off of SHPT's listing plan and changes in accounting policies etc., and no situations such as violation of laws or regulations or damage to the interests of shareholders were identified.

(IV) Corporate governance system

During the reporting period, considering the regulatory requirements and actual demands, the Company continually optimized the systems, formulated the *Management of Insiders Who Have Access to Insider Information* and *Information Disclosure Suspension and Exemption Management System*, improved business processes, and effectively enhanced internal control. In the aspects of proposal decision, information disclosure, dividends distribution, related-party transactions, external guarantee, financial support, fundraising and investor relationship management, the Company strictly implemented relevant systems and regulated various work procedures. Meanwhile, the Company carried out a registration management system for insiders and continued to do a good job in related management work to maintain fair disclosure of company information.

(V) Performance evaluation, incentive and restraining mechanism

The Company has selected managerial personnel according to the principle of ability and integrity, equality and fairness and implemented a tenure system. In the meantime, the Company has established a performance evaluation and remuneration system which links the remuneration of management with the Company's operating performance and individual performance. Meanwhile, in order to further stimulate the innovation vitality of the senior management, the 16th meeting of the 6th Board of Directors has approved the new round of the *Incentive Fund Plan of the Company* and *Proposal on the Implementation of the Company's Professional Managers Scheme*. During the reporting period, in order to implement the requirements of the CPC Central Committee, the State Council and Shanghai Municipal Party Committee and Municipal Government on further strengthening the Party building of state-owned enterprises, deepening the reform of state-owned capital and state-owned enterprises, improving the modern enterprise system and corporate governance structure with Chinese characteristics, and the incentive and restraining mechanism, the "*Proposal on the Implementation Plan of the Company's Further Deepening of the Reform of the Remuneration System for Professional Managers*" was reviewed and approved at the 8th meeting of the 8th Board of Directors, and the "*Proposal on the Implementation Plan of the Company's Incremental Performance Incentive Plan for 2021*" was reviewed and approved at the 9th meeting of the 8th Board of Directors.

(VI) Stakeholders

The Company has fully respects and safeguards the legitimate rights and interests of stakeholders and actively fulfills its social responsibilities, achieving a coordinated balance between the interests of shareholders, employees and society, etc. and promoting the sustainable and healthy development of the Company eventually (Please refer to the Company's Corporate Social Responsibility Report 2022).

(VII) Information disclosure and transparency

During the reporting period, the Company took initiative to work on investors' relationships in accordance with the requirements as outlined in *Investors Relationship Management System* and *Information Disclosure Management System*. In 2022, the Company actively overcame the adverse effects, and received over 120 investment agents' visits, over 4200 man-time and more than 900 enquiry calls online or offline. In addition, the Company held 3 meetings for communication of financial performance and attended more than 40 investor communication meetings organized by security traders to facilitate investors' understanding of the Company's operating results timely and accurately.

Throughout the year, the Company disclosed 4 periodic reports, made 69 temporary announcements, and made no announcement of correction, so that the investors could be informed of the true status of the Company on a timely, fair, accurate, effective and comprehensive basis.

Whether corporate governance is different from laws, administrative regulations and China Securities Regulatory Commission provisions on corporate governance of listed companies; if there is any difference, specify the reason

Applicable N/A

II. Detailed measures taken to guarantee the independence of the Company's controlling shareholders and actual controllers in terms of assets, staff, finance, institution, business and etc., as well as solutions, work progress and subsequent work plans taken to affect the independence of the Company

Applicable N/A

Situations of the same or similar business conducted by controlling shareholders, actual controllers and other entities controlled by them, as well as the impact of horizontal competition and great changes in horizontal competition, measures taken, progress and subsequent solutions

Applicable N/A

III. Brief introduction of general meeting of shareholders

Sequence of the Meeting	Date	Designated website of resolutions publicized	Disclosure date of resolutions	Resolutions
General meeting of shareholders in 2021	20 May 2022	Shanghai Stock Exchange Website http://www.sse.com.cn	21 May 2022	Deliberate and approve <i>the Work Report of the Board of Directors for 2021, the Work Report of the Board of Supervisors for 2021, the Debriefing of the Independent Directors for 2021, the Proposal to Close and Terminate Part of the Fund-Raising Investment Projects and to Permanently Replenish the Working Capital with the Surplus Raised Fund, the Plan on the Profit Distribution for 2021, the Final Account Report for 2021, the Annual Report and Summary for 2021, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Financial Auditor of the Company, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Internal Control Auditor of the Company, the Proposal on the Forecast of the Daily Related-party Transaction Amount for 2022, the Proposal on the Guarantee Provided by Anji Automotive Logistics Co., Ltd. for Guangzhou Harbour Haijia Vehicle Dock Co., Ltd., the Proposal on the Repurchase Guarantee Provided by SAIC Maxus for Its Vehicle Sales Business, the Proposal on</i>

				<p><i>the Repurchase Guarantee Provided by Nanjing Iveco for Its Vehicle Sales Business, the Proposal on the Repurchase Guarantee Provided by SAIC HONGYAN for Its Vehicle Sales Business, the Proposal on Providing Entrusted Loans to Continental Huayu Brake Systems (Chongqing) Co., Ltd. by HASCO Motor, the Proposal on the Amount of External Donation for 2022, the Proposal on the Expiration of the Term of Office of Independent Directors of the Company and the By-election of Independent Directors, the Proposal on the Compliance with Relevant Laws and Regulations in relation to the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the Plan on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the 'Preplan of SAIC Motor Corporation Limited on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market)' (revision), the Proposal on the Compliance with the Spinning Rules for Listed Companies (Trial Implementation) in relation to the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market) in favor of Safeguarding the Legitimate Interests of Shareholders and Creditors, the Proposal on the Maintenance of the Independence and Ability to Operate on a Going-concern Basis of the Company, the Proposal on the Capability of SHPT for Standardized Operation, the Proposal on the Explanation on the Completeness and Compliance of Legal Procedures and Effectiveness of Legal Documents for this Spin-off Listing, the Proposal on the Background and Purpose, and Commercial Rationality, Necessity and Feasibility Analysis of this Spin-off Listing, and the Proposal to Request the General Meeting of Shareholders to Authorize the Board of Directors and the persons authorized by the Board of Directors to Handle Matters relating to this Spin-Off Listing of the Company.</i></p>
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Extraordinary general meetings requested by preferred shareholders with restored voting rights

Applicable N/A

Explanation on general meeting of shareholders

Applicable N/A

IV Directors, Supervisors and Senior Management

(I) Changes in shareholding of current and resigned directors, supervisors and senior management during the reporting period and their remuneration

√Applicable □N/A

Unit: Share

Name	Position	Gender	Age	Beginning date of term	Ending date of term	Shares held at the beginning of the year	Shares held at the end of the year	Changes in number of shares held	Reason for the change	Total remuneration before tax received from the Company during the reporting period (RMB 10 Thousand)	Whether to receive remuneration from related parties of the Company
Chen Hong	Chairman of the Board	Male	61	2021-6-30	2024-6-29	8,380	8,380	0		189.55	No
Wang Xiao Qiu	Director, president	Male	58	2021-6-30	2024-6-29					415.16	No
Wang Jian	Director	Male	68	2021-6-30	2024-6-29					0	No
Zeng Sai Xing	Independent director	Male	56	2021-6-30	2024-6-29					10	No
Chen Nai Wei	Independent director	Male	65	2021-6-30	2024-6-29					10	No
Sun Zheng	Independent director	Male	65	2022-5-20	2024-6-29					6.67	No
Zhong Li Xin	Employee representative director	Male	59	2021-6-30	2024-6-29					170.22	No
Shen Xiao Su	Chairman of board of supervisors	Male	62	2021-6-30	2024-6-29					0	No
Yi Lian	Supervisor	Male	56	2021-6-30	2024-6-29					0	No
Xia Ming Tao	Supervisor	Male	45	2021-6-30	2024-6-29					0	Yes
Jiang Bao Xin	Employee representative supervisor	Male	53	2021-6-30	2024-6-29					202.47	No
Xu Wen Hui	Employee representative supervisor	Female	53	2021-6-30	2024-6-29	800	800	0		213.42	No
Zhou Lang Hui	Vice president	Male	51	2021-6-30	2024-6-29					376.03	No
Chen De Mei	Vice president	Male	60	2021-6-30	2024-6-29					350.47	No
Lan Qing Song	Vice president	Male	57	2021-6-30	2024-6-29					361.99	No
Wei Yong	Vice president, acting CFO	Male	50	2021-6-30	2024-6-29					353.19	No
Zu Si Jie	Vice president, chief engineer	Male	54	2021-6-30	2024-6-29					354.54	No

Yang Xiao Dong	Vice president	Male	52	2021-6-30	2024-6-29					350.47	No
Chen Xun	Secretary of the Board	Male	42	2021-6-30	2024-6-29					163.21	No
Li Ruo Shan	Former independent director	Male	73	2021-6-30	2022-5-19					3.33	No
Total	/	/	/	/	/	9,180	9,180	0	/	3,530.72	/

Note: During the reporting period, in accordance with relevant regulations and the tenure assessment results for 2018-2020 and performance assessment result for 2021, the remuneration of the Company's senior management as disclosed included a part of tenure incentives for 2018-2020, the annual performance salary for 2021 and medium- and long-term incentives for 2021 that had been honored.

Name	Major working experience
Chen Hong	He is currently the chairman of the Board and secretary of the Party Committee of SAIC Motor Corporation Limited.
Wang Xiao Qiu	He served as vice president of SAIC Motor Corporation Limited and general manager and Head of Technical Center of passenger vehicle branch. He is currently director, president and deputy secretary of the Party Committee of SAIC Motor Corporation Limited.
Zhong Li Xin	He served as chairman of the labor union and director of the Party Committee Office of SAIC Motor Corporation Limited. He is currently employee representative director and chairman of the labor union of SAIC Motor Corporation Limited.
Wang Jian	He served as chairman of the Board, deputy secretary and secretary of the Party Committee of Shenergy Group Company Limited, and vice chairman of the Board of China Pacific Insurance (Group) Co., Ltd. He is currently director of SAIC Motor Corporation Limited.
Zeng Sai Xing	He served as head of Department of Management Science and Department of Innovation and Strategy of Antai College of Economics & Management, Shanghai Jiao Tong University. He is currently distinguished professor and doctoral advisor of Antai College of Economics & Management, Shanghai Jiao Tong University, and independent director of SAIC Motor Corporation Limited.
Chen Nai Wei	He served as head of Law Department of Shanghai Jiao Tong University, senior partner of Shanghai All bright Law firm, professor of Fudan University Law School, and executive dean of Advanced Institute of Lawyers. He is currently president of China (Shanghai) Pilot Free Trade Zone Intellectual Property Association, executive vice president of China Law Association on Science & Technology, and independent director of SAIC Motor Corporation Limited.
Sun Zheng	He served as vice president of Shanghai University of Finance and Economics, director of Academic Committee of the University, dean of the Business School, and a member of the Accounting Standards Committee of the Ministry of Finance. He is currently senior professor of Shanghai University of Finance and Economics, vice president of Accounting Society of China, vice president of Shanghai Accounting Society, and independent director of SAIC Motor Corporation Limited.
Shen Xiao Su	He served as director and secretary of the Leading Party Members' Group of Shanghai Municipal Civil Defense Office. He is currently chairman of board of supervisors of SAIC Motor Corporation Limited, and chairman of board of supervisors of Shanghai Land (Group) Co., Ltd.
Yi Lian	He served as deputy director general of Economic Responsibility Audit Division (Internal Audit Guidance Office) of Shanghai Municipal Audit Bureau. He is currently supervisor of SAIC Motor Corporation Limited.

Xia Ming Tao	He served as senior director of budget control, senior director of budget control and senior director of accounting in the finance department of SAIC Motor Corporation Limited. He is currently supervisor of SAIC Motor Corporation Limited, general manager of the finance department of Shanghai Automotive Industry (Group) Co., Ltd., and CFO of Shanghai Rui Chuang Automobile Sales Co., Ltd.
Jiang Bao Xin	He is currently employee representative supervisor, head of audit office and general manager of risk management department of SAIC Motor Corporation Limited.
Xu Wen Hui (Note 1)	She served as vice minister of Organization Cadre Department, secretary of the headquarters Party Committee, and vice head of the office of leading group for Party Committee inspection of SAIC Motor Corporation Limited. She is currently employee representative supervisor of SAIC Motor Corporation Limited, and secretary of the Party Committee, secretary of Committee for Discipline Inspection, and chairman of labor union of SRIH.
Zhou Lang Hui	He is currently vice president and vice secretary of the Party Committee of SAIC Motor Corporation Limited.
Chen De Mei (Note 2)	He is currently vice president of SAIC Motor Corporation Limited.
Lan Qing Song	He is currently vice president of SAIC Motor Corporation Limited and general manager of department of commercial vehicle.
Wei Yong	He served as head of Board Office, Board Secretary, general manager of Securities Affairs Department, securities affairs representative and general manager of Finance Business Department of SAIC Motor Corporation Limited. He is currently vice president and acting CFO of SAIC Motor Corporation Limited, and general manager of SAIC HK Investment Co., Ltd.
Zu Si Jie	He served as general manager of Planning Department and deputy general engineer of SAIC Motor Corporation Limited. He is currently vice president and general engineer of SAIC Motor Corporation Limited, and president of SRIH and Head of Technical Center.
Yang Xiao Dong	He served as general manager of International Business Department of SAIC Motor Corporation Limited, general manager of SAIC International Trade Co., Ltd., general manager of Shanghai Automobile Import & Export Company, general manager of Passenger Vehicle Branch and Head of Technical Center. He is currently vice president of SAIC Motor Corporation Limited.
Chen Xun	He served as senior director of general management, assistant of the director and deputy director of the president office of SAIC Motor Corporation Limited. He is currently secretary of the Board of Directors, deputy general manager (administration) of the Securities Affairs Department of SAIC Motor Corporation Limited.

Note 1: According to the announcement of the Company on 8 April 2023, Ms. Xu Wen Hui resigned as the employee representative supervisor of the 8th Board of Supervisors due to the change of her position.

Note 2: According to the announcement of the Company on 29 April 2023, Mr. Chen De Mei resigned as the vice president of the Company due to his age.

Other explanations

Applicable N/A

(II) Information of appointed and resigned directors, supervisors and senior management during the reporting period**1. Positions held in shareholder entity**

□Applicable □N/A

Name	Name of shareholder entity	Position held	Starting date of term	Ending date of term
Chen Hong	Shanghai Automotive Industry (Group) Co., Ltd.	Chairman of the Board	2021-3-23	2024-3-22
Zhou Lang Hui	Shanghai Automotive Industry (Group) Co., Ltd.	Chairman of board of supervisors	2021-3-23	2024-3-22
Chen De Mei	Shanghai Automotive Industry (Group) Co., Ltd.	Director	2021-3-23	2024-3-22
Xia Ming Tao	Shanghai Automotive Industry (Group) Co., Ltd.	General manager of the finance department	2021-3-23	2024-3-22

2. Positions held in other entities

√Applicable □N/A

Name	Name of other entities	Position held	Starting date of term	Ending date of term
Chen Hong	HUAYU Automotive Systems Co., Ltd.	Chairman of the Board	2021-6-30	2024-6-29
Wang Xiao Qiu	HUAYU Automotive Systems Co., Ltd.	Director	2021-6-30	2024-6-29
Zhong Li Xin	HUAYU Automotive Systems Co., Ltd.	Director	2021-6-30	2024-6-29
Zhou Lang Hui	HUAYU Automotive Systems Co., Ltd.	Chairman of board of supervisors	2021-6-30	2024-6-29
Zhou Lang Hui	Shanghai New Power Automotive Technology Company Limited	Chairman of board of supervisors	2021-12-6	2024-12-6
Lan Qing Song	Shanghai New Power Automotive Technology Company Limited	Chairman of the board	2021-12-6	2024-12-6
Jiang Bao Xin	Shanghai New Power Automotive Technology Company Limited	Supervisor	2021-12-6	2024-12-6

(III) Remuneration of directors, supervisors and senior management

√Applicable □N/A

Decision-making process for remuneration of directors, supervisors and senior management	The allowance of independent directors shall be decided by the Board and subject to the approval of general meeting of shareholders. Each independent director may receive allowance of RMB 100,000 (before tax) and the necessary and reasonable costs arising from performing the duties shall be borne by the Company. The Company's non-independent directors shall not receive remuneration for the position of directors. The Company's supervisors shall not receive remuneration for the position of supervisors.
Determination basis for remuneration of directors, supervisors and senior management	According to the Company's medium and long-term strategic planning, annual key work arrangements, and the division of responsibilities of senior management etc., the performance assessment targets are clarified and assessments are conducted. Senior management' performance pay is related to the corporate performance and the results of performance assessment.
Actual payment for remuneration of directors, supervisors and senior management	According to the "Proposal on the Implementation Plan of the Company's Further Deepening of the Reform of the Remuneration System for Professional Managers" reviewed and approved at the 8th meeting of the 8th Board of Directors, "the 2021 Annual Performance Assessment for the Company's Professional Manager" and the "Proposal on the Implementation Plan of the Company's Incremental Performance Incentive Plan for 2021" reviewed and approved at the 9th meeting of the 8th Board of Directors, the Company's professional managers cashed 2021 performance annual pay and 2021 medium- and long-term incentive during the reporting period. According to 2018-2020 tenure assessment results, the Company's senior management cashed part of 2018-2020 incentives within their tenure during the reporting period. The specific amounts have been included in the total annual remuneration payable.

Total remuneration of all directors, supervisors and senior management received by the end of the reporting period	RMB35,307,200
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(IV) Alteration of directors, supervisors and senior management√Applicable N/A

Name	Position held	Alteration	Reason for alteration
Sun Zheng	Independent director	Election	By-election
Li Ruo Shan	Independent director	Resignation	Resignation upon expiration

(V) Penalty by regulators in recent three yearsApplicable N/A**(VI) Others**Applicable N/A**V. Particulars about board meetings convened during the reporting period**

Sequence of the Meeting	Convening date	Resolutions
7th meeting of the 8th Board of Directors	28 February 2022	Deliberate and approve <i>the Proposal on Establishment of Branches of the Company</i>

8th meeting of the 8th Board of Directors	28 April 2022	<p>Deliberate and approve the <i>Work Report of the Board of Directors for 2021, the Work Report of the President for 2021, the Debriefing of the Independent Directors for 2021, the Proposal on the Report of the Audit Committee of the Board of Directors on the Performance of Duties for 2021, the Proposal on the 'Special Report of the Company for the Deposit and Actual Use of the Raised Funds for 2021', the Proposal to Close and Terminate Part of the Fund-Raising Investment Projects and to Permanently Replenish the Working Capital with the Surplus Raised Fund, the Proposal on Changes in Accounting Policies of the Company, the Plan on the Profit Distribution for 2021, the Final Account Report for 2021, the Annual Report and Summary for 2021, the Proposal on the Company's Corporate Social Responsibility Report 2021, the Proposal on the Internal Control Evaluation Report for 2021, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Financial Auditor of the Company, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Internal Control Auditor of the Company, the "1+5" Progressive Development Plan of the Company (2022-2026), the Proposal on the Forecast of the Daily Related-party Transaction Amount for 2022, the Proposal on the Guarantee Provided by Anji Automotive Logistics Co., Ltd. for Anji Shipping Co., Ltd., the Proposal on the Guarantee Provided by Anji Automotive Logistics Co., Ltd. for Anji Logistics (Hong Kong) Holding Company Limited, the Proposal on the Guarantee Provided by Anji Automotive Logistics Co., Ltd. for Guangzhou Harbour Haijia Vehicle Dock Co., Ltd., the Proposal on the Repurchase Guarantee Provided by SAIC Maxus for Its Vehicle Sales Business, the Proposal on the Repurchase Guarantee Provided by Nanjing Iveco for Its Vehicle Sales Business, the Proposal on the Repurchase Guarantee Provided by SAIC HONGYAN for Its Vehicle Sales Business, the Proposal on Providing Entrusted Loans to Nanjing Jiangsheng Automobile Terminal Co., Ltd. by Anji Automotive Logistics Co., Ltd., the Proposal on Providing Entrusted Loans to Continental Huayu Brake Systems (Chongqing) Co., Ltd. by HASCO Motor, the Proposal on Derivative Trading Business in 2022, the Proposal on the Amount of External Donation for 2022, the Report for 2022Q1, the Proposal on the Implementation Plan of the Company's Further Deepening of the Reform of the Remuneration System for Professional Managers, the Proposal on the Expiration of the Term of Office of Independent Directors of the Company and the By-election of Independent Directors, the Proposal on the Management of Insiders Who Have Access to Insider Information, the Proposal on Information Disclosure Suspension and Exemption Management System, the Proposal on the Compliance with Relevant Laws and Regulations in relation to the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the Plan on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the 'Preplan of SAIC Motor Corporation Limited on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market)' (revision), the Proposal on the Compliance with the Spinning Rules for Listed Companies (Trial Implementation) in relation to the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market) in favor of Safeguarding the Legitimate Interests of Shareholders and Creditors, the Proposal on the Maintenance of the Independence and Ability to Operate on a Going-concern Basis of the Company, the Proposal on the Capability of SHPT for Standardized Operation, the Proposal on the Explanation on the Completeness and Compliance of Legal Procedures and Effectiveness of Legal Documents for this Spin-off Listing, the Proposal on the Background and Purpose, and Commercial Rationality, Necessity and Feasibility Analysis of this Spin-off Listing, the Proposal to Request the General Meeting of Shareholders to Authorize the Board of Directors and the persons authorized by the Board of Directors to Handle Matters relating to this Spin-Off Listing of the Company, and the Proposal on Convening the General Meeting of Shareholders of the Company in 2021</i></p>
9th meeting of the 8th Board of Directors	18 May 2022	<p>Deliberate and approve the <i>Proposal on the Company's Participation in the Judicial Auction of 71.04% equity interest in Shanghai Dongzheng Automotive Finance Co., Ltd., the 2021 Annual Performance Assessment for the Company's Professional Manager, and the Proposal on the Implementation Plan of the Company's Incremental Performance Incentive Plan for 2021</i></p>

10th meeting of the 8th Board of Directors	27 May 2022	Deliberate and approve the <i>Proposal on the By-election of the Members of the Audit Committee of the Board of Directors of the Company</i> , the <i>Proposal on the Election of the Chairman of the Audit Committee of the Board of Directors of the Company</i> , and the <i>Proposal on the By-election of the Members of the Nomination, Remuneration & Appraisal Committee of the Board of Directors of the Company</i>
11th meeting of the 8th Board of Directors	24 August 2022	Deliberate and approve the <i>2022 Half-Year Interim Report and Summary</i> and the <i>Proposal on the '2022 Half-Year Interim Internal Control Evaluation Report'</i>
12th meeting of the 8th Board of Directors	27 October 2022	Deliberate and approve the <i>Report for 2022Q3</i>

VI. Duty performance of directors

(I) Directors' attendance of board meetings and general meeting of shareholders

Name of director	Independent director (yes or no)	Attendance of board meetings						Attendance of general meeting of shareholders
		Number of board meetings should be attended (Times)	Attended in person (Times)	Attended via communication tools (Times)	Attended by delegation (Times)	Absence (Times)	Absence twice consecutively (yes or no)	Number of attendance in general meeting of shareholders
Chen Hong	No	6	6	6	0	0	No	1
Wang Xiao Qiu	No	6	6	6	0	0	No	1
Wang Jian	No	6	6	6	0	0	No	1
Zhong Li Xin	No	6	6	6	0	0	No	1
Zeng Sai Xing	Yes	6	6	6	0	0	No	1
Chen Nai Wei	Yes	6	6	6	0	0	No	1
Sun Zheng	Yes	3	3	3	0	0	No	0
Li Ruo Shan	Yes	3	3	3	0	0	No	0

Note: In May 2022, the term of office of the independent director Mr. Li Ruo Shan expired. On 20 May 2022, the 2021 annual general meeting of shareholders of the Company reviewed and approved the Proposal on the Expiration of the Term of Office of Independent Directors of the Company and the By-election of Independent Directors, and re-elected Mr. Sun Zheng as an independent director of the 8th Board of Directors of the Company. Mr. Sun Zheng attended the 2021 annual general meeting of the Company as a candidate for independent directors.

Reasons for not attending board meeting in person twice consecutively

Applicable N/A

Number of board meetings during the year	6
Including: Number of on-site meetings	0
Number of meetings via communication tools	6
Number of meetings on-site and via communication tools simultaneously	0

(II) Circumstance where independent directors raised different opinions

□Applicable √N/A

(III) Others

□Applicable √N/A

VII. Particulars about special committees under the Board of Directors

√Applicable □N/A

(1) Members of special committees under the Board of Directors

Type of special committee	Name of members
Audit Committee	Sun Zheng, Wang Jian, and Zeng Sai Xing
Nomination, Remuneration & Appraisal Committee	Chen Nai Wei, Wang Jian, and Sun Zheng
Strategic Committee	Chen Hong, Wang Xiao Qiu, Wang Jian, Zeng Sai Xing, and Chen Nai Wei

(2) Strategic Committee convened 2 meetings during the reporting period

Convening date	Content	Important comments and recommendations	Other particulars
26 April 2022	1 st meeting in 2022	Deliberate and approve the "1+5" Progressive Development Plan of the Company (2022-2026), the Proposal on the Compliance with Relevant Laws and Regulations in relation to the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the Plan on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the 'Preplan of SAIC Motor Corporation Limited on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market)' (revision), the Proposal on the Compliance with the Spinning Rules for Listed Companies (Trial Implementation) in relation to the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the Spin-off of the Subsidiary SHPT to be Listed on the Science and Technology Innovation Board (STAR Market) in favor of Safeguarding the Legitimate Interests of Shareholders and Creditors, the Proposal on the Maintenance of the Independence and Ability to Operate on a Going-concern Basis of the Company, the Proposal on the Capability of SHPT for Standardized Operation, and the Proposal on the Background and Purpose, and Commercial Rationality, Necessity and Feasibility Analysis of this Spin-off Listing, and approve to submit such proposals to the Board of Directors for deliberation	It is recommended that the Company continue to focus on the market, put the users first, and develop based on the New Four Modernizations. Driven by continuous and rapid implementation of major strategic projects, the Company will make every effort to establish its own brand, strengthen its core capabilities, and optimize its industrial structure to achieve a comprehensive renewal of traditional kinetic energy and rapid growth of new kinetic energy, and accelerate the transformation into a user-oriented high-tech enterprise.
17 May 2022	2 nd meeting in 2022	Deliberate and approve the Proposal on the Company's Participation in the Judicial Auction of 71.04% equity interest in Shanghai Dongzheng Automotive Finance Co., Ltd., and approve to submit such proposal to the Board of Directors for deliberation	It is recommended that the Company take adequate and appropriate measures to prevent and control the risks, and to bid prudently within the amount of the auction.

(3) Audit Committee convened 4 meetings during the reporting period

Convening date	Content	Important comments and recommendations	Other particulars
26 April 2022	1 st meeting in 2022	Deliberate and approve the <i>Proposal on the 'Special Report of the Company for the Deposit and Actual Use of the Raised Funds for 2021', the Proposal to Close and Terminate Part of the Fund-Raising Investment Projects and to Permanently Replenish the Working Capital with the Surplus Raised Fund, the Proposal on Changes in Accounting Policies of the Company, the Annual Report and Financial Statements 2021 of the Company, the Reporting of Deloitte Touche Tohmatsu Certified Public Accountants LLP on the Audit of the Annual Report 2021 of the Company, the Reporting on the Supervision and Inspection of the Internal Control of the Company for 2021, the Reporting of Deloitte Touche Tohmatsu Certified Public Accountants LLP on the Audit of the Internal Control of the Company for 2021, the Proposal on the Report on Evaluation of the Internal Control of the Company for 2021, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Financial Auditor of the Company, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Internal Control Auditor of the Company, the Proposal on the Forecast of the Daily Related-party Transaction Amount for 2022, the Proposal on Derivative Trading Business in 2022, the Report of the Audit Committee of the Board of Directors on the Performance of Duties for 2021, and the Report for 2022Q1</i> , and approve to submit such proposals to the Board of Directors for deliberation	It is recommended that the Company continuously standardize and optimize the management process and effectively strengthen risk control.
22 August 2022	2 nd meeting in 2022	Deliberate and approve the <i>2022 Half-Year Interim Report and Summary, Reporting on Implementation of the 2022 Half-year Interim Internal Audit Work Plan, and the Proposal on the '2022 Half-Year Interim Internal Control Evaluation Report'</i> , and approve to submit such proposals to the Board of Directors for deliberation	
26 October 2022	3 rd meeting in 2022	Deliberate and approve the Report for 2022Q3, and approve to submit such proposal to the Board of Directors for deliberation	
15 December 2022	4 th meeting in 2022	Deliberate and approve the <i>Reporting of Deloitte Touche Tohmatsu Certified Public Accountants LLP on the Audit Work Plan for Finance and Internal Control for 2022 (including communication on key audit matters in 2022), and the Reporting on the Implementation of Internal Audit Work Plan for 2022Q3 and Supervision and Inspection Work Plan for Internal Control of the Company for 2022</i>	It is recommended that the Company focus on the impact of innovation and transformation development on the financial position of the Company, and agree with the communication of Deloitte Touche Tohmatsu Certified Public Accountants LLP on key audit matters of the Company for 2022

(4) Nomination, Remuneration & Appraisal Committee convened 2 meetings during the reporting period

Convening date	Content	Important comments and recommendations	Other particulars
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26 2022	April	1 st meeting in 2022	Deliberate and approve the <i>Report on the Remuneration of the Directors, Supervisors and Senior Management of the Company for 2021, the Proposal on the Implementation Plan of the Company's Further Deepening of the Reform of the Remuneration System for Professional Managers and the Proposal on the Expiration of the Term of Office of Independent Directors of the Company and the By-election of Independent Directors</i> , and approve to submit the above proposals and related content to the Board of Directors for deliberation	It is believed that <i>the Proposal on the Implementation Plan of the Company's Further Deepening of the Reform of the Remuneration System for Professional Managers</i> and its supporting documents have deepened the incentive and restraint mechanism of benefit and risk sharing, which will help accelerate the realization of the strategic goals of innovation, transformation and upgrading development of the Company and enhance international competitiveness and brand influence.
17 2022	May	2 nd meeting in 2022	Deliberate and approve the <i>2021 Annual Performance Assessment for the Company's Professional Manager and the Proposal on the Implementation Plan of the Company's Incremental Performance Incentive Plan for 2021</i> , and approve to submit the such proposals to the Board of Directors for deliberation	

(5) Particulars about matters where there are objections

Applicable N/A

VIII. Explanation on the risks of the Company identified by the board of supervisors

Applicable N/A

The board of supervisors has no objection against the matters under its supervision during the reporting period.

IX. Employees of the parent company and subsidiaries at the end of the reporting period**(I) Information of employees**

Number of employees of parent company	15,482
Number of employees of major subsidiaries	200,517
Total number of employees on active duty	215,999
Number of resigned and retired employees whose expenses be undertaken by the parent company and major subsidiaries	43,062
Composition of employees	
Categories	Headcounts (persons)
Production personnel	6,399
Marketing and sales personnel	892
Engineering technical personnel	7,043
Finance personnel	154
Administrative personnel	994
Total	15,482
Education level	

Categories	Headcounts (persons)
Postgraduate and above	4,986
University graduate	6,968
Secondary school diploma and below	3,528
Total	15,482

(II) Remuneration policy

Applicable N/A

In the aspect of compensation and welfare, the Company complied with relevant laws and regulations strictly, paying employees remuneration in full and on time, contributing to employee social insurance schemes and providing welfare like paid annual leave and holidays. In the meantime, the Company further improved the same-direction linkage mechanism between total wages and economic benefits, continuously promoted collective negotiation focusing on wage negotiations, and gave different guidance to different enterprises to perfect remuneration allocation, established salary growth level and salary adjustment range of employees at different posts in a reasonable manner, and made more efforts to remuneration security combined with the factors of the affiliated companies including economic benefits and employee income level so as to achieve favor to employees at the production line and with low income.

In the aspect of employee incentive, the Company improved incentive mechanisms and made more efforts to attract and retain talents as follows: 1) to implement SAIC innovation incentive fund on technology and management for key talents; 2) to grant great contribution incentives for the employees awarded with the national and industrial, and provincial/ministerial award for scientific and technological advancement, the title of skill master, the title of Chief Mechanic, the title of model worker, the May 1 Labor Medal and other honors, and the employees awarded with SAIC Technological Innovation Award, Patent Award and Software Award in 2022; and 3) to promote talent development and complete various awards and merits appraisal. In 2022, 5 employees from SAIC won the honor of "Shanghai Outstanding Technical Leader", High-level Talents of "Shanghai Industry Elite" and "Outstanding Scientific and Technological Talent in China's Automotive Industry", respectively.

(III) Training plan

Applicable N/A

In 2022, SAIC, focusing on a new vision, mission, value and "new four modernizations" innovation and transformation development strategy, vigorously advanced vocational education for employees and devoted more efforts to training to enable faster employee capacity and quality improvement and stimulate employees for innovation. 2022 witnessed 2,290,000 man-time attendances to training at all levels and 1,030,000 man-day learning hours accumulatively. Meanwhile, SAIC accelerated the construction of SAIC's talent team in conjunction with the deployment of key projects based on the "two bases"—the training base for automotive engineers and the training base for highly skilled personnel.

Firstly, the Company has strengthened the building of a senior management talent team. The Company has enriched the knowledge structure of senior management talents through holding "Bi-weekly Lecture", training classes for young cadres and Tsinghua University Innovation Workshop, providing the employees with a broader vision, richer thinking and stronger capability to complete work more perfectly.

Secondly, the Company has held induction training for new employees. The Company organized 13 induction training for all university graduates newly employed by SAIC in 2022 through online and offline activities to help them establish SAIC awareness, feel SAIC culture and values, and better complete their role transition and integration into the Company.

Thirdly, The Company has deepened the training of professional and technical talents. In 2022, through continuing education for automotive engineers divided into 192 classes, SAIC provided 22,000 man-time training, including 16,300 man-time online training. In 2022, the Company focused on updating the “new four modernizations” curriculum system, and achieving breakthroughs in emerging technologies such as smart chips, software architecture, domain controllers and electronic and electrical architecture, integrating 124 courses (a total of more than 900 courses); and nearly 24 new teachers joined in the teaching team and now SAIC has more than 250 teachers in total. SAIC organized 1 national senior seminar and 1 senior seminar in Shanghai.

Fourthly, the Company has strengthened the development of skilled talents. In 2022, SAIC's highly skilled talents were once again awarded 1 additional grant for the “National Technical Expert”, 2 additional grants for the "Shanghai Skill Master Studio" and 1 additional grant for the "Chief Technician Project"; so far, SAIC has established 9 national Skill Master Studios and 13 Shanghai Skill Master Studios, and over one hundred technicians have been awarded grants for the Shanghai Chief Technician Project. The Company carried out technical update training for technicians and over one hundred high-skilled talents participated in industrial evaluation staff training; it also deepened the professional skills competitions and carried out 13 competitions at all levels. In 2022, over 3,000 skilled personnel have achieved professional-skill-level promotion through professional skills training and accreditation, among which, nearly 900 were senior staff or above. Since the high-skilled personnel training base was approved in 2011, SAIC has continuously increased its investment in the construction of training bases. The total construction area of the training base has been built to approximately 35,500 square meters.

(IV) Labor outsourcing

Applicable N/A

X. Preplan for distribution of profits or capitalization of capital reserve

(I) Formulation, implementation or adjustment of policies on cash dividends

Applicable N/A

During the reporting period, the Company implemented and completed profit distribution for 2021 strictly in accordance with the *Articles of Association* and the *Planning of SAIC Motor Corporation Limited on the Returns for Shareholders for the Following Three Years (2021-2023)*. The Company developed explicit and clear dividends criteria and proportions and prepared complete related decision-making procedures and mechanisms so as to enable independent directors to perform their duties and play their proper roles and provide the minority shareholders adequate opportunities to express their views and demands on relevant matters, adequately protecting the legitimate rights and interests of investors.

In the 13th meeting of the 8th Board of Directors on 27 April 2023, the Company approved the cash dividends distribution plan as below: The Company plans to distribute cash dividends of RMB 3.37

(inclusive of tax) per 10 shares, amounting to RMB 3,873,908,518.85 in total based on 11,495,277,504 shares, that is, the total shares of 11,683,461,365 net of the number of shares (188,183,861 shares) on the special securities account for repurchase as of the disclosure date of the annual report. The Company has no plan of capitalization of capital reserve this year. During the period from the disclosure date of the annual report to the registration date of the equity allocation, if there is any change in the number of shares to which the Company is entitled due to situations such as the repurchase of shares, the total amount of profit distribution is maintained unchanged and the amount allocated per share is adjusted accordingly. The above profit distribution plan will be implemented after approval of the general meeting of shareholders.

(II) Special instructions of policies on cash dividends

Applicable N/A

Whether the policies comply with the provisions of the Articles of Association or the resolution of the general meeting of shareholders	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the dividends criteria and proportion are explicit and clear	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the related decision-making procedures and mechanism are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent directors have performed their duties and played their proper roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the minority shareholders have adequate opportunities to express their views and demands, and whether their legitimate rights and interests are adequately protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(III) Where the profit attributable to the shareholders of the parent company is positive during the reporting period, but the profit distribution plan is not proposed, the Company shall disclose the reasons, purpose and use plan of undistributed profit

Applicable N/A

(IV) Profit distribution and capitalization of capital reserve during the reporting period

Applicable N/A

Unit: RMB

Number of bonus shares per 10 shares (shares)	
Number of dividends per 10 shares (RMB) (inclusive of tax)	3.37
Number of shares capitalized (per 10 shares)	
Amount of cash dividends (inclusive of tax)	3,873,908,518.85
Net profit attributable to ordinary shareholders of the listed companies in the consolidated statements for the year of dividend distribution	16,117,549,650.39
Proportion of net profit attributable to ordinary shareholders of listed companies in the consolidated statements (%)	24.04
Repurchase of shares in cash included in cash dividends	969,002,085.59
Total amount of dividends (inclusive of tax)	4,842,910,604.44
Proportion of total amount of dividends to net profit attributable to ordinary shareholders of the listed companies in the consolidated statements (%)	30.05

XI. The Company's share option incentive scheme, employee stock ownership plan or other employee incentive schemes and relevant impacts

(I) Related incentive schemes that have been disclosed in the temporary announcement but have no progress or change subsequently

Applicable N/A

(II) Incentive schemes not disclosed in the temporary announcement or having subsequent progresses

Share option incentive scheme

Applicable N/A

Other explanations

Applicable N/A

Employee stock ownership plan

Applicable N/A

Other incentive schemes

Applicable N/A**(III) Information of incentive shares awarded to directors and senior management during the reporting period**Applicable N/A**(IV) Establishment and execution of evaluation and incentive system for senior management during the reporting period**Applicable N/A

During the reporting period, in order to further stimulate the innovation vitality of senior management, according to the "Proposal on the Implementation Plan of the Company's Further Deepening of the Reform of the Remuneration System for Professional Managers" reviewed and approved at the 8th meeting of the 8th Board of Directors, and the 2021 Annual Performance Assessment for the Company's Professional Managers and the "Proposal on the Implementation Plan of the Company's Incremental Performance Incentive Plan for 2021" reviewed and approved at the 9th meeting of the 8th Board of Directors, the Company's professional managers cashed 2021 performance annual pay and 2021 medium- and long-term incentive during the reporting period. According to 2018-2020 tenure assessment results, the Company's senior management cashed part of 2018-2020 incentives within their tenure.

XII. Establishment and implementation of internal control systems during the reporting periodApplicable N/A

Guided by the Internal Control-Integrated Framework (COSO), the Company kept improving its internal control system and carried out semi-annual internal control evaluations regularly in accordance with relevant regulatory requirements and other regulations including the Basic Internal Control Norms for Enterprises and the Guidelines for Enterprise Internal Controls. As at 31 December 2022, the Company has established 199 management systems and 126 internal control sub-processes covering major business fields including organizational structure, strategic planning, human resource, budget management, cash and bank balances, sales and collection, procurement and payment, contract management, IT, product quality and production safety. During the reporting period, the Company implemented the internal control effectively, without any significant and material deficiencies identified in the financial/non-financial reporting internal control. As the internal control auditor engaged by the Company, Deloitte Touche Tohmatsu Certified Public Accountants LLP has audited the effectiveness of the Company's financial

reporting internal control for the year 2022 and issued the Auditors' Report on Internal Control with standard unmodified opinion.

Explanation on significant deficiencies in internal control during the reporting period

Applicable N/A

XIII. Management and control over the subsidiaries during the reporting period

Applicable N/A

The Company has established the Management Process for Subsidiaries and a series of management systems based on a risk management-oriented philosophy and internal control to strengthen the unified management of major key matters of subsidiaries such as "Three Major and One Large (Decision-making on Major Issues, Appointments and Dismissals of Major Cadres, Decision-making on Investments in Major Projects and Use of Large Sums of Money)". In the meantime, the Company required investment entities at all levels to establish corresponding systems on a layer-by-layer basis with reference to the Company's process system, so as to implement layer-by-layer control over subsidiaries in terms of rules of deliberation and decision-making, strategic planning, project decision-making, investment management, capital management, and financial management, etc. During the reporting period, the Company carried out internal control evaluation, major issues supervision and inspection, and performance assessment to ensure the standardization operation, risk prevention and relevant risk solution of subsidiaries.

XIV. Auditors' report on internal control

Applicable N/A

Deloitte Touche Tohmatsu Certified Public Accountants LLP issued "Auditors' Report on Internal Control of SAIC Motor Corporation Limited" (De Shi Bao (Shen) Zi (23) No. S00297). For details, please refer to relevant announcement of the Company.

Whether the Auditors' Report on Internal Control is disclosed: Yes

Type of opinion on Auditors' Report on Internal Control: Standard unmodified opinion

XV. Rectification of the issues identified in the special self-inspection campaign concerning governance of listed companies

N/A

XVI. Others

Applicable N/A

Section V Environmental and Social Responsibility

I. Environmental information

Establish mechanisms related to environmental protection?	Yes
Funds invested in environmental protection during the reporting period (Unit: RMB 10 Thousand)	53,251

(I) Explanation on environment protection of companies and their subsidiaries listed as key pollutant discharging units by the State Environmental Protection Department

√Applicable □N/A

1. Pollution discharge

√Applicable □N/A

SAIC Motor attached great importance to environmental protection work and has set up environmental protection leading group and work group especially to advance environmental protection institution and system construction and implement environmental protection policies strictly. During the reporting period, the relevant environmental protection information of the important subsidiaries of the Company (mainly refer to the holding companies) such as SAIC Passenger Vehicle, SAIC VOLKSWAGEN, SAIC GM and SGMW is as follows: the pollutants involve the categories including wastewater, exhaust gas and solid waste, and major pollutants include chemical oxygen demand (COD), ammonia nitrogen (NH₃-N), nitric oxide (NO_x), sulfur dioxide (SO₂), etc. Wastewater, including industrial wastewater and sanitary wastewater, when meeting the standards after treatment, should be discharged to a local sewage treatment plant through connecting facility for processing in a centralized manner, exhaust gas should be discharged at a high altitude after collection and treatment, and solid wastes should be disposed of properly through separation and collection. Hazardous waste shall be entrusted to eligible units for treatment. The Company strictly implements a duplicate form system and a standing book management system.

The implemented discharge standards of pollutants include state standards, local standards where the enterprise is located and industrial standard. The major standards implemented include: wastewater discharge is applicable to *Integrated Wastewater Discharge Standard (GB8978-1996)*: maximum acceptable emission concentration standard of class-2 pollutants, COD≤500mg/L; *Wastewater Quality Standards for Discharge to Municipal Sewers (GB/T 31962-2015)*: COD≤500mg/L, NH₃-N≤45mg/L; exhaust emission is applicable to *Integrated Emission Standard of Air Pollutants (GB16297-1996)* Grade II Standard: SO₂≤550mg/m³, NO_x ≤240mg/m³; *Integrate Emission Standards of Air Pollutants (DB31/933-2015)*: SO₂≤100mg/m³, NO_x ≤150mg/m³; *Emission Standard of Air Pollutants for Industrial Furnaces and Kilns (DB31/860-2014)*: NO_x ≤200mg/m³, SO₂≤100mg/m³; *Emission Standard of Air Pollutants for Boiler (GB13271-2014)* gas-fired boiler standard: SO₂ ≤50mg/m³, NO_x ≤200mg/m³; *Emission Standard of Air Pollutants for Boilers (DB31/387-2018)*: NO_x≤150mg/m³, SO₂≤20mg/m³, etc.

During the reporting period, the Company's significant subsidiaries (share-holding or share-participating companies, excluding HASCO) have 27 wastewater discharge outlets which are located in Minfeng Road, Hejing Road, Changji Road, Miquan Road, Tashan Road, Yutian Road, Zepu Road, Cao'an Road, Jinjing Road, Jinsui Road, Dongjing Road, Xihuan Road, Shuangren Road, etc. There are 873 exhaust discharge outlets, which are distributed in painting workshops, vehicle body workshops, GA workshops, engine workshops, energy centers, technical centers, and canteens, etc. The certified emissions and actual emissions for key pollutant chemical oxygen demand ("COD") are 1821 tonnes and 148 tonnes respectively. The certified emissions and actual emissions for ammonia nitrogen (NH₃-N) are 149 tonnes and 7 tonnes, respectively. The certified emissions and actual emissions for nitrogen oxides (NO_x) are 460 tonnes and 64 tonnes, respectively. The certified emissions and actual emissions for sulphur dioxide (SO₂) are 75 tonnes and 5 tonnes, respectively. SAIC Passenger Vehicle mainly had pollutants including COD with an average emission concentration of 90 mg/L, NH₃-N with an average emission concentration of 1 mg/L, NO_x with an average emission concentration of 30 mg/m³ and SO₂ with an average emission concentration of 3 mg/m³. SAIC Volkswagen mainly had the pollutants including COD with an average emission concentration of 67 mg/L, NH₃-N with an average emission concentration of 5 mg/L, NO_x with an average emission concentration of 33 mg/m³ and SO₂ with an average emission concentration of 4 mg/m³. SAIC GM mainly had the pollutants including COD with average emission concentration of 41 mg/L for North Plant and South Plant and 217 mg/L for Cadillac Plant, NH₃-N with average emission concentration of 1 mg/L for North Plant and South Plant and 6 mg/L for Cadillac Plant, NO_x with average emission concentration of 8 mg/m³ for North Plant and South Plant and 7 mg/m³ for

Cadillac Plant; SO₂ with average emission concentration of 0.02 mg/m³ for North Plant and South Plant and 0.02mg/m³ for Cadillac Plant. SGMW mainly had the pollutants including COD with average emission concentration of 54 mg/L for Hexi Base and 32 mg/L for Baojun Base; NH₃-N with average emission concentration of 5 mg/L for Hexi Base and 0.2 mg/L for Baojun Base; NO_x with average emission concentration of 45 mg/m³ for Hexi Base and 71 mg/m³ for Baojun Base; SO₂ with average emission concentration of 2 mg/m³ for Hexi Base and 3 mg/m³ for Baojun Base. The major pollutants were discharged in accordance with the emission standard specified by environmental protection laws and regulations.

2. Construction and operation of pollution prevention facilities

Applicable N/A

The Company and its affiliated companies carried out pollution prevention work in terms of wastewater, exhaust gas, noise and solid waste, and encouraged to advance third-party governance; maintained governance equipment and facilities regularly to ensure effective pollutant governance and meet the emission standards; entrusted eligible monitoring company annually to monitor wastewater, exhaust gas and noise, etc.; implemented rain and sewage separation and online monitor on water pollutants in heavy-metal-related enterprises; fugitive emissions have been strictly controlled, online monitoring devices for atmospheric pollutants emission have been installed at key atmospheric discharge outlets such as vehicle painting workshops; carried out industrial noise pollution governance; strictly separated and collected solid wastes and treated them properly; entrusted eligible units to disposed hazardous wastes legally, executed duplicate system and standing book management system strictly, and popularized sludge reduction treatment to hazardous waste. Therefore, facilities and devices for pollution control of SAIC Group were complete and ran well.

3. Construction project environmental impact assessment and other environmental protection administrative licensing

Applicable N/A

The Company and its affiliated companies carried out construction project environmental impact assessment following relevant laws and regulations of the *Law of the People's Republic of China on Environmental Impact Assessment* and implemented the "Three Simultaneities (the environmental protection facilities should be designed, constructed and put into operation simultaneously with major facilities)" strictly. During the reporting period, the newly built, reconstructed and expansion projects have been approved by the environmental protection department and implemented in accordance with laws.

4. Emergency plans for environmental emergencies

Applicable N/A

The Company and its affiliated companies have prepared emergency plans for environmental emergencies and established an emergency organization to ensure to carry out an emergency response in a fast, orderly and efficient manner, reducing casualties and economic losses, so as to prevent the occurrence of such emergencies. Meanwhile, the Company is also well prepared for emergency training and practices for emergent environmental incidents.

5. Environmental self-monitoring plan

Applicable N/A

The Company and affiliated companies implemented the Self-monitoring Technology Guidelines for Pollution Sources—General Rule issued by the Ministry of Ecology and Environment of the People's Republic of China, prepared a self-monitoring plan, and entrusted an eligible monitoring unit to monitor

the relevant pollutant discharge outlets as required to ensure that the discharge of all the pollutants has met the standards and requirements. The key monitor enterprise disclosed the environmental monitoring data on the environmental information platform of the local environmental protection bureau.

6. Administrative penalties received due to environmental problems during the reporting period

Applicable N/A

7. Other environmental information that should be disclosed

Applicable N/A

(II) Explanation on the environmental protection of the companies other than key pollutant discharging units

Applicable N/A

1. Administrative penalties received due to environmental problems

Applicable N/A

2. Disclosure of other environmental information with reference to the requirements for major pollutant discharge entities

Applicable N/A

As a leading automotive group in the domestic, the Company has advanced the implementation of the ISO14001 environmental management system continuously and directed the affiliated companies to observe environmental protection laws and regulations and execute the environmental emission standards strictly in the day-to-day operation and project construction. Meanwhile, the Company required the affiliated companies to give full expression to environmental protection and sustainable development, etc. in the preparation of the long-term development plan so as to include the environmental requirements and planning into the medium- and long-term business development plan and corporate operating decisions comprehensively as important elements of enterprise development, and thereby promote further upgrade and transformation of enterprises, help to achieve industrial high-end level in the aspect of manufacturing level in the environmental protection, creating value for the society.

3. Reasons for not disclosing other environmental information

Applicable N/A

(III) Relevant information which is conducive to protecting the ecology, preventing pollution, and fulfilling the environmental responsibility

Applicable N/A

During the reporting period, the Company improved its environmental management system and environmental protection technology and organized environmental protection training as well as urged its affiliated companies to comply with environmental protection laws and regulations strictly so as to further strengthen environmental protection awareness and professional level of employees and management staffs. The Company intensified the management of the total energy consumption of key energy-using units and the unit consumption of passenger vehicle products and continued to promote green manufacturing and energy efficiency benchmarking projects so as to promote the construction of green factories, green products, green parks and green supply chains, actively assume social responsibility and fulfil the concept of sustainable development.

(IV) Measures and effects that have taken to reduce carbon emissions during the reporting period

Take carbon reduction measures?	Yes
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Reduction of CO2 equivalent emissions (Unit: ton)	92,338
Type of carbon reduction measures (such as using clean energy to generate electricity, using carbon reduction technologies in the production process, developing and producing new products that contribute to carbon reduction, etc.)	SAIC Group vigorously promotes the new energy vehicle business, the construction of zero-carbon factories and the reduction of carbon throughout the life cycle of vehicles; Meanwhile, it continues to track climate change-related policies and operational risks, advocates a green and low-carbon culture, and strives to be a leader in green development and a pioneer in ecological civilization. Please refer to the detailed description for details.

Detailed description

Applicable N/A

During the reporting period, SAIC Group sets up a “carbon peaking and carbon neutrality” working group to promote carbon reduction throughout the product life cycle and piloted the extended producer responsibility system for automotive products in its affiliated enterprises to lay the foundation for sustainable and healthy development of the enterprise.

In terms of low-carbon transportation, SAIC Group continues to provide users with new energy vehicle products and services that combine technological advantages and market competitiveness. For many years, SAIC Group has achieved a balance in "oil consumption credits and new energy credits" by accelerating research and development of new energy vehicles, extending the chart of automotive models of new energy vehicles, and further upgrading the fuel consumption improvement technology of traditional engines; SAIC Group adheres to the comprehensive promotion of the three technological routes of "pure electricity, hybrid models, and fuel cells", continues to increase capital investment, and strengthens its independent research and development team; SAIC Group has achieved a forward-looking layout for key technologies such as the new generation of lithium batteries, solid-state batteries, IGBT, and silicon carbide electric drive modules. SAIC Group's technical performance of fuel cell systems is comparable to the globally advanced level, and its related technologies have taken the lead in achieving product implementation.

In terms of clean production, SAIC Group continues to reduce the environmental influence in production, manufacturing and operation, regards energy conservation and emission reduction as an important means to achieve the enterprise's carbon neutrality, improves the energy efficiency in the enterprise's production process, and accelerates the "zero carbon". SAIC Group actively carries out pollution prevention and control work around wastewater, exhaust gas, noise, and solid waste, encourages the promotion of third-party pollution control, and regularly maintains the treatment equipment and facilities to ensure effective pollutant treatment.

In terms of green practices, SAIC Group has been exploring the development of a new energy-sharing travel business since 2016, advocating for users to use lower carbon and environmentally friendly travel methods; SAIC Group formulates a special scheme for new energy vehicle loans to promote green consumption, provides financial service scenarios suitable for the new energy vehicle industry, and plays the role of green finance in promoting green industry. SAIC Group carries out various forms of publicity and training activities, advocates for employees to promote an excellent work style of diligence and thrift, improves the level of digital office work and mobilizes employees to actively participate in ecological and environmental protection practices and public welfare actions. All measures above can enhance employees' environmental protection and conservation awareness and protect the green homeland.

For details, please refer to the Company's Corporate Social Responsibility Report 2022 (published on the Shanghai Stock Exchange website at www.sse.com.cn).

II. Achievement of fulfilling social responsibility**(I) Whether to separately disclose the Corporate Social Responsibility Report, Sustainable Development Reports, or ESG Report**

√Applicable □N/A

For details, please refer to the Company's 2022 Corporate Social Responsibility Report (published on the Shanghai Stock Exchange website at www.sse.com.cn).

(II) Specific situation of social responsibility

√Applicable □N/A

External donations and public welfare projects	Quantity/Content
Total investment (RMB 10 Thousand)	2,561.18
Including: Fund (RMB 10 Thousand)	2,271.68
Goods converted into money (RMB 10 Thousand)	289.50
Headcounts of beneficiaries (Persons)	210,712

Detailed description

√Applicable □N/A

For details, please refer to the Company's Corporate Social Responsibility Report 2022 (published on the Shanghai Stock Exchange website at www.sse.com.cn).

III. Specific situation of the consolidation and expansion of poverty alleviation achievements and rural revitalization

√Applicable □N/A

Poverty alleviation and rural revitalization projects	Quantity/Content
Total investment (RMB 10 Thousand)	5,072.43
Including: Fund (RMB 10 Thousand)	5,072.43
Goods converted into money (RMB 10 Thousand)	—
Headcounts of beneficiaries (Persons)	28,483
Assistance forms (such as industrial poverty alleviation, employment poverty alleviation, education poverty alleviation, etc.)	<ol style="list-style-type: none"> 1. SAIC Group and its major affiliated enterprises continue to carry out special actions such as cooperating with rural enterprises in four economically weak villages in Xuanwei City, Yunnan Province, as well as collaborating with the urban and rural party organizations to provide assistance in Chongming District and Jinshan District, Shanghai. 2. Training and employment assistance: SAIC Group and the Fuping County Vocational and Technical Education Center, Hebei Province have established long-term cooperation, regularly conducting teacher training and on-site teaching, and providing internship and employment opportunities. 3. Education poverty alleviation: SAIC Group and its affiliated enterprises continue to build brand education public welfare

	<p>projects, actively improving the teaching environment and educational development level in key assistance areas through public welfare activities such as the “Red Chalk Program”, “Starry Program”, “Dandelion Program”, “Inspirational Class”, and “Hongyan Class”. SAIC Group also launches a support program for rural teachers and establishes a support fund.</p>
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Detailed description

Applicable N/A

For details, please refer to the Company's Corporate Social Responsibility Report 2022 (published on the Shanghai Stock Exchange website at www.sse.com.cn).

Section VI Important Events

I. Performance of commitment matters

(I) Commitments of controlling shareholder, shareholders, related parties, acquirer, companies etc. during the reporting period or sustained to the reporting period

Applicable N/A

In 2021, Shanghai New Power Automotive Technology Company Limited (hereinafter referred to as “SNAT”, security code: 600841), the Company's holding subsidiary, completed major asset restructuring and supporting financing and obtained the control right of SAIC HONGYAN Automobile Co., Ltd. For details of commitments of the major asset restructuring and performance of related events issued by SAIC, the controlling shareholder of SNAT, please refer to the annual report 2022 published on www.sse.com.cn by SSE.

(II) For assets or projects which the Company has prepared profit forecast and are still within the forecast period in the reporting period, the Company shall state whether the forecasted profits are achieved and explain the reasons.

Achieved Not achieved N/A

(III) Completion of performance commitment and its effects on goodwill impairment testing

Applicable N/A

II Non-operational funds occupied by controlling shareholders and other related parties during the reporting period

Applicable N/A

III. Illegal guarantee

Applicable N/A

IV. Explanations of the Board of Directors on "Non-standard Auditors' Report" issued by certified public accountants

Applicable N/A

V. Analysis and explanation of the Company on reasons and effects of changes in accounting policies and accounting estimates and correction of significant accounting errors**(I) Analysis and explanation of the Company on reasons and effects of changes in accounting policies and accounting estimates**

Applicable N/A

The “*Interpretation No. 15 of the Accounting Standards for Business Enterprises*” was issued by the Ministry of Finance on 30 December 2021, which stipulated the “accounting treatment of external sale of products or by-products produced by an enterprise before the fixed assets are ready for intended use or in the process of research and development” and the “judgment on onerous contracts”. In accordance with the above amendments to the accounting standards and implementation deadline requirements, the Company made corresponding changes to the original accounting policies with application starting from 1 January 2022. The above changes have been reviewed and approved by the 13th meeting of the eighth Board of Directors and the 9th session of the eighth Board of Supervisors, and the independent directors have expressed their opinions hereon. The changes in accounting policy do not require retroactive adjustments to the Company's comparative financial statements, will not have material impact on the Company's financial position, results of operations and cash flows. For details, please refer to the Company's announcement on 29 April 2023 “Announcement of SAIC Group on Changes to Accounting Policies” (No. 2023-011).

The “*Interpretation No. 16 of the Accounting Standards for Business Enterprises*” was issued by the Ministry of Finance on 30 November 2022, which stipulated the accounting treatment concerning 1) “the exemption of initial recognition of deferred income tax relating to assets and liabilities arising from a single transaction”, 2) “the income tax effect of dividends on a financial instrument classified as an equity instrument by the issuer”, and 3) “the change of cash-settled share-based payment to equity-settled share-based payment by an enterprise”. In accordance with the Interpretation above, “the exemption of initial recognition of deferred income tax relating to assets and liabilities arising from a single transaction” shall be effective from 1 January 2023, and “the income tax effect of dividends on a financial instrument classified as an equity instrument by the issuer” and “the change of cash-settled share-based payment to equity-settled share-based payment by an enterprise” shall be effective from the date of publication. In accordance with the above amendments to the accounting standards and implementation deadline requirements, the Company made corresponding changes to the original accounting policies. The above changes have been reviewed and approved by the 13th meeting of the eighth Board of Directors and the 9th session of the eighth Board of Supervisors, and the independent directors have expressed their opinions hereon. The changes in accounting policy do not require retroactive adjustments to the Company's comparative financial statements, will not have material impact on the Company's financial position, results of operations and cash flows. For details, please refer to the Company's announcement on 29 April 2023 “Announcement of SAIC Group on Changes to Accounting Policies” (No. 2023-011).

(II) Analysis and explanation of the Company on reasons and effect of correction in significant accounting errors

Applicable N/A

(III) Communication with the previous certified public accountants

Applicable N/A

(IV) Other explanations

Applicable N/A

VI. Appointment and dismissal of certified public accountants

Unit:RMB 10 Thousand

	Current auditor
Domestic certified public accountants	Deloitte Touche Tohmatsu Certified Public Accountants LLP
Remuneration paid to domestic certified public accountants	910
Audit period of domestic certified public accountants	17 years
Auditors' name of domestic certified public accountants	Yuan, Shouqing, Luo, Yiming
Consecutive periods of audit services provided by domestic certified public accountants	Yuan, Shouqing (1 year), Luo, Yiming (4 years)

	Name	Remuneration
Certified public accountants for internal control audit	Deloitte Touche Tohmatsu Certified Public Accountants LLP	200

Explanation on the appointment and dismissal of certified public accountants

Applicable N/A

Explanation on changing the certified public accountants during the audit period.

Applicable N/A

VII. Risk exposure to delisting**(I) Reasons for delisting**

Applicable N/A

(II) Measures adopted by the Company

Applicable N/A

(III) Circumstances and reasons for termination of listing

Applicable N/A

VIII. Bankruptcy and reorganization

Applicable N/A

IX. Significant lawsuit and arbitration

Significant lawsuits and arbitrations for the year No significant lawsuits and arbitrations for the year

X. Suspected violations, penalty and rectification of the listed companies and their directors, supervisors, senior management, controlling shareholders and actual controllers

Applicable N/A

XI. Explanation on credit issue of the listed companies and their controlling shareholder and actual controller during the reporting period

Applicable N/A

During the reporting period, the Company and its controlling shareholder, and actual controller have good credit records.

XII. Significant related party transactions of the Company during the reporting period**(I) Significant related party transactions related to daily operations**

1. Events that have been disclosed in the temporary announcement but have no progress or change subsequently

Applicable N/A

2. Events that have been disclosed in the temporary announcement and have progresses or changes subsequently

Applicable N/A

In accordance with the *Listing Rules of Shanghai Stock Exchange*, the Company's related parties and related party transactions are disclosed as below:

(1) From 1 January 2022 to 31 December 2022, the major related parties are listed as below:

Controlling shareholder: SAIC (Group)

Enterprises related to the controlling shareholder:

Shanghai Automotive Industry Development Co., Ltd.	Subsidiary of SAIC (Group)
SAIC Property Development Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Shangkai Real Estate Development Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Automotive Electronics Factory	Subsidiary of SAIC (Group)
Shanghai Internal Combustion Engine Research Institute	Subsidiary of SAIC (Group)
Changzhou SAIKC Mobility Investment Partnership (Limited Partnership)	Subsidiary of SAIC (Group)
Shanghai Saikemobility Technology Service Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai International Automobile City Development Co., Ltd.	Associate of SAIC (Group), company held concurrently by executive of SAIC
Shanghai Qiyuan Human Resources Consulting Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Automotive Industry Real Estate Development Co., Ltd.	Subsidiary of SAIC (Group)
Shenzhen SAIC South Industrial Co., Ltd.	Subsidiary of SAIC (Group)
Shenzhen SAIC South Automobile Sales Service Co., Ltd.	Subsidiary of SAIC (Group)
Haining Zhongjing Real Estate Co., Ltd.	Subsidiary of SAIC (Group)
Suzhou Wanlong Huayu Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Huazhen Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Huazhen Transportation Co., Ltd.	Subsidiary of SAIC (Group)
Zhejiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Wuhan Sanjiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Guangzhou Wanlong Huajiang Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Anji Car Rental & Leasing Co., Ltd.	Subsidiary of SAIC (Group)
Suzhou Xiangdao Car Leasing Co., Ltd.	Subsidiary of SAIC (Group)
Wuxi Xiangdao Car Leasing Co., Ltd.	Subsidiary of SAIC (Group)
Zhengzhou SAIC New Energy Leasing Automotive Co., Ltd.	Subsidiary of SAIC (Group)
Beijing Saikemobility Technology Service Co., Ltd.	Subsidiary of SAIC (Group)
Xiamen Saikemobility Technology Service Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Rui Chuang Automobile Sales Co., Ltd.	Subsidiary of SAIC (Group)
Liyang Aiweitugou Equity Investment Partnership (Limited Partnership)	Subsidiary of SAIC (Group)

RV Life Home Technology Co., Ltd.	Subsidiary of SAIC (Group)
RV Life Home (Shanghai) International Travel Service Co., Ltd.	Subsidiary of SAIC (Group)
RV Life Home (Fujian) Travel Service Co., Ltd.	Subsidiary of SAIC (Group)
RV Life Home (Hainan) Travel Technology Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Aiweitugou Car Rental Service Co. Ltd.	Subsidiary of SAIC (Group)
Shanghai Saike Intelligent Transportation Technology Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Automotive Industry Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Automotive Industry Environmental Engineering Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Shangfa Real Estate Development Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Kaihong Investment Management Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai SAIC Housing Exchange Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Kuobu Industry Co., Ltd.	Subsidiary of SAIC (Group)

Shanghai Automobile Nonferrous Casting Plant	Subsidiary of SAIC (Group)
Shanghai Huizhong Automobile Manufacturing Co., Ltd.	Subsidiary of SAIC (Group)
Jiaxing Xinsheng Investment Partnership (Limited Partnership)	Subsidiary of SAIC (Group)
Anji Huayu Logistics Technology (Shanghai) Co., Ltd.	Subsidiary of SAIC (Group)
Shihe Natong (Shanghai) Industry Co., Ltd.	Subsidiary of SAIC (Group)
Jiangsu Tiandi Huayu IOT Technology Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Dudu Supply Chain Management Co., Ltd.	Subsidiary of SAIC (Group)
Duilong Deqing Tongli Business Service Center (Limited Partnership)	Subsidiary of SAIC (Group)
Intelligent Vehicle Innovation and Development Platform (Shanghai) Co., Ltd.	Joint venture of SAIC (Group), company held concurrently by executive of SAIC
Global Car Sharing and Rental Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Chengdu Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Suzhou) Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai International Automobile City New Energy Automobile Operation Service Co., Ltd.	Subsidiary of SAIC (Group)
Zhejiang Lishui Yidong New Energy Automobile Operation Service Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Changzhou) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Guangzhou) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Haikou) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Jinhua) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Kunming) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Qingdao) Co., Ltd.	Subsidiary of SAIC (Group)

Global Car Sharing and Rental (Chongqing) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Hefei Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Jiaxing Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Nanchang Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Zhenjiang Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Sanming) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Xinzhou) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Zhengzhou Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Huangshan Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Nantong Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Zhiji Information Technology Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Xuzhou Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Guiyang Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Changsha) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Sanya) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Weifang) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Tianjin) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Wuhan Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Chizhou Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Yangzhou Co., Ltd.	Subsidiary of SAIC (Group)
Wuxi Saike Car Rental Co. Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Mianyan Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Ningbo Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Jining) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Yantai) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Fuzhou) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Taiyuan) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Jinan) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Hangzhou) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Fujian) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Linyi) Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Xian) Co., Ltd.	Subsidiary of SAIC (Group)
Shanxi Saike Car Rental Co. Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Liyang Co., Ltd.	Subsidiary of SAIC (Group)

Shanghai Saike Car Rental Co. Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental (Xiamen) Co., Ltd.	Subsidiary of SAIC (Group)
Others:	
Banma Network Technology Co., Ltd.	Joint-stock company of SAIC, company held concurrently by executive of SAIC
Shidai SAIC Power Battery Co., Ltd	Joint-stock company of SAIC, company held concurrently by supervisor of SAIC (Group)
Shanghai Motor Vehicle Inspection Certification & Tech Innovation Center Co., Ltd.	company held concurrently by executive of SAIC
SEPT NEW ENERGY TECHNOLOGY Co., Ltd.	Joint-stock company of SAIC, company held concurrently by supervisor of SAIC (Group)
REPT BATTERO Energy Co., Ltd.	Joint-stock company of SAIC, company held concurrently by executive of SAIC
Volkswagen Transmission (Shanghai) Co., Ltd.	Joint-stock company of SAIC, company held concurrently by supervisor of SAIC (Group)

(2) Daily related party transactions

On 20 May 2022, the *Proposal on Estimating the Amount of Daily Related Party Transactions in 2022* was deliberated and approved at the Company's 2021 Annual General Meeting of Shareholders. The below represents the estimated amounts and actual amounts for 2022 under the four types of framework agreements on daily related party transactions, that is, the *Framework Agreement on Supply of Commodities*, the *Framework Agreement on Integrated Services*, the *Framework Agreement on Leasing of Housing, Land and Vehicles* and the *Framework Agreement on Financial Services*, entered into by and between the Company and its related parties.

A. Framework Agreement on Supply of Commodities

<i>Framework Agreement on Supply of Commodities</i>	Estimated amount for 2022 (RMB 10 Thousand)	Actual amount for 2022 (RMB 10 Thousand)
Commodities supplied by SAIC Group and its subsidiaries to the related parties	500,000	426,328
Commodities supplied by the related parties to SAIC Group and its subsidiaries	2,950,000	1,893,427
Total	3,450,000	2,319,755

The price of these related party transactions is determined: by reference to the government pricing or guide price where there is government pricing or guide price; by reference to the market price where there is no government pricing or guide price but there is a comparable independent third-party market price; by reference to the price of unrelated party transactions with independent third parties where there is no comparable independent third-party market price; or based on cost plus reasonable profit where there is no government pricing or guide price, market price or unrelated party transaction price.

B. Framework Agreement on Integrated Services

<i>Framework Agreement on Integrated Services</i>	Estimated amount for 2022 (RMB 10 Thousand)	Actual amount for 2022 (RMB 10 Thousand)
Services supplied by SAIC Group and its subsidiaries	50,000	16,614

to the related parties		
Services supplied by the related parties to SAIC Group and its subsidiaries	260,000	140,037
Total	310,000	156,651

The price of these related party transactions is determined: by reference to the government pricing or guide price where there is government pricing or guide price; by reference to the market price where there is no government pricing or guide price but there is a comparable independent third-party market price; by reference to the price of unrelated party transactions with independent third parties where there is no comparable independent third-party market price; or based on cost plus reasonable profit where there is no government pricing or guide price, market price or unrelated party transaction price.

C. Framework Agreement on Leasing of Housing, Land and Vehicles

<i>Framework Agreement on Leasing of Housing, Land and Vehicles</i>	Estimated amount for 2022 (RMB 10 Thousand)	Actual amount for 2022 (RMB 10 Thousand)
Rents paid by SAIC Group and its subsidiaries to the related parties	30,000	6,417
Rents paid by the related parties to SAIC Group and its subsidiaries	30,000	3,035
Total	60,000	9,452

The price of these related party transactions is determined: by reference to the government pricing or guide price where there is government pricing or guide price; by reference to the market price where there is no government pricing or guide price but there is a comparable independent third-party market price; by reference to the price of unrelated party transactions with independent third parties where there is no comparable independent third-party market price; or based on cost plus reasonable profit where there is no government pricing or guide price, market price or unrelated party transaction price.

D. Framework Agreement on Financial Services

<i>Framework Agreement on Financial Services</i>	Estimated amount for 2022 (RMB 10 Thousand)	Actual amount for 2022 (RMB 10 Thousand)
Other financial services	331,864	240,216
Related party transactions involving financial companies	48,136	31,335
Total	380,000	271,551

The price of these related party transactions is determined: based on related standards for the financial services rendered by a non-banking financial institution.

3. Events that not been disclosed in the temporary announcement

Applicable N/A

(II) Significant related party transactions related to acquisition and disposal of assets or equity

1. Events that have been disclosed in the temporary announcement but have no progress or change subsequently

Applicable N/A

2. Events that have been disclosed in the temporary announcement and have progresses or changes subsequently

Applicable N/A

3. Events that not been disclosed in the temporary announcement

Applicable N/A

4. Performance achievements involving performance convention in reporting period should be disclosed

Applicable N/A

(III) Significant related party transactions related to external joint investment

1. Events that have been disclosed in the temporary announcement but have no progress or change subsequently

Applicable N/A

2. Events that have been disclosed in the temporary announcement and have progresses or changes subsequently

Applicable N/A

3. Events that not been disclosed in the temporary announcement

Applicable N/A

(IV) Balances due from/to related parties

1. Events that have been disclosed in the temporary announcement but have no progress or change subsequently

Applicable N/A

2. Events that have been disclosed in the temporary announcement and have progresses or changes subsequently

Applicable N/A

3. Events that not been disclosed in the temporary announcement

Applicable N/A

(V) Financial business between the Company and related finance companies, holding finance companies and related parties

Applicable N/A

1. Deposits

Applicable N/A

Unit: RMB 10 Thousand

Related party	Relationship	Maximum daily deposit limit	Range of deposit interest rates	1 January 2022	Increase due to changes in the list of related parties	Amount incurred		31 December 2022
						Deposit	Withdrawal	
SAIC (Group)	Controlling shareholder	None	0.42%-2.025%	1,840,432.62		6,536,883.09	7,341,068.69	1,036,247.02
Subsidiary of SAIC (Group)	Subsidiary of controlling shareholder	None	0.42%-2.025%	236,572.51		4,539,572.16	4,568,497.26	207,647.41
Company held concurrently by supervisor of SAIC (Group)	Company of controlling shareholder's directors, supervisors and senior management	None	0.42%-2.025%		21,500.00	20,500.00	4,500.00	37,500.00
Company held concurrently by executive of SAIC	Company of SAIC's management	None	0.42%-2.025%	81.63		57,374.26	50,981.47	6,474.43

Total	/	/	/	2,077,086.76	21,500.00	11,154,329.52	11,965,047.42	1,287,868.86
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2. Loans

Applicable N/A

Unit: RMB 10 Thousand

Related party	Relationship	Line of credit	Range of loan interest rates	1 January 2022	Increase due to changes in the list of related parties	Amount incurred		31 December 2022
						Loan	Repayment	
Global Car Sharing and Rental Co., Ltd.	Subsidiary of controlling shareholder	50,000.00	4.275%	17,788.96		0.00	17,788.96	0.00
Total	/	/	/	17,788.96		0.00	17,788.96	0.00

3. Credit granting or other financial business

Applicable N/A

4. Other explanations

Applicable N/A

(VI) Others

Applicable N/A
XIII. Significant contracts and performance of contracts**(I) Trusteeship, contracting and leasing****1. Trusteeship**
Applicable N/A
2. Contracting
Applicable N/A
3. Leasing
Applicable N/A

(II) Guarantee

√Applicable □N/A

Unit: RMB 10 Thousand

General information of guarantee (except guarantee provided for subsidiaries)														
Guarantor	Relationship	Guarantee	Amount of guarantee	Signed date of guarantee	Starting date of guarantee	Ending date of guarantee	Type of guarantee	Collateral (if any)	Completion of guarantee	Overdue of guarantee	Overdue amount of guarantee	Counter guarantee	Related party guarantee	Related party relationship
Total amount of guarantee incurred during the reporting period (except guarantee provided for subsidiaries)					0.00									
Total balance of guarantee at the end of the reporting period(A) (except guarantee provided for subsidiaries)					328,566.09									
Guarantee provided to subsidiaries by the Company and its subsidiaries.														
Total amount of guarantees provided for subsidiaries during the reporting period					41,853.80									
Total balance of guarantees provided for subsidiaries at the end of the reporting period (B)					62,283.60									
Total amount of guarantees provided (including guarantee provided for subsidiaries)														
Total amount of guarantees provided (A and B)					390,849.69									
Proportion of total amount of guarantee to net assets of the Company (%)					1.40									
Including:														
Amount of guarantee provided for shareholders, actual controller and its related parties (C)					0.00									
Direct or indirect debt guarantees provided for guaranteed parties whose asset-liability ratio exceeds 70% (D)					348,995.89									
Amount of total guarantee exceeding 50% of net assets (E)					0.00									
Total amount of guarantee above (C, D and E)					348,995.89									

Explanation on joint liability of undue guarantee	N/A
Explanation on the guarantee	According to the industry practice, the commercial vehicle companies to which the Company belong provide guarantees for auto repurchase for dealers or end customers under the specific conditions agreed in the contract. As at 31 December 2022, the guarantee balances of the above businesses of SAIC Maxus Vehicle Co., Ltd., SAIC HONGYAN Automobile Co., Ltd. and Nanjing Iveco Automobile Co., Ltd. to which the Company belong are RMB 2.14 billion, RMB 0.82 billion and RMB 0.26 billion. For details of the guarantee situation of SAIC HONGYAN Automobile Co., Ltd., please refer to the annual report 2022 released by SNAT on the Shanghai Stock Exchange at www.sse.com.cn .

(III) Cash asset management by others under entrustment**1. Entrusted financing****(1) General situation of entrusted financing**□Applicable N/A**Others**□Applicable N/A**(2) Single entrusted financing**□Applicable N/A**Others**□Applicable N/A**(3) Provision for impairment of entrusted financing**□Applicable N/A**2. Entrusted loans****(1) General situation of entrusted loans**Applicable □N/A

Unit: RMB 10 Thousand

Type	Source of fund	Amount incurred	Undue balance	Amount due but not collected
Entrusted loans	Self-owned funds	83,040.00	1,265,940.31	

Note: The entrustor of above entrusted loans is SAIC Motor Corporation Limited. The balance of external entrusted loans provided by the Company within the consolidation scope amounts to RMB 17.912 billion.

Others□Applicable N/A**(2) Single entrusted loan**Applicable □N/A

Unit: RMB 10 Thousand

Entrustee	Type	Amount	Inception date	Maturity date	Source of fund	Usage of fund	Method of compensation payment	Annual yield	Actual gains or losses	If under statutory procedures
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 12,000	2014.09.19	2024.09.11	Self-owned funds	Working capital	As per agreement	0.30%	USD 36.50	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 3,000	2014.09.19	2024.09.11	Self-owned funds	Working capital	As per agreement	3.00%	USD 91.25	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 7,000	2015.01.28	2025.01.28	Self-owned funds	Working capital	As per agreement	0.30%	USD 21.29	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 8,000	2015.01.29	2025.01.29	Self-owned funds	Working capital	As per agreement	0.30%	USD 24.33	Yes

SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2015.01.30	2025.01.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 980	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 2.98	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 5,000	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 15.21	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 20,000	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 60.83	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 20,000	2016.06.29	2026.06.29	Self-owned funds	Working capital	As per agreement	0.30%	USD 60.83	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2016.07.08	2026.07.08	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2016.08.03	2026.08.03	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2016.10.11	2026.10.11	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	6,500	2020.06.24	2023.06.23	Self-owned funds	Working capital	As per agreement	4.65%	306.45	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	15,000	2020.12.01	2023.11.30	Self-owned funds	Working capital	As per agreement	4.65%	707.19	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	20,000	2021.09.13	2024.09.12	Self-owned funds	Working capital	As per agreement	4.65%	942.92	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	10,000	2021.11.30	2024.11.29	Self-owned funds	Working capital	As per agreement	4.65%	471.46	Yes
SAIC International Trade Co., Ltd.	Entrusted loans	200,000	2020.10.30	2023.10.29	Self-owned funds	Working capital	As per agreement	2.40%	4,866.67	Yes
Shanghai Shanghong Real Estate Co., Ltd.	Entrusted loans	54,000	2020.12.23	2029.12.31	Self-owned funds	Working capital	As per agreement	3.00%	1,642.50	Yes
Shanghai Shangyuan Investment	Entrusted loans	39,625	2022.03.29	2023.03.29	Self-owned funds	Working capital	As per agreement	0.00%		Yes

Management Co., Ltd.										
Shanghai Shangyuan Investment Management Co., Ltd.	Entrusted loans	40,415	2022.08.24	2023.08.23	Self-owned funds	Working capital	As per agreement	0.00%		Yes
SAIC Investment Management Co., Ltd.	Entrusted loans	3,000	2022.06.17	2023.06.17	Self-owned funds	Working capital	As per agreement	0.00%		Yes

Others

Applicable N/A

(3) Provision for impairment of entrusted loans

Applicable N/A

3. Others

Applicable N/A

(IV) Other significant contracts

Applicable N/A

XIV Explanation on other significant matters that have a significant impact on investors' value judgments and investment decisions

Applicable N/A

In accordance with the approval of the China Securities Regulatory Commission (CSRC License [2016] No. 2977), SAIC Motor conducted a non-public offering of shares on the Shanghai Stock Exchange in January 2017, with a net amount of raised funds of RMB14,854,499,980.80. As at 31 December 2022, the Company's surplus raised funds is RMB421,087,304.19, representing 2.83% of the net amount of raised funds. In order to rationalize the allocation of funds and improve the efficiency of the use of raised funds, the surplus raised funds from the fund-raising investment projects (including interest income) will be permanently replenished as working capital and used for the Company's daily operation activities.

The surplus raised funds will be used to replenish the working capital permanently, in compliance with the relevant laws, regulations and regulatory documents, without any change or disguised change in the investment of raised funds, which is conducive to improving the efficiency of the use of the raised funds, optimizing the financial structure, promoting the sustainable and stable development of the Company's main business, meeting the actual operational development needs of the Company and in line with the interests of all shareholders. After the surplus raised funds are permanently replenished, the Company will cancel the related special account for the raised funds and the relevant agreement for supervision of the raised funds signed by and between the Company and the sponsor and the depository bank will be terminated.

According to the relevant provisions of the "Guidelines of the Shanghai Stock Exchange for Self-regulation of Listed Companies No. 1 - Standardized Operation", the Company is exempted from the relevant procedures such as the deliberation by the Board of Directors and general meeting of shareholders as well as the opinions of independent directors, sponsors and board of supervisors for the surplus raised funds (including interest income) of less than 5% of the net amount of raised funds.

Section VII Changes in Shares and Shareholders

I. Changes in share capital

(I) Statement of changes in shares

1. Statement of changes in ordinary shares

During the reporting period, the Company's total shares and share capital structure remain unchanged.

2. Explanation on changes in shares

Applicable N/A

3. Effect of changes in shares on financial indicators including earnings per share and net assets per share in latest year/period (if any)

Applicable N/A

4. Other content the Company considers necessary or required to be disclosed by regulators

Applicable N/A

(II) Changes in restricted shares

Applicable N/A

II. Shares issuing and listing

(I) Securities issuing as at the reporting period

Applicable N/A

Explanation on securities issuing as at the reporting period (Please specify separately for bonds with different interest rate in the duration):

Applicable N/A

(II) Changes in the Company's total shares and shareholders' structure, as well as assets and liabilities

Applicable N/A

(III) Existing shares held by internal employees

Applicable N/A

III. Shareholders and actual controller

(I) Total number of shareholders

Total number of ordinary shareholders at the end of the reporting period	233,175
Total number of ordinary shareholders at the end of last month prior to the announcement of the annual report	233,637

(II) Shareholding of top ten shareholders, and top ten circulating shareholders (or shareholders of non-restricted shares) as at the end of reporting period

Unit: share

Top ten shareholders							
Name of shareholder	Increase/decrease during reporting period	Number of shares held at the end of the period	Proportion (%)	Number of restricted shares held	Number of shares pledged, marked or frozen		Nature of shareholders
					Status	Number	
Shanghai Automotive Industry Corporation (Group) (Note)	-580,751,682	7,324,009,279	62.69	0	None		State-own legal person

China COSCO Shipping Corporation Limited	679,420,000	679,420,000	5.82	0	None	State-own legal person
Yuejin Motor (Group) Corporation	0	413,919,141	3.54	0	None	State-own legal person
Shanghai International Group Co., Ltd.	-1,402,000	403,301,600	3.45	0	None	State-own legal person
China Securities Finance Corporation Limited	0	349,768,454	2.99	0	None	Unknown
Hong Kong Securities Clearing Company Ltd	-112,110,961	230,295,607	1.97	0	None	Unknown
Central Huijin Investment Ltd.	0	98,585,000	0.84	0	None	Unknown
Hebei Port Group Co., Ltd.	0	87,719,298	0.75	0	None	Unknown
China Securities - China Huarong Asset Management Co., Ltd. - China Securities - Pioneer Single Asset Management Plan	71,688,948	71,688,948	0.61	0	None	Unknown
CITIC SECURITIES Company Limited	-3,186,071	49,072,998	0.42	0	None	Unknown
Top ten shareholders of non-restricted shares						
Name of shareholders	Number of non-restricted shares held	Type of shares and number				
		Type	Shares			
Shanghai Automotive Industry Corporation (Group)	7,324,009,279	Ordinary shares in RMB	7,324,009,279			
China COSCO Shipping Corporation Limited	679,420,000	Ordinary shares in RMB	679,420,000			
Yuejin Motor (Group) Corporation	413,919,141	Ordinary shares in RMB	413,919,141			
Shanghai International Group Co., Ltd.	403,301,600	Ordinary shares in RMB	403,301,600			
China Securities Finance Corporation Limited	349,768,454	Ordinary shares in RMB	349,768,454			
Hong Kong Securities Clearing Company Ltd	230,295,607	Ordinary shares in RMB	230,295,607			
Central Huijin Investment Ltd.	98,585,000	Ordinary shares in RMB	98,585,000			
Hebei Port Group Co., Ltd.	87,719,298	Ordinary shares in RMB	87,719,298			
China Securities - China Huarong Asset Management Co., Ltd. - China Securities - Pioneer Single Asset Management Plan	71,688,948	Ordinary shares in RMB	71,688,948			
CITIC SECURITIES Company Limited	49,072,998	Ordinary shares in RMB	49,072,998			
Explanation on special repurchase account among the top 10 shareholders	The repurchase account of the Company is not presented in the "Shares of top ten shareholders". As at 31 December 2022, the number of shares in the repurchase account of SAIC Motor Corporation Limited was 188,183,861, accounting for 1.61% of the Company's total share capital. Among them, the "Proposal on Repurchases of Shares by Means of Concentrated Competitive Bidding" was reviewed and approved by the 4th session of the eighth Board of Directors and the 3rd session of the eighth board of supervisors held on 9 September 2021. The repurchase was completed on 8 September 2022, and the cumulative number of shares repurchased by the company was 80,021,941, accounting for 0.68% of the total share capital of the Company.					
Explanation on entrusting voting rights, entrusted voting rights, or abstaining voting rights by above shareholders	None					
Explanation on the related relationship or concerted actions among the above shareholders	Among the Company's top 10 shareholders, Shanghai Automotive Industry Corporation (Group) and other 9 shareholders have no related relationships or persons acting in concert as regulated in <i>Administrative Rules on Acquisition of Listed Company</i> . It is unknown whether the other 9 shareholders have related relationships or persons acting in concert.					
Explanation on preferred shareholders with voting rights restored and the number of shares held	None					

Note: Based on confidence in the Company's future development prospects and recognition of the Company's long-term investment value, SAIC (Group), the controlling shareholder of the Company, has cumulatively increased its holdings of 98,668,318 shares of A shares through the trading system of Shanghai Stock Exchange from 5 May 2022 to 4 November 2022, accounting for 0.84% of the Company's total share capital. On 16 November 2022, the Company issued the "Announcement of the Completion of Free Transfer of State-owned shares", in which SAIC (Group) transferred its 679,420,000 shares of A shares (5.82% of the Company's total shares) to China COSCO Shipping Corporation Limited through free transfer.

Number of restricted shares held by the top ten shareholders and the restricted conditions

Applicable N/A

(III) Strategic investors or general legal representative who have been included in top 10 shareholders due to placement of new shares

Applicable N/A

IV. Controlling shareholder and actual controller**(I) Controlling shareholder****1 Legal person**

Applicable N/A

Name	Shanghai Automotive Industry Corporation (Group)
Legal representative	Mr. Chen Hong
Date of establishment	March 1, 1996
Business scope	Manufacturing, development, sales and investment of automobiles, motorcycles and tractors, operation and management of state-owned assets under authorization, domestic trading (except for special provisions) and advisory services.
Investment in domestic or foreign listed companies during the reporting period	COSCO SHIPPING Holdings Co., Ltd. (601919, 1919.HK) 5.00%
Other explanations	None

2 Natural person

Applicable N/A

3 Special explanation for the Company that has no controlling shareholder

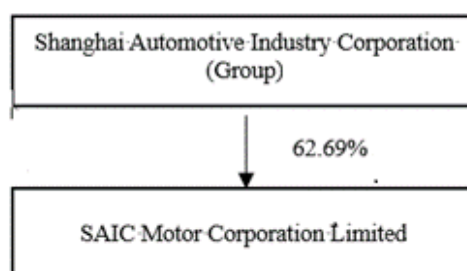
Applicable N/A

4 Explanation on changes in controlling shareholder during the reporting period

Applicable N/A

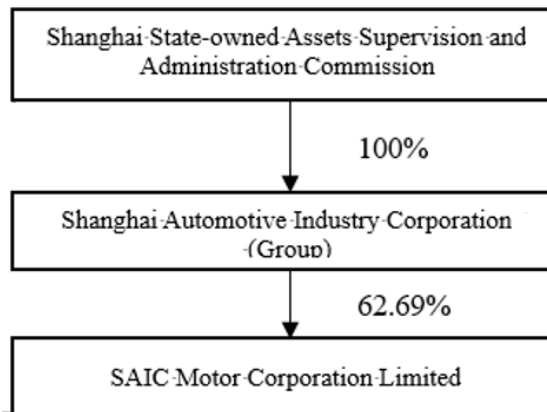
5 Block diagram of ownership and controlling relationships between the Company and controlling shareholder

Applicable N/A

**(II) Actual controller****1 Legal person**

Applicable N/A

Actual controller of the Company is Shanghai State-owned Assets Supervision and Administration Commission which is directly under Municipal Government of Shanghai and authorized to represent the Municipal Government of Shanghai to perform responsibilities as contributor and supervise municipal state-owned assets.

2 Natural PersonApplicable N/A**3 Special explanation for the Company that has no actual controller**Applicable N/A**4 Explanation on the change of control rights of the Company during the reporting period**Applicable N/A**5 Block diagram of ownership and controlling relationship between the Company and actual controller**Applicable N/A**6 The actual controller controls the Company through trust and other asset management**Applicable N/A**(III) Other explanations about the controlling shareholder and the actual controller**Applicable N/A**V. The cumulative number of pledged shares of the Company's controlling shareholder or the largest shareholder and its persons acting in concert accumulatively accounts for more than 80% of the Company's shares**Applicable N/A**VI. Other corporate shareholders holding more than 10% shares of the Company**Applicable N/A**VII. Explanation on reduction of ownership of restricted shares**Applicable N/A**VIII. Specific implementation of share repurchase during the reporting period**Applicable N/A

Unit: RMB 100 million

Name of share repurchase plan	SAIC Motor Corporation Limited's 2021 Plan on Repurchases of the Company's Shares by Means of Centralized Bidding
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Disclosure time of share repurchase plan	September 10, 2021
Number of shares to be repurchased and proportion in total share capital (%)	Based on the calculation of the lower limit of the total repurchase fund of RMB 1.5 billion and the upper limit of the repurchase price of RMB 28.91/share, the total number of shares repurchased is expected to be 51,885,161 shares, accounting for about 0.44% of the total issued share capital of the Company; based on the calculation of the upper limit of the total repurchase fund of RMB 3 billion and the upper limit of the repurchase price of RMB 28.91/share, the total number of shares repurchased is expected to be 103,770,321 shares, accounting for about 0.89% of the total issued share capital of the Company.
Amount to be repurchased	No less RMB 1.5 billion (inclusive) and no more than RMB 3 billion (inclusive)
Period of proposed repurchases	No more than 12 months from the date of approval of the 2021 Repurchase Plan by the Board of Directors
Purpose of repurchases	Employee stock ownership plan or equity incentive
Quantity repurchased (shares)	80,021,941

Section VIII Preferred Shares

Applicable N/A

Section IX Bonds

I Enterprise bonds, corporate bonds and non-financial enterprise debt financing instruments

√Applicable □N/A

(一) Enterprise bonds

□Applicable √N/A

(二) Corporate bonds

√Applicable □N/A

1. Basic information of corporate bonds

Unit: RMB 100 million

Bonds name	Abbreviation	Code	Issuing date	Value Date	Maturity date	Balance	Interest rate (%)	Method of repayment of principal and payment of interest	Trading place	Investor suitability arrangements (if any)	Mechanism of exchange	Risk of termination of listing?
SAIC Motor Corporation Limited 2019 Public Corporate Bonds (1 st tranche)	19 SAIC 01	155709	2019/9/19	2019/9/19	2022/9/19	30	3.42	Interest paid on yearly basis, principal fully repaid in one time upon maturity.	Shanghai Stock Exchange	Bonds for trading by qualified institutional investors	Listed transactions through centralized price bidding system and integrated electronic platform for fixed-income securities of Shanghai Stock Exchange	No
SAIC Motor Corporation Limited 2019 Public Corporate Bonds (2 nd tranche)	19 SAIC 02	155847	2019/11/14	2019/11/14	2022/11/14	20	3.60	Interest paid on yearly basis, principal fully repaid in one time upon maturity.	Shanghai Stock Exchange	Bonds for trading by qualified institutional investors	Listed transactions through centralized price bidding system and integrated electronic platform for fixed-income securities of Shanghai Stock Exchange	No

Countermeasures against the risk of termination of listing of corporate bonds

□Applicable √N/A

Bonds overdue but not repaid

□Applicable √N/A

Interest payment, encashment of corporate bonds

√Applicable □N/A

Bonds name	Explanation on interest payment and encashment of corporate bonds
SAIC Motor Corporation Limited 2019 Public Corporate Bonds (1 st tranche)	On 19 September 2022, the Company paid the principal on the 2019 Public Corporate Bonds (1st tranche) ("19 SAIC 01") of SAIC Motor Corporation Limited and interest for the period from 19 September 2021 to 18 September 2022. The coupon rate is 3.42% and the par value is RMB1,000 per bond. The principal amount of each bond is RMB1,000, and the total principal amount of the bonds is RMB3,000,000,000. The interest paid on each bond is RMB34.20 (including tax). The "19 SAIC 01" corporate bonds were delisted on the date of payment.
SAIC Motor Corporation Limited 2019 Public Corporate Bonds (2 nd tranche)	On 14 November 2022, the Company paid the principal on the 2019 Public Corporate Bonds (2nd tranche) ("19 SAIC 02") of SAIC Motor Corporation Limited and interest for the period from 14 November 2021 to 13 November 2022. The coupon rate is 3.60% and the par value is RMB1,000 per bond. The principal amount of each bond is RMB1,000, and the total principal amount of the bonds is RMB2,000,000,000. The interest paid on each bond is RMB36.00 (including tax). The "19 SAIC 02" corporate bonds were delisted on the date of payment.

2. Trigger and implementation of issuer's or investor's option clauses and investor protection clauses

□Applicable √N/A

3. Intermediary institutions that provide services for bond issuance and business in the duration

Name of intermediary institutions	Office address	Name of signatory CPA	Contact	Phone number
Guotai Junan Securities Co., Ltd.	Bohua Plaza 36F, No.669 Xinzha Rd., Jingan District, Shanghai		Wang Pai, Zeng Yun Ye	021-38676666
China Chengxin International Credit Rating Co., Ltd.	Building 5, Galaxy SOHO, No. 2, Nanzhugan Hutong, Chaoyangmennei Avenue, Dongcheng District, Beijing		Li Xue Wei, Chen Tian	010-66428877

Changes in the above intermediary institutions

□Applicable √N/A

4. Use of the funds raised by the Company

√Applicable □N/A

Unit: RMB 100 million

Bonds name	Total amount of raised funds	Amount used	Amount not used	Operation of special account for raised funds (if any)	Rectification of illegal use of raised funds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus?
SAIC Motor Corporation Limited 2019 Public Corporate Bonds (1 st tranche)	30	30	-	All the raised funds have been used according to the purposes disclosed in the prospectus	N/A	Yes
SAIC Motor Corporation Limited 2019 Public Corporate Bonds (2 nd tranche)	20	20	-	All the raised funds have been used according to the purposes disclosed in the prospectus	N/A	Yes

Progress and operating benefits of the raised funds for construction projects

Applicable N/A

Explanation on changing the use of the funds raised by the above bonds during the reporting period

Applicable N/A

Other explanations

Applicable N/A

5. Adjustment of credit rating results

Applicable N/A

Other explanations

Applicable N/A

6. Implementation, changes and impacts of guarantees, debt repayment plans and other debt repayment measures during the reporting period

Applicable N/A

7. Other explanations on corporate bonds

Applicable N/A

(III) Non-financial enterprises debt financing instruments in the inter-bank bond market

Applicable N/A

(IV) The Company's losses in consolidated statements during the reporting period exceeds 10% of the net assets at the end of the previous year.

Applicable N/A

(V) Overdue of interest-bearing debts except bonds at the end of the reporting period

Applicable N/A

(VI) Impact of violations of laws and regulations, articles of association, regulations of information disclosure management system, and the agreements or commitments in the bond prospectus on the rights and interests of bond investors.

Applicable N/A

(VII) Recent 2 years accounting figures and financial indicators of the Company as at the end of the reporting period

Applicable N/A

Unit: RMB

Major indicator	2022	2021	Year-on-year Changes (%)	Reasons for changes
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss	8,991,524,863.70	18,575,001,265.06	-51.59	For details, please refer to "Explanation on major accounting data and financial indicators in recent three years".
Liquidity ratio	1.0702	1.1343	-5.65	
Quick ratio	0.9075	1.0164	-10.71	
Asset-liability ratio (%)	66.03	64.14	2.95	
EBITDA total debt ratio	0.0750	0.1043	-28.09	

Interest coverage ratio	11.0753	20.2493	-45.31	Mainly due to the 29.51% decrease in earning before interests and taxes for the period compared to the previous period.
Cash flow interest coverage ratio	5.4245	8.6844	-37.54	Mainly due to the decrease of 56% in the balance of net cash flow from operating activities compared to the closing balance of the previous period.
EBITDA Interest coverage ratio	17.6351	28.4507	-38.02	Mainly due to the decrease of 20.12% in EBITDA for the period compared to the previous period.
Loan repayment rate (%)	100.00	100.00		
Interest coverage ratio (%)	100.00	100.00		

II. Convertible corporate bonds

Applicable N/A

Section X Financial Report

I. Auditors' report

Applicable N/A

AUDITORS' REPORT

De Shi Bao (Shen) Zi (23) No. P03853

To the shareholders of SAIC Motor Corporation Limited,

I. Opinion

We have audited the financial statements of SAIC Motor Corporation Limited ("SAIC Motor"), which comprise the consolidated and Company's balance sheets as at 31 December 2022, the consolidated and Company's income statements, the consolidated and Company's cash flow statements and the consolidated and Company's statements of changes in shareholders' equity for the year then ended, and the notes to the financial statements (the "financial statements").

In our opinion, the accompanying financial statements are prepared and present fairly, in all material respects, the consolidated and Company's financial position as at 31 December 2022, and the consolidated and Company's results of operations and cash flows for the year then ended in accordance with the Accounting Standards for Business Enterprises.

II. Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of SAIC Motor in accordance with China Code of Ethics for Certified Public Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Key Audit Matters

Key audit matters are those matters which, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

(I) Cut-off of the Recognition of Revenue from Vehicles

1. Description

As disclosed in Note (VII) 63 to the financial statements, revenue from sale of vehicles of SAIC Motor in 2022 was about RMB 505,066.48 million which was significant in terms of amount. The revenue from sale of vehicles is one of the key business indicators of SAIC Motor, and whether revenue from sale of vehicles is recognized in a correct period has a significant impact on the financial statements. Therefore, we identified the cut-off of the recognition of revenue from sale of vehicles as a key audit matter.

2. How our audit addressed the key audit matter

Our audit procedures in relation to the cut-off of the recognition of revenue from sale of vehicles mainly included:

- (1) Understand and evaluate the internal controls relating to the cut-off of the recognition of revenue from sale of vehicles, and test their operating effectiveness;
- (2) Inquiry the management, inspect the contracts with principal customers, identify contract terms and conditions regarding the transfer of control of goods, and evaluate whether the time point of revenue recognition conforms to the requirements of ASBEs;
- (3) Perform cut-off test for revenue and inspect the documents and vouchers regarding revenue recognition, such as contracts, invoices, dealer electronic transaction platform records or delivery notes, receipt records (if applicable) etc., focus on whether the revenue is recognized in appropriate period and whether there is significant cross-period transaction or subsequent significant adjustment;
- (4) Conduct year-end stocktaking, and pay attention to whether there are abnormal vehicles of which the revenue from sale has been recognized but the vehicles are not delivered to the dealers;
- (5) Select samples or use data analysis technique, analyze the time interval from the dealer's placing order at electronic platform and the actual delivery of goods. Analyze and test the records with abnormal time interval, and determine whether the revenue is recognized in correct period;
- (6) Perform analytic review procedures including analyzing sale profit margin of branch product types, and analyzing the sale performance of SAIC Motor and whether the sale performance conforms to the industry environment where it operates on a monthly basis, and judge the reasonableness of revenue amount and gross profit margin fluctuations;
- (7) Test the subsequent sales return of vehicles, pay attention to the significant sales return, and evaluate its impact on financial statements.

(II) Product Quality Warranty

1. Description

As disclosed in Note (VII) 52 to the financial statements, the balance of accrued warranty as at 31 December 2022 was about RMB 16,082.02 million, of which the balance of warranty for vehicles was about RMB 14,521.07 million, which was significant. SAIC Motor shall assume the obligation of quality warranty for a certain period of time for the vehicles as referred to the prevailing business practice. The management makes estimation of warranty and makes provision accordingly based on contract terms and historical experience, where judgments and estimates are needed. We therefore identified product quality warranty of vehicles business as a key audit matter.

2. How our audit addressed the key audit matter

Our audit procedures in relation to the product quality guarantee mainly included:

- (1) Understand and evaluate the internal controls relating to the recognition of warranty, and test their operating effectiveness;
- (2) Evaluate whether the policy for provision of product quality warranty conforms to business practice, constitutes a single performance obligation, and whether the accounting method of product quality warranty conforms to the relevant regulations of the ASBEs;
- (3) Assess the method of the management for provision of warranty and review the calculation process of warranty;
- (4) Compare and check the supporting documents with the source data used in the calculation, such as sales

data, historical claim data, etc.;

- (5) Test the actual payment of warranty in 2022;
- (6) Discuss with the management and search public information to check whether there is a major product defect in the current or subsequent period that may have a significant impact on the provision of warranty.

IV. Other Information

The management of SAIC Motor is responsible for the other information. The other information comprises the information included in the 2022 annual report of SAIC Motor, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Management of SAIC Motor is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises, and for designing, implementing and maintaining internal control management determines is necessary to enable that the preparation of financial statements is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing SAIC Motor's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern assumption unless the Management either intends to liquidate SAIC Motor or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing SAIC Motor's financial reporting process.

VI. Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
4. Conclude on the appropriateness of the Management' use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on SAIC Motor's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by CSAs to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause SAIC Motor to cease to continue as a going concern.
5. Evaluate the overall presentation, including the disclosures, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within SAIC Motor to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Touche Tohmatsu Certified Public
Accountants LLP
Shanghai, China

Chinese Certified Public Accountant: Yuan Shou Qing
(Engagement Partner)

Chinese Certified Public Accountant: Luo Yi Ming

27 April 2023

The auditors' report and the accompanying financial statements are English translations of the Chinese auditors' report and statutory financial statements prepared under accounting principles and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

II. Financial Statements

Consolidated Balance Sheet
31 December 2022

Prepared by: SAIC MOTOR CORPORATION LIMITED

Unit: RMB

Item	Notes	31 December 2022	31 December 2021
Current assets:			
Cash and bank balances		155,156,629,467.12	138,525,924,732.66
Balances with clearing agencies			
Placements with banks and other financial institutions			
Held-for-trading financial assets		45,230,022,623.99	53,883,499,373.59
Derivative financial assets			
Notes receivable		5,875,419,207.62	4,380,964,033.05
Accounts receivable		62,913,102,665.60	47,463,533,394.88
Financing with receivables		11,550,691,647.05	11,369,104,594.18
Prepayments		22,176,559,259.04	22,675,148,177.40
Premiums receivable			
Amounts receivable under reinsurance contracts			
Reinsurer's share of insurance contract reserves			
Other receivables		15,900,854,327.93	15,486,319,539.07
Including: Interest receivable		796,901,904.49	334,405,628.65
Dividends receivable		1,211,251,796.86	1,465,390,572.13
Financial assets purchased under resale agreements		4,619,815,075.30	5,881,850,702.79
Inventories		88,535,001,044.30	56,635,907,090.04
Contract assets			
Held-for-sale assets		805,013,278.30	86,987,182.16
Non-current assets due within one year		61,459,268,581.10	61,848,199,630.76
Other current assets		107,942,967,057.60	126,771,696,251.73
Total current assets		582,165,344,234.95	545,009,134,702.31
Non-current assets:			
Loans and advances		97,977,615,599.55	102,546,002,349.07
Debt investments		24,039,000,000.00	399,394,000.00
Other debt investments		843,316,530.00	34,252,527.10
Long-term receivables		11,152,010,071.81	12,522,123,373.74
Long-term equity investments		64,645,136,049.01	60,849,205,220.58
Investments in other equity instruments		17,194,589,995.63	22,543,932,882.53
Other non-current financial assets		16,624,603,978.18	8,200,237,311.05
Investment properties		2,184,900,354.43	3,242,049,907.81
Fixed assets		79,239,748,494.54	78,350,634,327.37
Construction in progress		15,736,205,791.63	14,828,788,730.22
Bearer biological assets			

Oil and gas assets			
Right-of-use assets		10,596,081,444.78	8,455,281,059.51
Intangible assets		18,922,852,521.51	16,837,427,149.43
Development expenditure		3,277,515,477.94	2,739,342,219.35
Goodwill		1,227,749,062.61	1,267,673,860.87
Long-term deferred expenses		2,427,968,574.06	2,200,321,105.66
Deferred tax assets		28,622,971,691.67	27,838,847,530.61
Other non-current assets		13,229,771,297.46	9,058,047,386.12
Total non-current assets		407,942,036,934.81	371,913,560,941.02
TOTAL ASSETS		990,107,381,169.76	916,922,695,643.33
Current liabilities:			
Short-term borrowings		38,337,475,598.51	27,849,482,034.01
Loans from the central bank			
Taking from banks and other financial institutions		63,504,163,339.94	55,529,889,083.31
Held-for-trading financial liabilities		51,500,458.60	15,932,323.02
Derivative financial liabilities			
Notes payable		77,636,152,320.80	41,825,836,994.99
Accounts payable		166,644,919,051.63	157,226,453,930.47
Receipts in advance			
Contract liabilities		25,343,898,792.34	26,514,455,824.76
Financial assets sold under repurchase agreements			
Customer deposits and deposits from banks and other financial institutions		44,936,356,643.96	62,576,877,206.07
Funds from securities trading agency			
Funds from underwriting securities agency			
Employee benefits payable		12,779,711,689.94	11,491,232,280.23
Taxes payable		6,596,811,712.80	5,550,414,428.57
Other payables		66,607,620,078.98	64,179,108,585.95
Including: Interest payable		71,057,893.27	136,379,101.06
Dividends payable		501,397,429.89	1,146,540,878.06
Fees and commissions payable			
Amounts payable under reinsurance contracts			
Held-for-sale liabilities			
Non-current liabilities due within one year		39,543,710,127.34	25,697,132,489.50
Other current liabilities		1,992,422,065.73	2,024,415,579.21
Total current liabilities		543,974,741,880.57	480,481,230,760.09
Non-current liabilities:			
Insurance contract reserves			
Long-term borrowings		34,555,464,051.99	26,911,400,207.33
Bonds payable		15,122,421,304.69	19,397,207,883.47
Including: Preference shares			

Perpetual bonds			
Lease liabilities		10,746,800,774.69	8,345,840,696.76
Long-term payables		890,134,171.69	1,145,313,805.68
Long-term employee benefits payable		4,832,329,471.30	5,508,527,212.98
Provisions		18,084,650,109.14	15,463,746,575.11
Deferred income		19,178,087,544.09	23,313,333,214.63
Deferred tax liabilities		3,415,756,308.88	4,885,199,353.86
Other non-current liabilities		3,006,758,608.04	2,700,165,378.32
Total non-current liabilities		109,832,402,344.51	107,670,734,328.14
TOTAL LIABILITIES		653,807,144,225.08	588,151,965,088.23
OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY):			
Paid-in capital (or share capital)		11,683,461,365.00	11,683,461,365.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve		57,896,386,123.57	56,539,992,737.93
Less: Treasury shares		3,747,774,556.69	2,778,609,178.04
Other comprehensive income		10,806,644,268.88	14,078,764,959.98
Special reserve		922,572,193.57	825,427,615.49
Surplus reserve		40,843,171,648.51	40,843,171,648.51
General risk reserve		3,921,807,227.17	3,822,509,268.70
Retained earnings		156,907,257,677.43	148,758,956,883.06
Total equity attributable to owners or shareholders of the Company		279,233,525,947.44	273,773,675,300.63
Minority interests		57,066,710,997.24	54,997,055,254.47
TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)		336,300,236,944.68	328,770,730,555.10
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)		990,107,381,169.76	916,922,695,643.33

Head of the Company: Chen Hong
Department: Gu Xiao Qiong

Chief Financial Officer: Wei Yong

Head of Accounting

Balance Sheet of the Company
31 December 2022

Prepared by: SAIC MOTOR CORPORATION LIMITED

Unit: RMB

Item	Notes	31 December 2022	31 December 2021
Current assets:			
Cash and bank balances		25,718,378,245.26	80,313,249,046.95
Held-for-trading financial assets		1,269,647,015.57	2,157,683,267.32
Derivative financial assets			
Notes receivable		2,474,587,016.86	6,013,260,391.19
Accounts receivable		17,879,758,919.16	4,590,263,830.58
Financing with receivables			
Prepayments		881,060,769.35	1,107,742,469.60
Other receivables		6,293,752,397.57	6,265,397,867.87
Including: Interest receivable		1,822,803,848.97	954,864,657.87
Dividends receivable		824,979,501.65	701,073,371.50
Inventories		4,721,548,728.67	4,017,144,419.72
Contract assets			
Held-for-sale assets			
Non-current assets due within one year		2,215,000,000.00	465,000,000.00
Other current assets		6,660,611,955.71	663,032,527.32
Total current assets		68,114,345,048.15	105,592,773,820.55
Non-current assets:			
Debt investments		61,948,003,080.00	11,087,106,860.00
Other debt investments			
Long-term receivables			
Long-term equity investments		143,656,750,070.75	131,122,812,383.03
Investments in other equity instruments		11,555,288,127.72	15,106,228,789.62
Other non-current financial assets			
Investment properties		348,115,298.95	247,737,268.07
Fixed assets		16,557,996,766.92	15,484,927,244.92
Construction in progress		3,758,100,672.05	3,844,465,224.01
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		55,269,750.72	101,331,307.24
Intangible assets		4,912,606,892.86	3,869,605,395.59
Development expenditure		2,709,490,609.10	2,349,728,227.54
Goodwill			
Long-term deferred expenses		111,068,496.40	117,809,385.54
Deferred tax assets			
Other non-current assets		14,484,714.59	4,802,382.16
Total non-current assets		245,627,174,480.06	183,336,554,467.72
TOTAL ASSETS		313,741,519,528.21	288,929,328,288.27

Current liabilities:			
Short-term borrowings			
Held-for-trading financial liabilities		1,289,244,000.00	
Derivative financial liabilities			
Notes payable		10,292,560,000.00	5,849,825,684.00
Accounts payable		37,543,487,105.73	32,681,272,544.56
Receipts in advance			
Contract liabilities		2,176,999,090.55	713,321,785.82
Employee benefits payable		1,516,089,508.66	1,476,732,363.58
Taxes payable		204,055,411.39	487,710,774.76
Other payables		1,629,574,467.71	1,350,618,162.92
Including: Interest payable		38,778,472.26	47,505,127.38
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year		10,960,901,991.39	6,786,637,173.20
Other current liabilities			
Total current liabilities		65,612,911,575.43	49,346,118,488.84
Non-current liabilities:			
Long-term borrowings		19,499,400,000.00	11,500,000,000.00
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		37,917,009.09	61,742,046.69
Long-term payables		535,797,935.77	570,374,070.77
Long-term employee benefits payable		2,794,386,894.00	3,341,689,009.39
Provisions		1,180,829,095.85	2,148,618,448.34
Deferred income		3,651,410,572.05	3,260,011,081.53
Deferred tax liabilities		1,198,902,312.77	1,731,543,412.05
Other non-current liabilities			
Total non-current liabilities		28,898,643,819.53	22,613,978,068.77
TOTAL LIABILITIES		94,511,555,394.96	71,960,096,557.61
OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY):			
Paid-in capital (share capital)		11,683,461,365.00	11,683,461,365.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve		65,129,333,550.92	65,129,333,550.92
Less: Treasury shares		3,747,774,556.69	2,778,609,178.04
Other comprehensive income		8,174,399,211.60	10,916,623,434.59
Special reserve			
Surplus reserve		40,843,171,648.51	40,843,171,648.51
Retained earnings		97,147,372,913.91	91,175,250,909.68

TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)		219,229,964,133.25	216,969,231,730.66
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)		313,741,519,528.21	288,929,328,288.27

Head of the Company: Chen Hong
Department: Gu Xiao Qiong

Chief Financial Officer: Wei Yong

Head of Accounting

Consolidated Income Statement
January 2022 - December 2022

Unit: RMB

Item	Notes	Year Ended 31 December 2022	Year Ended 31 December 2021
I. Total operating income		744,062,883,284.04	779,845,786,393.56
Including: Operating income		720,987,528,302.03	759,914,635,560.08
Interest income		20,764,793,390.44	17,727,046,686.11
Premiums earned			
Fee and commission income		2,310,561,591.57	2,204,104,147.37
II. Total operating costs		734,680,808,483.92	770,749,730,281.51
Including: Operating costs		651,700,777,153.06	686,742,792,553.92
Interest expenses		3,416,411,546.88	3,732,073,382.23
Fee and commission expenses		1,191,002,745.55	893,020,210.55
Surrenders			
Claims and policyholder benefits (net of amounts recoverable from reinsurers)			
Changes in insurance contract reserves (net of reinsurers' share)			
Insurance policyholder dividends			
Expenses for reinsurance accepted			
Taxes and levies		5,289,321,988.08	5,540,535,141.75
Selling expenses		30,175,402,864.14	29,505,101,466.14
Administrative expenses		25,641,378,773.93	24,103,526,327.66
Research and development expenses		18,030,919,437.98	19,668,497,536.95
Financial expenses		-764,406,025.70	564,183,662.31
Including: Interest expenses		2,706,128,980.08	2,106,125,643.96
Interest income		2,749,031,197.87	2,410,923,781.61
Add: Other income		3,598,800,363.85	3,823,183,406.63
Investment income (Loss is indicated by "-")		14,702,760,569.11	27,164,405,587.23
Including: Income from investments in associates and joint ventures		10,840,328,091.06	17,366,044,031.14
Income from derecognition of financial assets at amortized cost		789,267,211.97	764,415,851.96
Foreign exchange gains (Loss is indicated by "-")		49,187,747.21	29,790,917.63
Net exposure hedging income (Loss is indicated by "-")			
Gains from changes in fair value (Loss is indicated by "-")		-76,844,825.77	1,737,869,689.54
Credit impairment losses (Loss is indicated by "-")		-2,083,115,241.92	-231,254,043.06
Assets impairment losses (Loss is indicated by "-")		-1,457,907,183.21	-983,363,760.04
Gains from disposal of assets (Loss is indicated by "-")		1,907,270,129.42	810,061,578.31
III. Operating Profit (Loss is indicated by "-")		26,022,226,358.81	41,446,749,488.29
Add: Non-operating income		2,162,525,450.30	469,235,263.06
Less: Non-operating expenses		113,671,344.97	358,325,362.56

IV. Total profit (Total loss is indicated by “-”)		28,071,080,464.14	41,557,659,388.79
Less: Income tax expenses		5,228,427,640.03	7,615,900,531.24
V. Net profit (Net loss is indicated by “-”)		22,842,652,824.11	33,941,758,857.55
(I) Categorized by the continuity of operation			
1. Net profit from continuing operations (Net loss is indicated by “-”)		22,842,652,824.11	33,941,758,857.55
2. Net profit from discontinued operations (Net loss is indicated by “-”)			
(II) Categorized by ownership of equity			
1. Net profit attributable to shareholders of the Company (Net loss is indicated by “-”)		16,117,549,650.39	24,533,097,943.83
2. Profit or loss attributable to minority interests (Net loss is indicated by “-”)		6,725,103,173.72	9,408,660,913.72
VI. Other comprehensive income, net of tax		-3,638,658,328.89	1,415,850,741.11
(I) Other comprehensive income attributable to owners of the Company, net of tax			
1. Other comprehensive income that will not be reclassified subsequently to profit or loss		-3,983,210,829.56	1,258,037,112.59
(1). Changes due to re-measurement of defined benefit plans		181,076,485.54	-79,255,862.72
(2). Other comprehensive income that will not be reclassified subsequently to profit or loss under equity method		32,382,397.01	-164,961.99
(3). Changes in fair value of investments in other equity instruments		-4,196,669,712.11	1,337,457,937.30
(4). Changes in fair value of corporate credit risk			
2. Other comprehensive income that may be reclassified subsequently to profit or loss		733,615,485.48	-312,557,457.24
(1). Other comprehensive income that may be reclassified subsequently to profit or loss under equity method		111,649,509.06	-40,886,873.93
(2). Changes in fair value of other debt investments		156,008.11	105,438,911.50
(3). Financial assets reclassified into other comprehensive income			
(4). Credit impairment provision for other debt investments			
(5). Reserve for cash flow hedges		-7,868,163.72	7,672,670.77
(6). Translation difference of financial statements denominated in foreign currencies		651,417,432.29	-378,390,534.85
(7). Others		-21,739,300.26	-6,391,630.73
(II) Other comprehensive income attributable to minority interests, net of tax		-389,062,984.81	470,371,085.76
VII. Total comprehensive income		19,203,994,495.22	35,357,609,598.66
(I) Total comprehensive income attributable to owners of the Company		12,867,954,306.31	25,478,577,599.18
(II) Total comprehensive income attributable to minority interests		6,336,040,188.91	9,879,031,999.48
VIII. Earnings per share:			

(I) Basic earnings per share (RMB/share)		1.400	2.120
(II) Diluted earnings per share (RMB/share)		1.400	N/A

For business combination involving enterprises under common control incurred in the current period, the net profit of the acquired entity for the period from the beginning of the year to the date of combination was RMB 0; and the net profit of the acquired entity for the prior year was RMB 0.

Head of the Company: Chen Hong
Head of Accounting Department: Gu Xiao Qiong

Chief Financial Officer: Wei Yong

Income Statement of the Company
January 2022 - December 2022

Unit: RMB

Item	Notes	Year Ended 31 December 2022	Year Ended 31 December 2021
I. Operating income		80,900,162,332.18	70,391,603,895.15
Less: Operating costs		78,937,866,024.85	67,031,956,263.16
Taxes and levies		1,281,669,841.29	1,670,076,535.92
Selling expenses		2,302,692,334.33	4,514,648,104.43
Administrative expenses		2,081,405,954.69	2,177,826,517.47
Research and development expenses		2,419,362,873.88	5,987,954,901.06
Financial expenses		-730,969,080.69	-656,082,774.73
Including: Interest expenses		793,606,967.14	449,061,459.72
Interest income		781,725,973.94	1,293,564,452.13
Add: Other income		1,136,028,741.90	1,279,752,405.16
Investment income (Loss is indicated by "-")		18,051,113,449.87	25,412,957,992.09
Including: Income from investments in associates and joint ventures		8,500,320,284.29	9,867,561,273.70
Income from derecognition of financial assets at amortized cost			
Net exposure hedging income (Loss is indicated by "-")			
Gains from changes in fair value (Loss is indicated by "-")		-1,605,248,283.83	581,769,647.64
Credit impairment losses (Loss is indicated by "-")		-40,033,176.28	-46,545,026.13
Assets impairment losses (Loss is indicated by "-")		-731,161,543.64	-43,371,424.26
Gains from disposal of assets (Loss is indicated by "-")		1,865,500,719.16	202,019,670.91
II. Operating profit (Loss is indicated by "-")		13,284,334,291.01	17,051,807,613.25
Add: Non-operating income		552,565,635.30	32,667,422.64
Less: Non-operating expenses		17,794,561.96	20,400,812.37
III. Total profit (Total loss is indicated by "-")		13,819,105,364.35	17,064,074,223.52
Less: Income tax expenses			
IV. Net Profit (Net loss is indicated by "-")		13,819,105,364.35	17,064,074,223.52
(I) Net profit from continuing operations (Net loss is indicated by "-")		13,819,105,364.35	17,064,074,223.52
(II) Net profit from discontinued operations (Net loss is indicated by "-")			
V. Other comprehensive income, net of tax		-2,742,224,222.99	1,145,349,925.79
(I) Other comprehensive income that will not be reclassified subsequently to profit or loss		-2,834,189,190.62	1,176,715,463.22
1. Changes due to re-measurement of defined benefit plans		184,110,372.00	-78,053,612.59
2. Other comprehensive income that will not be reclassified subsequently to profit or loss under equity method			

3. Changes in fair value of investments in other equity instruments		-3,018,299,562.62	1,254,769,075.81
4. Changes in fair value of corporate credit risk			
(II) Other comprehensive income that may be reclassified subsequently to profit or loss		91,964,967.63	-31,365,537.43
1. Other comprehensive income that may be reclassified subsequently to profit or loss under equity method		91,964,967.63	-31,365,537.43
2. Changes in fair value of other debt investments			
3. Financial assets reclassified into other comprehensive income			
4. Credit impairment provision for other debt investments			
5. Reserve for cash flow hedges			
6. Translation difference of financial statements denominated in foreign currencies			
7. Others			
VI. Total comprehensive income		11,076,881,141.36	18,209,424,149.31
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

Head of the Company: Chen Hong
Department: Gu Xiao Qiong

Chief Financial Officer: Wei Yong

Head of Accounting

Consolidated Cash Flow Statement
January 2022 - December 2022

Unit: RMB

Item	Notes	Year Ended 31 December 2022	Year Ended 31 December 2021
I. Cash flows from operating activities:			
Cash receipts from the sale of goods and the rendering of services		533,632,386,813.28	645,327,249,537.97
Net increase in customer deposits and deposits from banks and other financial institutions			665,681,528.32
Net increase in loans from the central bank			
Net increase in taking from banks and other financial institutions			
Cash receipts from premiums under direct insurance contracts			
Decrease in balance with the central bank		2,526,508,345.34	963,532,899.31
Net cash receipts from reinsurance business			
Net cash receipts from policyholders' deposits and investment contract liabilities			
Cash receipts from interest, fees and commissions		20,204,096,110.85	20,741,779,173.73
Net increase in taking from banks		7,974,274,256.63	
Net increase in financial assets sold under repurchase arrangements		1,262,035,627.49	2,193,698,038.21
Net cash receipts from deputy securities trading			
Receipts of tax refunds		11,846,829,998.24	2,585,063,517.98
Other cash receipts relating to operating activities		4,929,540,395.47	11,765,488,212.41
Sub-total of cash inflows from operating activities		582,375,671,547.30	684,242,492,907.93
Cash payments for goods purchased and services received		455,883,729,923.71	526,496,549,613.25
Net decrease in customer deposits and deposits from banks and other financial institutions		17,640,520,562.11	
Net increase in loans and advances to customers		791,247,335.74	7,334,291,442.48
Net increase in balance with the central bank and due from banks and other financial institutions			
Cash payments for claims and policyholders' benefits under direct insurance contracts			
Net decrease in taking from banks			13,574,730,350.28
Net increase in placements with other financial institutions			
Cash payments for interest, fees and commissions		4,607,414,292.43	4,625,093,592.78
Cash payments for insurance policyholder dividends			
Cash payments to and on behalf of employees		37,016,248,740.78	39,027,099,038.75
Payments of various types of taxes		21,070,578,808.27	28,983,306,029.20

Other cash payments relating to operating activities		35,861,391,599.75	42,585,683,687.28
Sub-total of cash outflows from operating activities		572,871,131,262.79	662,626,753,754.02
Net Cash Flow from Operating Activities		9,504,540,284.51	21,615,739,153.91
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments		399,223,677,340.48	485,317,733,962.21
Cash receipts from investment income		16,647,359,249.28	17,527,917,892.71
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		2,418,722,835.70	2,089,185,990.24
Net cash receipts from disposals of subsidiaries and other business entities			1,298,023,235.34
Other cash receipts relating to investing activities			
Net cash receipts for acquisitions of subsidiaries and other business units		756,575,170.19	1,392,629,160.62
Sub-total of cash inflows from investing activities		419,046,334,595.65	507,625,490,241.12
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		22,934,719,144.22	18,742,697,360.70
Net cash payments for disposals of subsidiaries		305,960,195.61	
Cash payments to acquire investments		402,584,438,938.49	490,380,322,037.43
Net increase in pledged loans receivable			
Net cash payments for acquisitions of subsidiaries and other business entities			
Other cash payments relating to investing activities			
Sub-total of cash outflows from investing activities		425,825,118,278.32	509,123,019,398.13
Net Cash Flow from Investing Activities		-6,778,783,682.67	-1,497,529,157.01
III. Cash Flows from Financing Activities:			
Cash receipts from capital contributions		2,733,283,514.41	6,135,340,377.11
Including: Cash receipts from capital contributions from minority shareholders of subsidiaries		2,733,283,514.41	6,135,340,377.11
Cash receipts from borrowings		68,444,371,384.24	47,784,077,262.22
Cash receipts from issue of bonds		20,244,589,787.39	14,130,000,000.00
Other cash receipts relating to financing activities			
Sub-total of cash inflows from financing activities		91,422,244,686.04	68,049,417,639.33
Cash repayments of borrowings		61,489,309,777.24	55,501,204,658.85
Cash payments for distribution of dividends or profits or settlement of interest expenses		17,698,393,708.21	17,206,930,525.83
Including: Payments for distribution of dividends or profits to minority shareholders of subsidiaries		7,172,395,827.61	7,950,645,862.04

Other cash payments relating to financing activities		3,099,157,854.79	11,511,309,285.74
Sub-total of cash outflows from financing activities		82,286,861,340.24	84,219,444,470.42
Net Cash Flow from Financing Activities		9,135,383,345.80	-16,170,026,831.09
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		822,327,486.73	-885,840,552.70
V. Net Increase in Cash and Cash Equivalents		12,683,467,434.37	3,062,342,613.11
Add: Opening balance of cash and cash equivalents		126,909,625,053.67	123,847,282,440.56
VI. Closing Balance of Cash and Cash Equivalents		139,593,092,488.04	126,909,625,053.67

Head of the Company: Chen Hong
Department: Gu Xiao Qiong

Chief Financial Officer: Wei Yong

Head of Accounting

Cash Flow Statement of the Company
January 2022 - December 2022

Unit: RMB

Item	Notes	Year Ended 31 December 2022	Year Ended 31 December 2021
I. Cash flows from operating activities:			
Cash receipts from the sale of goods and the rendering of services		44,571,748,833.82	66,322,987,610.06
Receipts of tax refunds		1,612,696,613.29	
Other cash receipts relating to operating activities		1,707,027,629.13	2,943,831,970.22
Sub-total of cash inflows from operating activities		47,891,473,076.24	69,266,819,580.28
Cash payments for goods purchased and services received		33,683,560,788.58	57,441,740,959.16
Cash payments to and on behalf of employees		5,879,090,742.89	6,056,234,663.73
Payments of various types of taxes		1,881,096,179.07	2,032,338,182.61
Other cash payments relating to operating activities		5,713,013,184.52	6,175,129,074.80
Sub-total of cash outflows from operating activities		47,156,760,895.06	71,705,442,880.30
Net Cash Flow from Operating Activities		734,712,181.18	-2,438,623,300.02
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments		2,458,421,312.16	1,742,885,440.00
Cash receipts from investment income		19,515,914,320.01	25,333,951,619.40
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		1,880,503,191.41	255,170,696.97
Net cash receipts from disposals of subsidiaries and other business entities			
Other cash receipts relating to investing activities			
Sub-total of cash inflows from investing activities		23,854,838,823.58	27,332,007,756.37
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		6,522,426,381.51	4,542,843,383.76
Cash payments to acquire investments		75,146,381,350.98	13,179,379,048.23
Net cash payments for acquisitions of subsidiaries and other business entities			
Other cash payments relating to investing activities			
Sub-total of cash outflows from investing activities		81,668,807,732.49	17,722,222,431.99
Net Cash Flow from Investing Activities		-57,813,968,908.91	9,609,785,324.38
III. Cash Flows from Financing Activities:			
Cash receipts from capital contributions			
Cash receipts from borrowings		17,000,000,000.00	2,500,000,000.00
Other cash receipts relating to financing activities			113,904,351.17

Sub-total of cash inflows from financing activities		17,000,000,000.00	2,613,904,351.17
Cash repayments of borrowings		5,000,600,000.00	
Cash payments for distribution of dividends or profits or settlement of interest expenses		8,564,598,074.13	7,573,249,939.39
Other cash payments relating to financing activities		988,975,921.93	1,619,806,083.47
Sub-total of cash outflows from financing activities		14,554,173,996.06	9,193,056,022.86
Net Cash Flow from Financing Activities		2,445,826,003.94	-6,579,151,671.69
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		1,153,734.79	-24,071,747.27
V. Net Increase in Cash and Cash Equivalents		-54,632,276,989.00	567,938,605.40
Add: Opening balance of cash and cash equivalents		80,238,577,046.95	79,670,638,441.55
VI. Closing Balance of Cash and Cash Equivalents		25,606,300,057.95	80,238,577,046.95

Head of the Company: Chen Hong
Department: Gu Xiao Qiong

Chief Financial Officer: Wei Yong

Head of Accounting

Consolidated Statement of Changes in Owners' Equity
January 2022 - December 2022

Unit: RMB

Item	2022													Minority interests	Total owners' equity
	Attributable to owners of the Company											Subtotal			
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings		Others		
	Preference shares	Perpetual bonds	Others												
I. Balance as at 31 December 2021	11,683,461,365.00				56,539,992,737.93	2,778,609,178.04	14,078,764,959.98	825,427,615.49	40,843,171,648.51	3,822,509,268.70	148,758,956,883.06		273,773,675,300.63	54,997,055,254.47	328,770,730,555.10
Add: Changes in accounting policies															
Corrections of prior period errors															
Business combination involving enterprises under common control															
Others															
II. Balance as at 1 January 2022	11,683,461,365.00				56,539,992,737.93	2,778,609,178.04	14,078,764,959.98	825,427,615.49	40,843,171,648.51	3,822,509,268.70	148,758,956,883.06		273,773,675,300.63	54,997,055,254.47	328,770,730,555.10
III. Changes for the period (Decrease is indicated by "-")					1,356,393,385.64	969,165,378.65	-3,272,120,691.10	97,144,578.08		99,297,958.47	8,148,300,794.37		5,459,850,646.81	2,069,655,742.77	7,529,506,389.58
(I) Total comprehensive income							-3,249,595,344.08				16,117,549,650.39		12,867,954,306.31	6,336,040,188.91	19,203,994,495.22
(II) Owners' contributions and reduction in capital						969,165,378.65							-969,165,378.65	707,517,770.08	-261,647,608.57
1. Ordinary shares from owners														707,517,770.08	707,517,770.08
2. Capital contribution from other equity instrument holders															
3. Share-based payment recognized in owners' equity															
4. Others						969,165,378.65							-969,165,378.65		-969,165,378.65
(III) Profit distribution										99,297,958.47	-7,991,774,203.04		-7,892,476,244.57	-6,587,085,452.65	-14,479,561,697.22
1. Transfer to surplus reserve															
2. Transfer to general risk reserve										99,297,958.47	-99,297,958.47				
3. Distribution to owners (or shareholders)											-7,846,983,360.12		-7,846,983,360.12	-6,527,252,379.44	-14,374,235,739.56
4. Others											-45,492,884.45		-45,492,884.45	-59,833,073.21	-105,325,957.66
(IV) Transfers within owners' equity															
1. Capitalization of capital reserve (or share capital)															
2. Capitalization of surplus reserve (or share capital)															
3. Loss offset by surplus reserve															
4. Transfer of retained earnings due to changes in defined benefit plans															
5. Transfer of changes in other comprehensive income to retained earnings															

SAIC MOTOR ANNUAL REPORT 2022

6. Others															
(V) Special reserve								97,144,578.08					97,144,578.08	15,370,660.01	112,515,238.09
1. Transfer to special reserve in the period								140,814,792.19					140,814,792.19	54,472,646.48	195,287,438.67
2. Amount utilized in the period								-43,670,214.11					-43,670,214.11	-39,101,986.47	-82,772,200.58
(VI) Others					1,356,393,385.64		-22,525,347.02					22,525,347.02	1,356,393,385.64	1,597,812,576.42	2,954,205,962.06
IV. Balance as at 31 December 2022	11,683,461,365.00				57,896,386,123.57	3,747,774,556.69	10,806,644,268.88	922,572,193.57	40,843,171,648.51	3,921,807,227.17	156,907,257,677.43		279,233,525,947.44	57,066,710,997.24	336,300,236,944.68

SAIC MOTOR ANNUAL REPORT 2022

Item	2021														
	Attributable to owners of the Company												Minority interests	Total owners' equity	
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Others			Subtotal
	Preference shares	Perpetual bonds	Others												
I. Balance as at 31 December 2020	11,683,461,365.00				57,027,070,037.48	2,039,625,809.24	13,335,554,649.53	723,680,916.08	40,843,171,648.51	3,565,625,236.06	134,964,016,372.01		260,102,954,415.43	49,938,357,468.15	310,041,311,883.58
Add: Changes in accounting policies											-180,113,149.49		-180,113,149.49	-199,287,770.88	-379,400,920.37
Corrections of prior period errors															
Business combination involving enterprises under common control															
Others															
II. Balance as at 1 January 2021	11,683,461,365.00				57,027,070,037.48	2,039,625,809.24	13,335,554,649.53	723,680,916.08	40,843,171,648.51	3,565,625,236.06	134,783,903,222.52		259,922,841,265.94	49,739,069,697.27	309,661,910,963.21
III. Changes for the period (Decrease is indicated by "-")					-487,077,299.55	738,983,368.80	743,210,310.45	101,746,699.41		256,884,032.64	13,975,053,660.54		13,850,834,034.69	5,257,985,557.20	19,108,819,591.89
(I) Total comprehensive income							945,479,655.35				24,533,097,943.83		25,478,577,599.18	9,879,031,999.48	35,357,609,598.66
(II) Owners' contributions and reduction in capital						738,983,368.80							-738,983,368.80	3,252,923,785.98	2,513,940,417.18
1. Ordinary shares from owners														3,252,923,785.98	3,252,923,785.98
2. Capital contribution from other equity instrument holders															
3. Share-based payment recognized in owners' equity															
4. Others						738,983,368.80							-738,983,368.80		-738,983,368.80
(III) Profit distribution										256,884,032.64	-7,484,026,727.89		-7,227,142,695.25	-6,912,448,704.33	-14,139,591,399.58
1. Transfer to surplus reserve															
2. Transfer to general risk reserve										256,884,032.64	-256,884,032.64				
3. Distribution to owners (or shareholders)											-7,176,685,655.90		-7,176,685,655.90	-6,849,612,770.47	-14,026,298,426.37
4. Others											-50,457,039.35		-50,457,039.35	-62,835,933.86	-113,292,973.21
(IV) Transfers within owners' equity															
1. Capitalization of capital reserve (or share capital)															
2. Capitalization of surplus reserve (or share capital)															
3. Loss offset by surplus reserve															
4. Transfer of retained earnings due to changes in defined benefit plans															
5. Transfer of changes in other comprehensive income to retained earnings															
6. Others															
(V) Special reserve								101,746,699.41					101,746,699.41	20,265,208.72	122,011,908.13

SAIC MOTOR ANNUAL REPORT 2022

1. Transfer to special reserve in the period							132,046,979.67					132,046,979.67	42,678,702.12	174,725,681.79
2. Amount utilized in the period							30,300,280.26					30,300,280.26	22,413,493.40	52,713,773.66
(VI) Others				-487,077,299.55		-202,269,344.90				-3,074,017,555.40		-3,763,364,199.85	-981,786,732.65	-4,745,150,932.50
IV. Balance as at 31 December 2021	11,683,461,365.00			56,539,992,737.93	2,778,609,178.04	14,078,764,959.98	825,427,615.49	40,843,171,648.51	3,822,509,268.70	148,758,956,883.06		273,773,675,300.63	54,997,055,254.47	328,770,730,555.10

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

Statement of Changes in Owners' Equity of the Company
January 2022 - December 2022

Unit: RMB

Item	2022										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total owners' equity
		Preference shares	Perpetual bonds	Others							
I. Balance as at 31 December 2021	11,683,461,365.00				65,129,333,550.92	2,778,609,178.04	10,916,623,434.59		40,843,171,648.51	91,175,250,909.68	216,969,231,730.66
Add: Changes in accounting policies											
Corrections of prior period errors											
Others											
II. Balance as at 1 January 2022	11,683,461,365.00				65,129,333,550.92	2,778,609,178.04	10,916,623,434.59		40,843,171,648.51	91,175,250,909.68	216,969,231,730.66
III. Changes for the period (Decrease is indicated by "-")						969,165,378.65	-2,742,224,222.99			5,972,122,004.23	2,260,732,402.59
(I) Total comprehensive income							-2,742,224,222.99			13,819,105,364.35	11,076,881,141.36
(II) Owners' contributions and reduction in capital						969,165,378.65					-969,165,378.65
1. Ordinary shares from owners											
2. Capital contribution from other equity instrument holders											
3. Share-based payment recognized in owners' equity											
4. Others						969,165,378.65					-969,165,378.65
(III) Profit distribution										-7,846,983,360.12	-7,846,983,360.12
1. Transfer to surplus reserve											
2. Distribution to owners (or shareholders)										-7,846,983,360.12	-7,846,983,360.12
3. Others											
(IV) Transfers within owners' equity											
1. Capitalization of capital reserve (or share capital)											
2. Capitalization of surplus reserve (or share capital)											
3. Loss offset by surplus reserve											
4. Transfer of retained earnings due to changes in defined benefit plans											
5. Transfer of changes in other comprehensive income to retained earnings											
6. Others											
(V) Special reserve											
1. Transfer to special reserve in the period											
2. Amount utilized in the period											
(VI) Others											
IV. Balance as at 31 December 2022	11,683,461,365.00				65,129,333,550.92	3,747,774,556.69	8,174,399,211.60		40,843,171,648.51	97,147,372,913.91	219,229,964,133.25

SAIC MOTOR ANNUAL REPORT 2022

Item	2021										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total owners' equity
		Preference shares	Perpetual bonds	Others							
I. Balance as at 31 December 2020	11,683,461,365.00				65,129,333,550.92	2,039,625,809.24	9,771,273,508.80		40,843,171,648.51	81,287,862,342.06	206,675,476,606.05
Add: Changes in accounting policies											
Corrections of prior period errors											
Others											
II. Balance as at 1 January 2021	11,683,461,365.00				65,129,333,550.92	2,039,625,809.24	9,771,273,508.80		40,843,171,648.51	81,287,862,342.06	206,675,476,606.05
III. Changes for the period (Decrease is indicated by "-")						738,983,368.80	1,145,349,925.79			9,887,388,567.62	10,293,755,124.61
(I) Total comprehensive income							1,145,349,925.79			17,064,074,223.52	18,209,424,149.31
(II) Owners' contributions and reduction in capital						738,983,368.80					-738,983,368.80
1. Ordinary shares from owners											
2. Capital contribution from other equity instrument holders											
3. Share-based payment recognized in owners' equity											
4. Others						738,983,368.80					-738,983,368.80
(III) Profit distribution										-7,176,685,655.90	-7,176,685,655.90
1. Transfer to surplus reserve											
2. Distribution to owners (or shareholders)										-7,176,685,655.90	-7,176,685,655.90
3. Others											
(IV) Transfers within owners' equity											
1. Capitalization of capital reserve (or share capital)											
2. Capitalization of surplus reserve (or share capital)											
3. Loss offset by surplus reserve											
4. Transfer of retained earnings due to changes in defined benefit plans											
5. Transfer of changes in other comprehensive income to retained earnings											
6. Others											
(V) Special reserve											
1. Transfer to special reserve in the period											
2. Amount utilized in the period											
(VI) Others											
IV. Balance as at 31 December 2021	11,683,461,365.00				65,129,333,550.92	2,778,609,178.04	10,916,623,434.59		40,843,171,648.51	91,175,250,909.68	216,969,231,730.66

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

III. THE COMPANY'S PROFILE

1. General

√Applicable □N/A

SAIC Motor Corporation Limited (hereinafter referred to as the "Company") is a limited liability company exclusively initiated by Shanghai Automotive Industry (Group) Co., Ltd. (formerly known as "Shanghai Automotive Industry Corporation (Group)", which was changed to Shanghai Automotive Industry (Group) Co., Ltd. on 14 February 2022, hereinafter referred to as "SAIC (Group)") as approved by [1997] No. 41 Document issued by Shanghai Municipal People's Government and Hu Zheng Si [1997] No. 104 Document issued by Shanghai Securities Management Office in August 1997. The credibility code is 91310000132260250X, and the operating period is infinite. On 7 November 1997, as approved by China Securities Regulatory Commission (hereinafter referred to as "CSRC") with Zheng Jian Fa Zi [1997] No. 500, the Company issued the domestic shares that were listed in China (A Share) to the public for trading in the market, with the stock code of 600104.

After the establishment, the Company has undertaken quite a few equity transactions. As at 31 December 2015, the Company's total share capital was RMB 11,025,566,629.00 in 11,025,566,629 shares, of which SAIC (Group) held 8,191,449,931 shares, accounting for 74.30% of the total shares, and remaining shares held by the public were 2,834,116,698 shares, accounting for 25.70% of the total shares.

Proposal concerning the Company's non-public issuance of A shares was approved in the 4th meeting of the sixth session of the Board held on 5 November 2015 and the 1st extraordinary general meeting in 2015 and authorized by Shanghai State-owned Assets Supervision and Administration Commission with "Reply to SAIC Motor Corporation Limited's Non-public Issuance of A Shares " (Hu Guo Zi Wei Chan Quan [2015] No. 484) and China Securities Regulatory Commission with "Approval of the Non-public Issuance of Shares of SAIC Motor Corporation Limited." (Zheng Jian Xu Ke [2016] No. 2977), the Company was approved to issue no more than 1,056,338,028 shares (the "Issuance") of non-public issuance of A shares in RMB. The final price of the Issuance is RMB 22.80 per share at a par value of RMB 1 per share which was subscribed by cash. As at 19 January 2017, the Company actually issued ordinary shares in RMB (A Share) of 657,894,736 shares at the price of RMB 22.80 per share with a par value of RMB 1 per share to raise funds of RMB 14,999,999,980.80 in total, of which SAIC (Group) subscribed 131,578,947 shares. After the non-public issuance of A shares, the Company held a total of 11,683,461,365 shares.

According to Shanghai State-owned Assets Supervision and Administration Commission's "Reply on Free Transfer of Some State-owned Shares Held by Shanghai Automotive Industry Corporation (Group) in SAIC Motor Corporation Limited (Hu Guo Zi Wei Chan Quan [2021] No. 161), SAIC (Group) signed an agreement on the free transfer of state-owned shares with Shanghai International Group on 22 April 2021, under which 418,267,917 shares of the Company held by SAIC were transferred to Shanghai International Group and the free transfer procedures were completed on 14 July 2021.

On 4 May 2022, the Company received a letter of notification from SAIC (Group) regarding its proposed plan to increase A shares of the Company. Based on its confidence in the future development prospects and the recognition of the long-term investment value of the Company, SAIC (Group) planned to increase shares of the Company with its own funds through the means permitted by SSE within six months from 5 May 2022. As at 4 November 2022, the increase plan was completed. From 5 May 2022 to 4 November 2022, SAIC (Group) accumulatively increased 98,668,318 shares of the Company through the trading system of SSE which accounted for 0.84% of the Company's total share capital, and the accumulated amount for the share increase amounted to RMB 1,600,394,197.64 (excluding transaction costs).

According to the Reply of Shanghai State-owned Assets Supervision and Administration Commission on Free Transfer of Some State-owned Shares Held by Shanghai Automotive Industry (Group) Co., Ltd. in SAIC Motor Corporation Limited (Hu Guo Zi Wei Chan Quan [2022] No.227), SAIC (Group) signed an agreement on the free transfer of state-owned shares with China COSCO SHIPPING Corporation Limited on 9 October 2022, under which 679,420,000 shares of the Company held by SAIC were transferred to China COSCO SHIPPING Corporation Limited and the free transfer procedures were completed on 14 November 2022.

As at 31 December 2022, the Company's total share capital was RMB 11,683,461,365.00 in 11,683,461,365 shares, of which SAIC (Group) held 7,324,009,279 shares, accounting for 62.69% of the total shares. The Company repurchased 188,183,861 shares through centralized bidding, accounting for 1.61% of the total shares; and there were 4,171,268,225 shares held by other public shareholders, accounting for 35.70% of the total shares.

The business scope of the Company includes manufacturing and sales of automobiles, motorcycles, tractors and other motor vehicles, machinery equipment, assembly and automobile parts, domestic trading (except those under special provisions), advisory services, sale of vehicles, assembly and components and parts in an e-commerce manner, technical service in the field of science and technology, export of self-manufactured products and technology, import of machinery and equipment, spare parts, raw and supplementary materials, and technology needed in the business operating (except goods and technology forbidden to import and export by Chinese government), rental of cars and machinery and equipment, industrial investment, periodical publishing, advertisements in the Company's own media, import and export business of goods and technology (Any item that requires to be approved by law can only be carried out after approval by relevant authorities).

The Company's parent company is SAIC (Group), which is a state-owned enterprise supervised by Shanghai SASAC.

2. Scope of the consolidated financial statements

Applicable N/A

Refer to Note (IX) "Interests in other entities" for details of the scope of the Company's consolidated financial statements for the year. Refer to note (VIII) "Changes in the scope of consolidation" for details of changes in the scope of consolidation during the year.

IV. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

Basis of preparation

The Company and its subsidiaries (hereinafter collectively referred to as the "Group") adopt Accounting Standards for Business Enterprises (hereinafter referred to as "ASBEs") and other related regulations issued and enforced by the Ministry of Finance of the People's Republic of China. In addition, the Group discloses financial information in accordance with "Information Disclosure and Preparation and Reporting Rules for Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reporting (Revised in 2014)".

Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for certain financial instruments which are measured at fair value, the Company has adopted the historical cost as the principle of measurement of the financial statements. Where assets are impaired, provisions for asset impairment are made in accordance with relevant requirements.

Under the basis of historical cost, assets are measured by amount of cash or cash equivalents paid for purchase or fair value of paid consideration. Liabilities are measured by funds or amount of assets received by current obligation or amount of contract, or anticipated cash and cash equivalents paid for repayment of liabilities in daily routines.

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, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and disclosure purposes in the financial statements is determined on such a basis.

In measuring a non-financial asset at fair value, market participants' ability of generating economic benefits by

making the best use of the assets or the ability of generating economic benefits by selling the assets to other market participants who can make the best use of the assets should be taken into consideration.

For a financial asset for which the transaction price is recognized as fair value upon initial recognition and using an valuation technique involving unobservable inputs when it is subsequently measured at fair value, the valuation technique should be rectified during the course of valuation so as to make the results of initial recognition determined by the valuation technique equal to the transaction price.

Fair value measurements are categorized into 3 levels based on the degree to which the inputs to the fair value measurements are observable and the significances of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2. Going concern

Applicable N/A

The Group assessed its ability to continue as a going concern for the 12 months from 31 December 2022 and did not notice any events or circumstances that may cast significant doubt upon its ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Tips on specific accounting policies and accounting estimates:

Applicable N/A

1. Statement of compliance with ASBEs

The financial statements of the Company have been prepared in accordance with ASBEs, and present truly and completely, the Company's and consolidated financial position as at 31 December 2022, and the Company's and consolidated results of operations and cash flows for the year then ended.

2. Accounting period

The Company has adopted the calendar year as its accounting year, i.e. from 1 January to 31 December.

3. Operating cycle

Applicable N/A

Operating cycle is the period from purchasing assets for processing to realizing cash and cash equivalents. The operating cycle of the Group is usually about 12 months.

4. Functional currency

The Company adopts Renminbi (“RMB”) as its functional currency.

RMB is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The

Company's foreign subsidiaries determine their functional currencies in accordance with the currencies in the primary economic environment where they operate. The Company adopts RMB to prepare its financial statements.

5. Accounting treatment of business combinations involving and not involving enterprises under common control

Applicable N/A

Business combinations are classified into business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

5.1 Business combination involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities obtained shall be measured at their respective carrying amounts as recorded by the combining entities at the date of the combination. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination is adjusted to the share premium in capital reserve. If the share premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss in the period in which they are incurred.

5.2 Business combination not involving enterprises under common control and goodwill

A business combination not involving enterprises under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. Where a business combination not involving enterprises under common control is achieved in stages that involve multiple transactions, the cost of combination is the sum of the consideration paid at the acquisition date and the fair value at the acquisition date of the acquirer's previously held interest in the acquiree. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other associated administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities, acquired by the acquirer in a business combination, that meet the recognition criteria shall be measured at fair value at the acquisition date.

6. Preparation of consolidated financial statements

Applicable N/A

The scope of consolidation in the consolidated financial statements is determined on the basis of control. Control is the power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. If changes of related facts and situations lead to changes of related elements of control, the Group will undertake reassessment.

The combination of subsidiaries begins with controlling the subsidiary by the Group, and ends with the Group's losing control of the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

Influence over the consolidated financial statements arising from significant intra-group transactions are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "minority interests" in the consolidated balance sheet within shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to minority shareholders is presented as "profit or loss attributable to minority shareholders" in the consolidated income statement below the "net profit" line item.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount are still allocated against minority interests.

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Company's interests and minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or receipts is adjusted to capital reserve under shareholders' equity. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

For the stepwise acquisition of equity interest till acquiring control after a few transactions and leading to business combination not under common control, this should be dealt with for whether this belongs to 'package deal': if it belongs to 'a bundled transaction', transactions will be dealt as transaction to acquire control. If it does not belong to 'a bundled transaction', transactions to acquire control on acquisition date will be under accounting treatment, the fair value of acquiree's shares held before acquisition date will be revalued, and the difference between fair value and book value will be recognized in profit or loss of current period; if acquiree's shares held before acquisition date involve in changes of other comprehensive income and other equity of owners under equity method, other comprehensive income and other owners' equity related are accounted for using the same basis as the direct disposal of related assets or liabilities by the acquiree.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between (i) the aggregate of the consideration received on disposal and the fair value of any retained interest and (ii) the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognized as investment income in the period in which control is lost, and goodwill is offset at the same time. Other comprehensive income associated with equity investment in the former subsidiary is accounted for using the same basis as the direct disposal of related assets or liabilities by the subsidiary when the control is lost.

When the Group loses control of a subsidiary in two or more arrangements (transactions), terms and conditions of the arrangements (transactions) and their economic effects are considered. One or more of the following indicate that the Group shall account for the multiple arrangements as a single transaction: (i) they are entered into at the same time or in contemplation of each other; (ii) they form a single transaction designed to achieve an overall commercial effect; (iii) the occurrence of one arrangement is dependent on the occurrence of at least one other arrangement; (iv) one arrangement considered on its own is not economically justified, but it is economically justified when considered together with other arrangements. If the transactions of disposal of equity interest of a subsidiary are assessed as a single transaction, these transactions are accounted for as one transaction of disposal of a subsidiary. Before losing control, the difference of consideration received on disposal and the share of net assets of the subsidiary continuously calculated from acquisition date is recognized as other comprehensive income. When losing control, the cumulated other comprehensive income is transferred to profit or loss of the period of losing control. If the transactions of disposal of equity investment of a subsidiary are not assessed as a single transaction, these transactions are accounted for as unrelated transactions.

Special purpose trust

The Group establishes a special purpose trust (structured entity) to satisfy the need of specific businesses. The Group will assess the nature of the relationship with the special purpose trust and relevant risks and rewards to determine whether the Group has control over the special purpose trust. During the above assessment, the Group make the judgement on whether it obtains control over special purpose trust based on all relevant facts and circumstances. Once the elements involved in the definition of control changes due to changes in relevant facts and circumstances, the Group will make a reassessment. Relevant facts and circumstances include: (1) Motivation for establishing special purpose trust; (2) Activities related to the special purpose trust and how to make decisions on such activities; (3) Capabilities of the Group to dominate activities related to the special purpose trust which depends on the rights enjoyed by the Group; (4) Possibility of enjoying variable returns by participating activities related to the special purpose trust; (5) Capabilities of the Group to affect the return amount by using its power on the invested entities; (6) Relationship between the Group and other parties. If the results of the assessment show that the Group obtains control over the special purpose trust, the special purpose trust will be merged by the Group.

7. Classification of joint arrangement and accounting treatment of joint operations

√Applicable N/A

Joint arrangement is classified into joint operation and joint venture, depending on the rights and obligations of the parties to the arrangement, which is assessed by considering the structure and the legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

The Group accounts for investments in joint ventures using equity method. Refer to Note (V) 21.3.2 "Long-term equity investments accounted for using the equity method" for details.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognizes in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting standards applicable to the particular assets, liabilities, revenues and expenses.

When the Group invest or sell assets or others (except that such assets constitute a business), only profit or loss arising from the transaction attributable to parties involved in such joint operation is recognized prior to the resale

of the assets to third parties by joint operations. When there is impairment of the asset investment or sale, the Group recognizes such loss in full.

When the Group purchase assets and other from joint operations (except that such assets constitute a business), only profit or loss arising from the transaction attributable to parties involved in such joint operation is recognized prior to the resale of the assets to third parties. When there is impairment of purchased assets, the Group recognizes losses based on its share.

8. Recognition criteria of cash and cash equivalents

Cash comprises cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term (generally due within three months since purchase date), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

9. Translation of transactions and financial statement denominated in foreign currencies

Applicable N/A

9.1 Transactions denominated in foreign currencies

A foreign currency transaction is recorded, on initial recognition, by applying the spot exchange rate on the date of the transaction.

At the balance sheet date, foreign currency monetary items are translated into RMB using the spot exchange rates at the balance sheet date. Exchange differences arising from the differences between the spot exchange rates prevailing at the balance sheet date and those on initial recognition or at the previous balance sheet date are recognized in profit or loss for the period, except that (i) exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalization are capitalized as part of the cost of the qualifying asset during the capitalization period, (ii) exchange differences related to hedging instruments for the purpose of hedging against foreign currency risks are accounted for using hedge accounting; (iii) exchange differences arising from changes in the carrying amounts (other than the amortized cost) of monetary items classified as at FVTOCI are recognized in other comprehensive income.

When the consolidated financial statements include foreign operation(s), if there is foreign currency monetary item constituting a net investment in a foreign operation, exchange difference arising from changes in exchange rates are recognized as “exchange differences arising on translation of financial statements denominated in foreign currencies” in other comprehensive income, and in profit and loss for the period upon disposal of the foreign operation.

Foreign currency non-monetary items measured at historical cost are translated to the amounts in functional currency at the spot exchange rates on the dates of the transactions and the amounts in functional currency remain unchanged. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes of exchange rate) and is recognized in profit and loss or as other comprehensive income.

9.2 Translation of financial statements denominated in foreign currencies

For the purpose of preparing the consolidated financial statements, financial statements of a foreign operation are translated from the foreign currency into RMB using the following method: assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date, shareholders' equity items except for retained earnings are translated at the spot exchange rates at the dates on which such items arose, all items in the income statement as well as items reflecting the distribution of profits are translated at the spot exchange rates on the dates of the transactions, the opening balance of retained earnings is the translated closing balance of the previous year's retained earnings, the closing balance of retained earnings is calculated and presented on the basis of each translated income statement and profit distribution item. The difference between the translated assets and the aggregate of liabilities and shareholders' equity items is separately presented as the exchange differences arising

on translation of financial statements denominated in other comprehensive income under the shareholders' equity in the balance sheet.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at the spot exchange rate on the date of the cash. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the cash flow statement as "effect of exchange rate changes on cash and cash equivalents".

The opening balances and the comparative figures of previous year are presented at the translated amounts in the previous year's financial statements.

On disposal of the Group's entire interest in a foreign operation, or upon a loss of control over a foreign operation due to disposal of certain interest in it or other reasons, the Group transfers the accumulated exchange differences arising on translation of financial statements of this foreign operation attributable to the owners' equity of the Company and presented under shareholders' equity, to profit or loss in the period in which the disposal occurs.

In case of a disposal of part equity investments or other reason leading to lower interest percentage in foreign operations but does not result in the Group losing control over a foreign operation, the proportionate share of accumulated exchange differences arising on translation of financial statements are re-attributed to minority interests and are not recognized in profit and loss. For partial disposals of equity interests in foreign operations which are associates or joint ventures, the proportionate share of the accumulated exchange differences arising on translation of financial statements of foreign operations is reclassified to profit or loss.

10. Financial instruments

Applicable N/A

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

For financial assets purchased or sold in a regular way, the Group recognizes assets acquired and liabilities assumed on a trade date basis, or derecognizes the assets sold on a trade date basis.

Financial assets and financial liabilities are initially measured at fair value. For financial assets and financial liabilities at fair value through profit or loss, transaction costs are immediately recognized in profit or loss. For other financial assets and financial liabilities, transaction costs are included in their initially recognized amounts. Initially recognized accounts receivable that do not contain significant financing components and accounts receivable that the Group decides not to consider a financing component of less than a year in accordance with the Accounting Standards for Business Enterprises No. 14 - Revenue ("Revenue Standards") are initially measured at the transaction price defined by the Revenue Standards.

When the fair value of a financial asset or financial liability is different from the transaction price, no profit or loss is recognized upon the initial recognition of such financial asset or financial liability provided that its fair value is determined based upon neither the quotation of same assets or liabilities in an active market nor the valuation techniques using observable market data.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant accounting period.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability or, where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial asset or financial liability without considering expected credit losses.

The amortized cost of a financial asset or a financial liability is an accumulatively amortized amount arising from the initially recognized amount of the financial asset or the financial liability deducting repaid principals plus or less

amortization of balances between the initially recognized amount on initial recognition and the amount on maturity date using the effective interest method, and then deducting accumulated provisions for losses (only applicable to financial assets).

10.1 Classification, recognition and measurement of financial assets

Subsequent to initial recognition, the Group's financial assets of various categories are subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, the Group shall classify the financial asset into the financial asset measured at amortized cost. Such type of financial assets is presented as debt investments or long-term receivables by nature if the maturity is over one year since acquisition date; or presented under non-current assets due within one year if the maturity is within one year (inclusive) since the balance sheet date; or presented under cash and bank balances, notes receivable, accounts receivable, other receivables or other current assets by nature if the maturity is within one year (inclusive) since acquisition date.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, the Group shall classify the financial asset into the financial assets at FVTOCI. Such type of financial assets is presented as other debt investments if the maturity is over one year since acquisition date; or presented under non-current assets due within one year if the maturity is within one year (inclusive) since the balance sheet date; the accounts receivable and notes receivable classified as at FVTOCI upon acquisition are presented under financing with receivables, while the remaining items due within one year (inclusive) upon acquisition are presented under other current assets.

Upon initial recognition, the Group irrevocably designates non-held-for-trading equity instrument investment except contingent considerations recognized in the business combination not under the same control as financial assets at fair value through other comprehensive income. Such type of financial assets is presented as investments in other equity instruments.

Financial assets meeting one of the following requirements indicate that the financial assets held by the Group are for trading:

- The obtaining of relevant financial assets is mainly for the purpose of sale in the near future;
- Relevant financial assets are part of the identifiable financial instrument combination under centralized management upon initial recognition and there is objective evidence indicating that recently there exists a short-term profit model;
- Relevant financial assets are derivatives, excluding derivatives following the definition of financial guarantee contracts as well as derivatives designated as effective hedging instruments.

Financial assets at FVTPL include financial assets at FVTPL and those designated as at FVTPL:

- Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are categorized into financial assets measured at FVTPL.
- On initial recognition, the Group may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

The financial assets at FVTPL are presented under held-for-trading financial assets. Where the financial assets are due after one year (or without fixed maturity) and expected to be held for more than one year, they are presented under other non-current financial assets.

10.1.1 Financial assets measured at amortized cost

Financial assets at amortized cost are measured subsequently at amortized cost using the effective interest method. Gains or losses arising from impairment or derecognition are recorded to profit or loss for the period.

The Group recognizes interest income for financial assets measured at amortized cost using the effective interest method. The Group determines the interest income by multiplying the carrying amount of financial assets by effective rate except the following situations:

- For purchased or original credit-impaired financial assets, the Group recognizes their interest income based on amortized cost and credit-adjusted effective interest rate of such financial assets since initial recognition.
- For purchased or original financial assets without credit impairment but subsequently becoming credit-impaired, the Group subsequently recognizes their interest income based on amortized costs and effective interest rate of such financial assets. If there exists no credit impairment due to improvement in credit risk of the financial instruments subsequently and the improvement is relevant to an event incurred subsequent to the application of above provisions, the Group recognizes interest income based on applying effective interest rate to carrying amount of the financial assets.

10.1.2 Financial assets classified as at fair value through other comprehensive income (FVTOCI)

Except that gains or losses on impairment relating to financial assets at fair value through other comprehensive income, interest income calculated using effective interest rate and exchange gains or losses are recognized in profit or loss for the period, changes in fair value in the above financial assets are included in other comprehensive income. The amount of the financial assets included into profit or loss of each period shall be regarded as equal as the amount measured at amortized cost through profit or loss over each period. Upon derecognition of the financial assets, cumulative gains or losses previously recognized in other comprehensive income are transferred and reclassified into profit or loss for the period.

The changes in fair value of non-held-for-trading equity investments designated as at fair value through other comprehensive income are included in retained earnings. Upon derecognition of the financial asset, cumulative gains or losses previously recognized in other comprehensive income are transferred and included in retained earnings. During the period for which the Group holds the investments in the non-held-for-trading equity instruments, dividend income is recognized and included in profit or loss for the period when 1) the Group's right to collect dividend has been established; 2) it is probable that economic benefits associated with dividend will flow to the Group; and 3) the amount of dividend can be reliably measured.

10.1.3 Financial assets classified as at fair value through profit or loss

Financial assets at fair value through profit or loss are measured subsequently at fair value with gains or losses arising from changes in the fair value and dividend and interest income relevant to the financial assets are recorded to profit or loss for the period.

10.2 Impairment of financial assets

For financial asset at amortized cost, financial assets classified as at FVTOCI, contract assets, lease receivables and financial liabilities that are not at FVTPL and financial guarantee contracts that are not qualified for derecognition due to the transfer of financial assets or financial liabilities arising from continuing involvement of the transferred financial assets, the Group accounts for the impairment and recognizes the provision for losses on the basis of expected credit loss ("ECL").

For notes receivable, receivables and contract assets arising from transactions regulated by Revenue Standards, and lease receivables arising from transactions regulated by the *Accounting Standards for Business Enterprises No. 21 - Lease*, the Group recognizes the provision for losses at an amount equivalent to the lifetime ECL.

For other financial instruments, except for purchased or original credit-impaired financial assets, at each balance sheet date, the Group assesses changes in credit risk of relevant financial instruments since initial recognition. If the credit risk of the above financial instruments has increased significantly since initial recognition, the Group measures loss allowance based on the amount of lifetime ECL; if credit risk of the financial instrument has not increased significantly since initial recognition, the Group recognizes loss allowance based on 12-month ECL of the

financial instrument. Increase in or reversal of credit loss allowance is included in profit or loss as loss/gain on impairment, except for financial assets classified as at fair value through other comprehensive income. The Group recognizes credit loss allowance for financial assets at FVTOCI in other comprehensive income and recognizes loss/gain on impairment in profit or loss for the period, without reducing the carrying amount of the financial assets presented in the balance sheet.

The Group measured loss allowance at the lifetime ECL of the financial instruments in the prior accounting period. However, as at the balance sheet date for the current period, for the above financial instruments, due to failure to qualify as significant increase in credit risk since initial recognition, the Group measures loss allowance for the financial instrument at 12-month ECL at the balance sheet date for the current period. Relevant reversal of loss allowance is included in profit or loss as gain on impairment.

10.2.1 Significant increase of credit risk

The Group uses reasonable and supportable forward-looking information to assess whether the credit risk has increased significantly since initial recognition by comparing the risk of a default occurring on the financial instrument at the balance sheet date with the risk of a default occurring on the financial instrument at the date of initial recognition. For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.

The Group will take the following factors into consideration when assessing whether credit risk has increased significantly:

- (1) Significant changes in internal price indicators of credit risk as a result of a change in credit risk;
- (2) Significant change in the interest rate or other terms (e.g. stricter contract terms, increase of guarantees or collaterals or higher rate of return etc.) of the financial instrument, where the existing financial instrument is a new financial instrument originated or issued at the balance sheet date;
- (3) Significant changes in external market indicators of the same financial instrument or similar financial instruments with the same estimated lifetime. These indicators include: credit spread, credit-default-swap prices for borrowers, the length of time and extent to which the fair value of the financial assets is below its amortized cost, other market information relating to the borrower (such as the changes in prices of the debt instrument or equity instrument of the borrower);
- (4) Actual or expected significant changes in external ratings of the financial instrument;
- (5) Actual or expected downwards grading of internal credit ratings of the debtor;
- (6) Adverse changes in business, financial or economic conditions that are expected to cause a significant change in the debtor's ability to meet its debt obligations;
- (7) An actual or expected significant change in the operating results of the debtor;
- (8) Significant changes in credit risk of other financial instruments issued by the same debtor;
- (9) Significant adverse change in the regulatory, economic, or technological environment of the debtor;
- (10) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements, which are expected to reduce the debtor's economic incentive to make scheduled contractual payments or to otherwise have an effect on the probability of a default occurring;
- (11) Significant changes in circumstances expected to reduce the debtor's economic incentive to make scheduled contractual payments;
- (12) Expected changes in the loan documentation including an expected breach of contract that may lead to covenant waivers or amendments, interest payment holidays, interest rate step-ups, requiring additional collateral or guarantees, or other changes to the contractual framework of the financial instruments;
- (13) Significant changes in the expected performance and behavior of the debtor;
- (14) Changes in the Group's credit management approach in relation to the financial instrument.

No matter whether the credit risk is increased significantly after above assessment, it indicates that the credit risk of such financial instrument has been increased significantly if it lasts over 30 (inclusive) days after the overdue payment of the financial instrument contract.

At balance sheet date, if the Group judges that the financial instruments solely has lower credit risk, the Group will assume that the credit risk of the financial instruments has not been significantly increased since initial recognition.

If the risk of default on financial instruments is low, the borrower's ability to meet its contractual cash flow obligations in the short term is strong, and even if the economic situation and operating environment are adversely changed over a long period of time, it may not necessarily reduce the borrower's ability to fulfill its contractual cash flow obligations, the financial instrument is considered to have a lower credit risk.

10.2.2 Credit-impaired financial assets

When the Group expected occurrence of one or more events which may cause adverse impact on future cash flows of a financial asset, the financial asset will become a credit-impaired financial assets. Objective evidence that a financial asset is impaired includes the following observable events:

- (1) Significant financial difficulty of the issuer or debtor;
- (2) A breach of contract by the debtor, such as a default or delinquency in interest or principal payments;
- (3) The creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting a concession to the debtor;
- (4) It becoming probable that the debtor will enter bankruptcy or other financial reorganizations;
- (5) The disappearance of an active market for that financial asset because of financial difficulties of the issuer or the debtor;
- (6) Purchase or originate a financial asset with a large scale of discount, which reflects facts of credit loss incurred.

Based on the internal credit risk management of the Group, the Group considers that a default event happens if the financial instrument debtor cannot make a repayment fully to the debtors including the Group (irrespective of any guarantee obtained by the Group) according to internal suggestions or external information.

10.2.3 Determination of expected credit loss

The Group determines the ECL of other receivables and accounts receivable with high risks on an individual basis. For notes receivable, accounts receivable, contract assets, financing with receivables, other receivables, other current assets (factoring receivables, short-term loans and short-term entrusted loans), loans and advances, debt investments, other debt investments and long-term receivables, the Group determines the credit loss of relevant financial instruments on a portfolio basis. The Group divides the financial instruments into different groups based on the shared risk characteristics. The shared risk characteristics adopted by the Group include: type of financial instruments, credit risk rating, type of collaterals, initial recognition date, remaining contractual period, industry of the debtor, geographical location of the debtor and the relative value of collaterals to the financial assets etc.

The Group determines the ECL of relevant financial instruments, lease receivables and financial guarantee contracts using the following method:

- For a financial asset and lease receivable, the credit loss is the present value of the difference between the contractual cash flows that are due to the Group under the contract and the cash flows that the Group expects to receive;
- For a financial guarantee contract (please refer to Note (V) 10.4.1.2.1 for specific accounting policies), the credit loss is the present value of the differences between estimated amount paid by the Group for the credit losses incurred by the contract holder and the amount the Group expects to receive from the contract holder, the debtor or any other party;
- For a financial asset with credit-impaired at the balance sheet date, but not purchased or originated credit-impaired, the credit loss is the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The factors reflected in methods of measurement of expected credit losses include an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; time value of money; reasonable and supportable information about past events, current conditions and forecasts on future economic status at balance sheet date without unnecessary additional costs or efforts.

10.2.4 Write-down of financial assets

When the Group no longer reasonably expects that the contractual cash flows of financial assets can be collected in aggregate or in part, the Group will directly write down the carrying amount of the financial asset, which constitutes derecognition of relevant financial assets.

10.3 Transfer of financial assets

The Group will derecognize a financial asset if one of the following conditions is satisfied: (i) the contractual rights to the cash flows from the financial asset expire; (ii) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (iii) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it retains control of the financial asset, the Group will recognize the financial asset to the extent of its continuing involvement in the transferred financial asset and recognize an associated liability. The Group measures relevant liabilities as follows:

- For transferred financial assets carried at amortized cost, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less amortized cost of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of amortized cost of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Relevant liabilities are not designated as financial liabilities at fair value through profit or loss.
- For financial assets carried at fair value, the carrying amount of relevant financial liabilities is the carrying amount of financial assets transferred with continuing involvement less fair value of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of fair value of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Accordingly, the fair value of relevant rights and obligations shall be measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) carrying amount of such financial asset transferred on the derecognition date; and (2) the sum of consideration received from the transfer of such financial asset and the amount of derecognized part in the accumulative changes in fair value that has been recognized in other comprehensive income, is recognized in profit or loss. Where the financial asset transferred by the Group is a non-trading equity instrument designated as at fair value through other comprehensive income, cumulative gains or losses previously recognized in other comprehensive income are transferred and included in retained earnings.

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognized and the part that is derecognized, based on the respective fair values of those parts at the date of transfer. The difference between (1) the carrying amount allocated to the part derecognized on the date of derecognition; and (2) the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated to the part derecognized which has been previously recognized in other comprehensive income, is recognized in profit or loss. Where the financial asset transferred by the Group is a non-trading equity instrument designated as at fair value through other comprehensive income, cumulative gains or losses previously recognized in other comprehensive income are transferred and included in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group will continuously recognize the transferred financial asset in its entirety. Considerations received due to transfer of assets should be recognized as a liability upon receipts.

10.4 Classification of financial liabilities and equity instrument

Financial instruments issued by the Group are classified into financial liabilities or equity instruments on the basis of the substance of the contractual arrangements and the economic nature not only its legal form, together with the definition of financial liability and equity instruments.

10.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

10.4.1.1 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss consist of financial liabilities held for trading (including derivative instruments of financial liabilities) and those designated as at fair value through profit or loss on initial recognition. The financial liabilities at fair value through profit or loss are presented as held-for-trading financial liabilities except for the derivative financial liabilities that are presented individually.

Financial liabilities meet one of the following conditions, indicating that the Group's purpose of undertaking the financial liabilities is transactional:

- The purpose of undertaking relevant financial liabilities is mainly for the recent repurchase;
- The relevant financial liabilities are part of the centrally managed identifiable financial instrument portfolio at initial recognition, and there is objective evidence that there is a short-term profits will presence in the near future;
- Related financial liabilities are derivatives, except for derivatives that meet the definition of a financial guarantee contract and that are designated as effective hedging instruments.

The Group designates a financial liability as at FVTPL upon initial recognition if any of the following criteria is satisfied: (1) such designation may eliminate or significantly reduce accounting mismatch; (2) according to the risk management or investment strategy specified in the Group's formal written documents, the fair value is used as the basis for management and performance assessment for the portfolio of financial liabilities or portfolio of financial assets and liabilities to which the financial liability belongs, meanwhile the management and performance assessment within the Group as well as the reporting to key management personnel are on such basis; (3) qualified hybrid contracts that contain embedded derivative instruments.

Held-for-trading financial liabilities are subsequently measured at fair value, and any gains or losses arising from changes in fair value and any dividend or interest income earned on the financial liabilities are recognized in profit or loss.

The amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income, and upon the derecognition of such liability, the accumulated amount of change in fair value that is attributable to changes in the credit risk of that liability, which is recognized in other comprehensive income, is transferred to retained earnings. Other gains or losses arising from changes in fair value and any dividend or interest income earned on the financial liabilities are recognized in profit or loss. If the impact of the change in credit risk of such financial liability dealt with in the above way would create or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss.

10.4.1.2 Other financial liabilities

Other financial liabilities, except for financial liabilities arising from transfer of financial assets does not satisfy derecognition criteria or continue involvement of transferred financial assets and financial guarantee contracts liability, are subsequently measured at amortized cost, with gain or loss arising from derecognition or amortization recognized in profit or loss.

That the Group and its counterparty modify or renegotiate the contract does not result in derecognition of a financial liability subsequently measured at amortized cost but result in changes in contractual cash flows, the Group will recalculate the carrying amount of the financial liability, with relevant gain or loss recognized in profit or loss. The Group will determine carrying amount of the financial liability based on the present value of renegotiated or modified contractual cash flows discounted at the financial liability's original effective interest rate. For all costs or expenses arising from modification or renegotiation of the contract, the Group will adjust the modified carrying amount of the financial liability and make amortization during the remaining term of the modified financial liability.

10.4.1.2.1 Financial guarantee contracts

A financial guarantee contract is a contract by which the issuer is required to compensate specific amount to the contract holder suffering losses in case the specific debtor fails to settle the debt in accordance with the initial or revised terms of debt instrument when the debt falls due. For a financial guarantee contract that is not a financial liability designated as at FVTPL or a financial liability arising from transfer of financial assets which does not satisfy the criteria of derecognition or continuing involvement in the transferred financial assets, it is subsequently measured at the higher of loss provision and the initially recognized amount net of accumulated amortization recognized under revenue standards.

10.4.2 Derecognition of financial liabilities

The Group derecognizes a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognizes a financial liability or a part of it, it recognizes the difference between the carrying amount of the financial liability (or part of the financial liability) derecognized and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

10.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and written off by the Group are recognized as changes of equity. Change of fair value of equity instruments is not recognized by the Group. Transaction costs related to equity transaction are deducted from equity.

The Group recognizes the distribution to holders of the equity instruments as distribution of profits, and dividends paid do not affect total amount of shareholders' equity.

10.5 Derivatives and embedded derivatives

Derivative financial instruments include forward exchange contracts, interest rate swap contracts and etc. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently re-measured at fair value.

For the hybrid contract comprised of embedded derivatives and master contract, if the master contract belongs to financial assets, the Group shall apply the hybrid contract as a whole to the accounting standards on the classification of financial assets rather than split embedded derivatives from the hybrid contract.

The Group will split the embed derivatives from the hybrid contract to treat as a stand-alone derivative instrument if the master contract included in the hybrid contract does not belong to financial assets, and the following conditions are met:

- (1) The economic characteristics of the embedded derivatives are not closely related to the economic characteristics and risk of the master contract.
- (2) The stand-alone instrument which has the same terms of embedded derivatives conforms to the definition of derivative instruments.
- (3) The hybrid contract is not measured at fair value through profit or loss over the current period.

Where an embedded derivative is split from a hybrid contract, the Group performs accounting treatment for the master contract of the hybrid contract in accordance with applicable accounting standards. Where the Group is unable to measure the fair value of an embedded derivative reliably in accordance with the terms and conditions of the embedded derivative, the fair value of such embedded derivative is determined as the difference between the fair value of the hybrid contract and that of the master contract. Where the fair value of such embedded derivative on the acquisition date or the subsequent balance sheet dates is still unable to be measured separately, the Group

designates the hybrid contract in a whole into the financial instrument at fair value through profit or loss over the current period.

10.6 Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

11. Notes receivable

Determination and accounting methods of expected credit loss of notes receivable

Applicable N/A

12. Accounts receivable

Determination and accounting methods of expected credit loss of accounts receivable

Applicable N/A

13. Financing with receivables

Applicable N/A

The notes receivable classified as at FVTOCI are presented as financing with receivables. Related accounting policies are set out in Note (V) 10.1, 10.2, 10.3.

14. Other receivables

Determination and accounting methods of expected credit loss of other receivables

Applicable N/A

15. Inventories

Applicable N/A

15.1 Categories of inventories

The Group's inventories mainly include raw materials, work-in-progress, finished goods or goods on hand. Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

15.2 Valuation method of inventories upon delivery

The actual cost of inventories upon delivery is calculated using the weighted average method.

Inventories are accounted for using the planned costing method upon delivery. Cost variances are computed at the end of month to adjust planned costs to actual costs.

15.3 Basis for determining net realizable value of inventories and provision methods for decline in value of inventories

At the balance sheet date, inventories are measured at the lower of cost and net realizable value. If the net realizable value is below the cost of inventories, a provision for decline in value of inventories is made.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and relevant taxes. Net realizable value is determined on the basis of conclusive evidence obtained, and takes into consideration the purposes of holding inventories and effect of post balance sheet events.

For large quantity and low price of inventories, the inventory impairment loss provision is appropriated by category. Provisions of other inventories are appropriated at cost of individual inventory item over its net realizable value.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realizable value of inventories is higher than their cost, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

15.4 Inventory count system

The perpetual inventory system is maintained for stock system.

15.5 Amortization method for low cost and short-lived consumable items and packaging materials

Packaging materials and low cost and short-lived consumable items are amortized using the immediate write-off method.

Other reusable materials are amortized using the immediate write-off method.

16. Contract assets

(1). Recognition methods and standards of contract assets

Applicable N/A

Contract asset refers to the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time. The Group's right of unconditional (i.e. solely depending on the passage of time) collection of consideration from the customer shall be separately set out as receivables.

(2) Determination and accounting method of expected credit loss of contract assets

Applicable N/A

The determination and accounting method of expected credit losses of contract assets is set out in Note (V) "10.2 Impairment of financial instruments".

17. Assets classified as held-for-sale

Applicable N/A

Non-current assets and disposal groups are classified as held for sale category when the Group recovers the book value through a sale (including an exchange of nonmonetary assets that has commercial substance) rather than continuing use.

Non-current assets or disposal groups classified as held for sale are required to satisfy the following conditions: (1) the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group; (2) the sale is highly probable, i.e. the Group has

made a resolution about selling plan and obtained a confirmed purchase commitment and the sale is expected to be completed within one year.

When there is loss of control over a subsidiary due to disposal of investments in the subsidiary, and the proposed disposal of investment in the subsidiary satisfies classification criteria of held-for-sale category, the investments in subsidiaries are classified as held-for-sale category as a whole in the company's separate financial statement, and all assets and liabilities of subsidiaries are classified as held-for-sale category in the consolidated financial statements regardless that part of the equity investments are remained after the sale.

The Group measures the no-current assets or disposal groups classified as held for sale at the lower of their carrying amount and fair value less costs to sell. Where the carrying amount is higher than the net amount of fair value less costs to sell, carrying amount should be reduced to the net amount of fair value less costs to sell, and such reduction is recognized in impairment loss of assets and included in profit or loss for the period. Meanwhile, provision for impairment of held-for-sale assets is made. When there is increase in the net amount of fair value of non-current assets held for sale less costs to sell at the balance sheet date, the original deduction should be reversed in impairment loss of assets recognized after the classification of held-for-sale category, and the reverse amount is included in profit or loss for the period. No reversal would be made in the impairment loss of assets recognized before classification of held-for sale category.

Non-current assets classified as held-for-sale or disposal groups are not depreciated or amortized, interest and other costs of liabilities of disposal group classified as held for sale continue to be recognized.

All or part of equity investments in an associate or joint venture are classified as held-for-sale assets. For the part that is classified as held-for-sale, it is no longer accounted for using the equity method since the date of the classification.

18. Debt investments

(1). Determination and accounting method of expected credit loss of debt investments

Applicable N/A

19. Other debt investments

(1). Determination and accounting method of expected credit loss of other debt investments

Applicable N/A

20. Long-term receivables

(1). Determination and accounting method of expected credit loss of long-term receivables

Applicable N/A

21. Long-term equity investments

Applicable N/A

21.1 Determination of control, joint control and significant influence

Control is achieved when the investor has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and the ability to use its power to affect its returns. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When assessing whether the investor can has control or significant influence over the investee, it has considered potential voting rights (e.g. exercisable convertible bonds and warrants) held by the investor and other parties.

21.2 Determination of initial investment cost

For a long-term equity investment acquired through business combination involving enterprises under common control, shares of book value of owners' equity of combined party in financial statements of ultimate controlling party are recognized as initial investment cost of long-term equity investment at combination date. The difference between initial investment cost of long-term equity investment and cash paid, non-cash assets transferred and book value of liabilities assumed, is adjusted in capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is the share of book value of owners' equity of the acquired entity in the ultimate controlling party's consolidated financial statements at the date of combination. The aggregate face value of the shares issued is accounted for as share capital. The difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. Where equity interests in an acquiree are acquired in stages through stepwise transactions ultimately constituting a business combination involving entities under common control, the acquirer shall determine if these transactions are considered to be "a bundled transaction". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, the initial investment cost of the long-term equity investment is the share of book value of owners' equity of the acquired entity in the ultimate controlling party's consolidated financial statements at the date of combination. The difference between the initial investment cost and the sum of carrying amount of equity investments previously held in the acquiree and the new investment cost is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. Other comprehensive income recognized for the previously held equity investments by accounting treatment of equity method or non-trading equity instrument investments designated as financial assets at fair value through other comprehensive income is not subject to accounting treatment temporarily.

For a long-term equity investment acquired through business combination not involving enterprises under common control, the investment cost of the long-term equity investment is the cost of acquisition. Where equity interests in an acquiree are acquired in stages through multiple transactions ultimately constituting a business combination not involving entities under common control, the acquirer shall determine if these transactions are considered to be "a bundled transaction". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, the sum of carrying amount of equity investments previously held in the acquiree and the new investment cost is deemed as the initial investment cost of long-term equity investments that was changed to be accounted for using cost method. If the equity previously held was accounted for using the equity method, the corresponding other comprehensive income is not subject to accounting treatment temporarily. Where the previous equity investment is a non-trading equity instrument investment designated as at FVTOCI, the difference between its fair value and carrying amount, and the accumulated changes in fair value previously included in other comprehensive income are transferred to retained earnings.

The expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services and other associated administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

Long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee due to additional investment, the cost of long-term equity investments is the sum of the fair value of previously-held equity investments determined in accordance with "Accounting Standards for Business Enterprises No. 22 - Financial Instruments Recognition and Measurement" and the additional investment cost.

21.3 Subsequent measurement and recognition of profit or loss

21.3.1 Long-term equity investment accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognized in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

21.3.2 Long-term equity investment accounted for using the equity method

The Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence and a joint venture is an entity over which the Group exercises joint control along with other investors.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognized in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, the Group recognizes its share of the net profit or loss and other comprehensive income of the investee for the period as investment income and other comprehensive income for the period. Meanwhile, carrying amount of long-term equity investment is adjusted: the carrying amount of long-term equity investment is decreased in accordance with its share of the investee's declared profit or cash dividends; Other changes in owners' equity of the investee other than net profit or loss and other comprehensive income are correspondingly adjusted to the carrying amount of the long-term equity investment, and recognized in the capital reserve. The Group recognizes its share of the investee's net profit or loss based on the fair value of the investee's individual identifiable assets, etc. at the acquisition date after making appropriate adjustments. When the investors' accounting policies and accounting period are inconsistent with those of the Company, the Company recognizes investment income and other comprehensive income after making appropriate adjustments to conform to the Company's accounting policies and accounting period. However, unrealized gains or losses resulting from the Group's transactions with its associates and joint ventures, which do not constitute a business, are eliminated based on the proportion attributable to the Group and then investment gains or losses or is recognized. However, unrealized losses resulting from the Group's transactions with its associates and joint ventures which represent impairment losses on the transferred assets are not eliminated.

The Group discontinues recognizing its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognized according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognizing its share of those profits only after its share of the profits exceeds the share of losses previously not recognized.

21.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and the carrying amount of receivables is recognized in profit or loss for the period. For a long-term equity investment accounted for using the equity method, the amount included in the owners' equity attributable to the percentage interest disposed is transferred to profit or loss for the period. For a long-term equity investment accounted for using the cost method, if it is still accounted for cost method after disposal, other comprehensive income recognized before controlling the investee according to equity method or recognition and measurement of financial instruments, account for them on the basis of related assets and liabilities, and recognized in profit or loss for proportion; change of owners' equity except for net profit or loss, other comprehensive income and profit distribution is recognized in profit or loss of current period.

The Group loses control on investee due to disposal of part of shares, during preparing separate financial statement, remaining shares after disposal can make joint control or significant influence on investee, are accounted under equity method, and adjust them as they are accounted under equity method from acquisition date; if remaining shares after disposal cannot make joint control or significant influence on investee, they are accounted according to recognition and measurement of financial instrument, and the difference between fair value on date of losing control

and book value is recognized in profit or loss of current period. Before the Group controls the investee, other comprehensive income recognized due to equity method or recognition and measurement of financial instruments, account for them on the basis of related assets and liabilities, and recognized in profit or loss for proportion; change of owners' equity except for net profit or loss, other comprehensive income and profit distribution is recognized in profit or loss of current period. Remaining shares after disposal are accounted under equity method, other comprehensive income and other owners' equity are carried forward as proportion; remaining shares after disposal are accounted due to recognition and measurement of financial instruments other comprehensive income and other owners' equity are all carried forward.

For the Group loses joint control or significant influence on investee after part disposal of shares, remaining shares after disposal are accounted according to recognition and measurement of financial instruments, the difference between fair value at the date of losing joint control or significant influence and book value is recognized in profit or loss of current period. Other comprehensive income recognized under equity method, is accounted on the basis of related assets or liabilities when stop using equity method, change of owners' equity except for net profit or loss, other comprehensive income and profit distribution is recognized in profit or loss of current period

The Group loses control on subsidiaries through stepwise transactions of disposal, if transactions are a bundled transaction, all transactions are seemed as one transaction of disposal investment on subsidiaries, difference between amount of disposal and book value of long-term equity investment, is recognized as other comprehensive income, and recognized in profit or loss when losing control.

22. Investment properties

Investment property is property held to earn rentals or for capital appreciation or both. It includes a land use right that is leased out, a land use right held for transfer upon capital appreciation, and a building that is leased out.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognized in profit or loss in the period in which they are incurred.

The Group uses the cost model for subsequent measurement of investment property, and adopts a depreciation or amortization policy for the investment property which is consistent with that for buildings or land use rights.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals.

When an investment property is sold, transferred, retired or damaged, the Group recognizes the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

23. Fixed assets

(1). Recognition criteria for fixed assets

Applicable N/A

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognized only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset and if it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditures can be measured reliably. Meanwhile the carrying amount of the replaced part is derecognized. Other subsequent expenditures are recognized in profit or loss in the period in which they are incurred.

(2). Depreciation method

A fixed asset is depreciated over its useful life using the straight-line method, the units of production method or the double declining balance method since the month subsequent to the one in which it is ready for intended use. The useful life, depreciation method, estimated net residual value rate and annual depreciation rate of each category of fixed assets are as follows:

√Applicable □N/A

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	Straight-line depreciation	5 - 50	0 - 10%	1.8% - 20%
Machinery and equipment	Straight-line depreciation	3 - 20	0 - 10%	4.5% - 33.33%
Electronic equipment, fixtures and furniture	Straight-line depreciation	2 - 20	0 - 10%	4.5%- 50%
Transportation vehicles	Straight-line depreciation	3 - 15	0 - 10%	6% - 33.33%
Molds	Units of production method	Not applicable	0 - 5%	Not applicable

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

(3). Other explanations

√Applicable □N/A

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognized. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognized in profit or loss for the period.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and accounts for any change as a change in accounting estimates.

24. Construction in progress

√Applicable □N/A

Construction in progress is measured at its actual costs. The actual costs include various construction expenditures during the construction period, borrowing costs capitalized before it is ready for intended use and other relevant costs. Construction in progress is not depreciated. Construction in progress is transferred to a fixed asset when it is ready for intended use.

25. Borrowing costs

√Applicable □N/A

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally and when the suspension is for a continuous period of more than 3 months. Capitalization is suspended until the acquisition,

construction or production of the asset is resumed. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalized is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalized on such borrowings by applying a capitalization rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings. During the capitalization period, exchange differences related to a specific-purpose borrowing denominated in foreign currency are all capitalized. Exchange differences in connection with general-purpose borrowings are recognized in profit or loss in the period in which they are incurred.

26. Biological assets

Applicable N/A

27. Oil and gas assets

Applicable N/A

28. Right-of-use assets

Applicable N/A

29. Intangible assets

(1).Valuation method, useful life and impairment test

Applicable N/A

Intangible assets include land use rights, non-patent technology, royalty, software license, patents, and trademark, etc.

An intangible asset is measured initially at cost. When an intangible asset with a finite useful life is available for use, its original cost is amortized over its estimated useful life using the straight-line method.

Category	Amortization method	Useful life (years)
Land use right	Straight-line method	40 - 50
Non-patent technology	Straight-line method	3 - 10
Royalty	Straight-line method	10 - 20
Software license	Straight-line method	5 - 10
Patents	Straight-line method	3 - 10
Trademark	Straight-line method	10

For an intangible asset with a finite useful life, the Group reviews the useful life and amortization method at the end of the period, and makes adjustments when necessary.

Specific impairment tests of relevant intangible assets are set out in Note (V) "30 Impairment of long-term assets".

(2). Accounting policies of internal research and development expenditure

Applicable N/A

Expenditure during the research phase is recognized as an expense in the period in which it is incurred.

Expenditure during the development phase that meets all of the following conditions at the same time is recognized as intangible asset. Expenditure during development phase that does not meet the following conditions is recognized in profit or loss for the period:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale,
- The Group has the intention to complete the intangible asset and use or sell it,
- The Group can demonstrate the ways in which the intangible asset will generate economic benefits, including the evidence of the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset,
- The availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset, and
- The expenditure attributable to the intangible asset during its development phase can be reliably measured.

If the expenditures cannot be distinguished between the research phase and development phase, the Group recognizes all of them in profit or loss for the period. Costs of intangible assets from internal development only include the total expenses incurred from the time point when the capitalization condition is satisfied to that when the intangible assets meet the expected purpose, and no adjustment should be made to an intangible asset that has been expensing and included into profit or loss before it met the capitalization condition in the process of development.

30. Impairment of long-term assets

Applicable N/A

The Group assesses at each balance sheet date whether there is any indication that long-term equity investment, investment properties measured at cost method, fixed assets, construction in progress, the intangible assets with a finite useful life and right-of-use assets may be impaired. If there is any indication that such assets may be impaired, recoverable amounts are estimated for such assets. Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

Recoverable amount is estimated on an individual basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. Recoverable amount is the higher of net value of fair value of assets or assets group less disposal expenses and present value of anticipated future cash flow.

If the recoverable amount of an asset or an asset group is less than its carrying amount, the deficit is accounted for as an impairment loss and is recognized in profit or loss for the period.

Goodwill is at least undertaken impairment test at balance sheet date. When goodwill is undertaken impairment test, it is combined with related asset group or asset group portfolio. From the acquisition date, the book value of goodwill is divided into asset group or asset portfolio benefited from synergy effect of the Company, if the recoverable amount of asset group or asset portfolio including divided goodwill is less than its book value, corresponding impairment loss is recognized. Firstly, amount of impairment loss should offset the book value of goodwill of asset group or asset portfolio, and offset book value of other assets according to proportion of other assets in asset group or asset portfolio.

Once the impairment losses are recognized for above assets, they will not be reversed in any subsequent period.

31. Long-term deferred expenses

Applicable N/A

Long-term deferred expenses represent expenses incurred that should be borne and amortized over the current and subsequent periods (together of more than one year), including expenditure on improvement of fixed assets, etc. Long-term deferred expenses are amortized using the straight-line method over the expected periods in which benefits are derived.

32. Contract liabilities

(1). Recognition method of contract liabilities

Applicable N/A

Contract liabilities refers to the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract assets and contract liabilities under the same contract are set out on a net basis.

33. Employee benefits

(1). Accounting treatment of short-term benefits

Applicable N/A

Actually occurred short-term employee benefits are recognized as liabilities, with a corresponding charge to the profit or loss for the period or in the costs of relevant assets in the accounting period in which employees provide services to the Group. Staff welfare expenses incurred by the Group are recognized in profit or loss for the period or the costs of relevant assets based on the actually occurred amounts when it actually occurred. Non-monetary staff welfare expenses are measured at fair value.

Payment made by the Group of social security contributions for employees such as premiums or contributions on medical insurance, work injury insurance and maternity insurance, etc. and payments of housing funds, as well as trade union fund and employee education fund provided in accordance with relevant requirements, are calculated according to prescribed bases and percentages in determining the amount of employee benefits and recognized as relevant liabilities, with a corresponding charge to the profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

(2). Accounting treatment of post-employment benefits

Applicable N/A

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

During the accounting period in which employees provide services to the Group, amount which should be paid according to defined contribution plans is recognized as liabilities, and recognized in profit or loss or related costs of assets.

For defined benefit plans, the Group calculates defined benefit plan obligations using projected unit credit method and the service cost resulting from employee service in the current period is recorded in profit or loss or the cost of related assets. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling);
- and changes arising from remeasurement of net liabilities or net assets of defined benefit plans.

Service costs and net interest of net liabilities and net assets of defined benefit plans are recognized in profit or loss of current period or costs of related assets. Re-measurements of the net defined benefit liability (asset) (including actuarial gains and losses, the return on plan assets, excluding amounts included in net interest on the net defined

benefit liability (asset), and any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)) are recognized in other comprehensive income.

Deficit or surplus from present value of obligation of defined benefit plans less fair value of planned asset of defined benefit plans are recognized as net liabilities or net assets of a defined benefit plan. When the defined benefit plan has a surplus, the defined benefit asset is measured at the lower of the surplus in the defined benefit plan and asset ceiling.

(3). Accounting treatment of termination benefits

Applicable N/A

A liability for a termination benefit is recognized in profit or loss for the period at the earlier of when the Group cannot unilaterally withdraw from the termination plan or the redundancy offer and when the Group recognizes any related restructuring costs or expenses.

The group provides early retirement benefits to employees who accept internal retirement arrangements. Early retirement benefits refer to the wages and social insurance premiums paid to employees who have not reached the retirement age stipulated by the state and voluntarily quit their jobs with the approval of the management of the group. The group provides internal retirement benefits to early retirees from the date of the internal retirement arrangement to the date the employees reach the normal retirement age. For early retirement benefits, the group performs accounting treatment by referring to dismissal benefits. When the relevant recognition conditions of dismissal benefits are met, the wages and social insurance premiums to be paid from the date when employees stop providing services to the normal retirement date are recognized as liabilities and included in the profits or loss at one time. The difference caused by the change of actuarial assumptions of early retirement benefits and the adjustments of welfare standards shall be included in the profit or loss when it occurs.

(4). Accounting treatment of other long-term employee benefits

Applicable N/A

For other long-term employee benefits, where the definition of defined contribution plans is met, it is accounted for according to related requirements of defined contribution plans. Otherwise, net liabilities or net assets of such other long-term employee benefit are recognized and measured according to related requirements of defined benefit plans. At balance sheet date, cost of employee benefit generated from other long-term employee benefit comprises service cost, net interest of net liabilities or net assets of other long-term employee benefit and changes arising from re-measurement of net liabilities or net assets. Net value of these items is recognized in profit or loss, other comprehensive income or cost of related assets.

34. Lease liabilities

Applicable N/A

35. Provisions

Applicable N/A

Provisions are recognized when the Group has a present obligation related to a contingency such as products quality assurance, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the amount of the provision is determined by discounting the related future cash outflows.

Where all or some of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received, and the amount of reimbursement recognized does not exceed the carrying amount of the provision.

36. Share-based payments

Applicable N/A

A share-based payment is a transaction which the Group grants equity instruments, or incurs liabilities for amounts that are determined based on the price of equity instruments, in return for services rendered by employees. The Group's share-based payments include equity-settled share-based payments and cash-settled share-based payments.

36.1 Equity-settled share-based payments

Equity-settled share-based payments granted to employees

Equity-settled share-based payments in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the grant date. Such amount is recognized as related costs or expenses on a straight-line basis over the vesting period, based on the best estimate of the number of equity instruments expected to vest/ as related costs or expenses at the grant date, if the equity instruments vest immediately, with a corresponding increase in capital reserve. At each balance sheet date during the vesting period, the Group makes the best estimate according to the subsequent latest information of change in the number of employees who are granted with options that may vest, etc. and revises the number of equity instruments expected to vest. The effect of the above estimate is recognized as related costs or expenses, with a corresponding adjustment to capital reserve.

36.2 Accounting treatment related to implementation, modification and termination of share-based payment arrangement

In case the Group modifies a share-based payment arrangement, if the modification increases the fair value of the equity instruments granted, the Group will include the incremental fair value of the equity instruments granted in the measurement of the amount recognized for services received. If the modification increases the number of the equity instruments granted, the Group will include the fair value of additional equity instruments granted in the measurement of the amount recognized for services received. The increase in the fair value of the equity instruments granted is the difference between fair value of the equity instruments before and after the modification on the date of the modification. If the Group modifies the terms or conditions of the share-based payment arrangement in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the Group will continue to account for the services received as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

If cancellation of the equity instruments granted occurs during the vesting period, the Group will account for the cancellation of the equity instruments granted as an acceleration of vesting, and recognize immediately the amount that otherwise would have been recognized over the remainder of the vesting period in profit or loss for the period, with a corresponding recognition in capital reserve. When the employee or counterparty can choose whether to meet the non-vesting condition but the condition is not met during the vesting period, the Group treats it as a cancellation of the equity instruments granted.

37. Preference shares, perpetual bonds and other financial instruments

Applicable N/A

38. Revenue

(1). Accounting policies for revenue recognition and measurement

Applicable N/A

The Group's revenue is mainly from the following business types:

- Sales of goods
- Rendering of services

The Group recognizes revenue based on the transaction price allocated to such performance obligation when a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation represents the commitment that a good and service that is distinct shall be transferred by the Group to the customer. Transaction price refers to the consideration that the Group is expected to charge due to the transfer of goods or services to the customer, but it does not include payments received on behalf of third parties and amounts that the Group expects to return to the customer.

The Group assesses the contract at the contract inception date, identifies each single performance obligation included in the contract, and determines whether each single performance obligation is to be performed overtime or at a point of time. If one of the following criteria is met and it is a performance obligation performed over a period of time, the Group recognizes the revenue within a certain period of time according to the progress of the performance: (1) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; (2) the customer is able to control the goods under construction in the course of the Group's performance; (3) the goods produced by the Group during the performance of the contract are irreplaceable and the Group has the right to charge for the accumulated part of the contract that has been performed so far during the whole contract period. Otherwise, the Group recognizes revenue at a certain point in time when "control" of the goods or services is transferred to the customer.

The Group determines progress of performance using input method, namely according to the Group's input into the performance of contractual obligations. When the progress of performance cannot be reasonably determined, the costs incurred are expected to be compensated, the Group recognizes revenue based on the amount of costs incurred till the progress of performance can be reasonably determined.

If there are two or more of performance obligations included in the contract, at the contract inception, the Group allocates the transaction price to each single performance obligation based on the proportion of stand-alone selling price of goods or services promised in each stand-alone performance obligation. However, if there is conclusive evidence indicating that the contract discount or variable consideration is only relative with one or more (not the whole) performance obligations in the contract, the Group will allocate the contract discount or variable consideration to relative one or more performance obligation. Stand-alone selling price refers to the price of single sales of goods or services. If the stand-alone selling price cannot be observed directly, the Group estimates the stand-alone selling price through comprehensive consideration of all reasonably acquired relative information and maximum use of observable inputs.

In case of the existence of variable consideration (sales rebates, commercial discounts etc.) in the contract, the Group shall determine the best estimate of variable consideration based on the expected value or the most probably occurred amount. The transaction price including variable consideration shall not exceed the amount of the cumulative recognized revenue which is the most probably to be significantly reversed when elimination of relevant uncertainty. At each balance sheet date, the Group re-estimate the amount of variable consideration which should be included in transaction price.

For the sales that are affixed with terms of sales return, the Group recognizes the revenue in accordance with the consideration amount (i.e., excluding the amount that is expected to be returned for the return of sales) expected to charge for the transfer of goods to the customers when customers obtain the controlling rights of relevant goods and recognize the liabilities at the amount expected to be returned for the return of sales; in the meantime, the balance of the expected carrying amount to transfer the returned goods less the expected costs incurred for the recovery of the goods (including the impairment of the value of the goods returned) is recognized as an asset. And the costs are carried forward at the net amount of the carrying amount upon the transfer of the goods less the above cost of assets.

For sales with quality assurance terms, if the quality assurance provides a separate service to the customer other than ensuring that the goods or services sold meet the established standards, the quality assurance constitutes a

single performance obligation. Otherwise, the Group will account for the quality assurance responsibility in accordance with the *Accounting Standards for Business Enterprises No. 13 - Contingencies*.

If the contract includes significant financing component, the Group determines the transaction price based on the amount payable under the assumption that the customer pays that amount payable in cash when "control" of the goods or services is obtained by the customer. The difference between the transaction price and the contract consideration shall be amortized within the contract period using effective interest rate. If the Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the Group needs not to consider the significant financing component.

The Group determines whether it is a principal or an agent at the time of the transaction based on whether it owns the "control" of the goods or services before the transfer of such goods or services to the customer. The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer, and the revenue shall be recognized based on the total consideration received or receivable; otherwise, the Group is an agent, and the revenue shall be recognized based on the amount of commission or handling fee that is expected to be charged, and such amount is determined based on the net amount of the total consideration received or receivable after deducting the prices payable to other related parties or according to the established commission amount or proportion.

When the Group collects amounts of goods or services sold in advance from the customer, the Group will firstly recognize the amounts as a liability and then transfer to revenue until satisfying relevant performance obligations. When the receipts in advance is non-refundable and the customer may give up all or part of contract right, and the Group is expected to be entitled to obtain amounts associated with contract rights given up by the customer, the above amounts shall be proportionally recognized as revenue in accordance with the model of exercising contract rights by the customer; otherwise, the Group will transfer the relevant balance of the above liability to revenue only when the probability is extremely low for the customer to ask for satisfying the remaining performance obligations.

(2). Differences in accounting policies for revenue recognition due to different operation models for the same type of business

Applicable N/A

39. Contract costs

Applicable N/A

39.1 Costs to fulfill a contract

If the costs incurred in fulfilling a contract are not within the scope of other standard other than new standards for revenue, the Group shall recognized an asset from the costs incurred to fulfill a contract only if those costs meet all of the following criteria: (1) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify; (2) the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future; and (3) the costs are expected to be recovered. The asset mentioned above shall be amortized on a basis that is consistent with the transfer to the customer of the goods or services to which the asset relates and recognized in profit or loss for the period.

39.2 Impairment losses of assets related to contract costs

In determining the impairment losses of assets related to contract costs, the Group first determines the impairment losses of other assets related to contracts recognized in accordance with ASBEs; then, for assets related to contract costs, if the carrying amount of the assets is higher than the difference between: (1) the remaining consideration that the Group expects to obtain for the transfer of the goods or services related to the asset; and (2) the estimated costs to be incurred for the transfer of the related goods or services, any excess is provided for impairment and recognized as impairment loss of assets.

After the provision for impairment of assets related to contract costs is made, if the factors of impairment in previous periods change so that the difference between the above two is higher than the carrying amount of the asset, the original provision for impairment of the asset is reversed and recognized in profit or loss for the period, provided that the carrying amount of the asset after the reversal does not exceed the carrying amount of the asset at the date of reversal assuming no provision for impairment was made.

40. Government grants and accounting treatments

√Applicable □N/A

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognized only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value. If the fair value cannot be reliably determined, it is measured at a nominal amount. A government grant measured at a nominal amount is recognized immediately in profit or loss for the period.

40.1 Determination basis and accounting treatment of government grants related to assets

The Group's government grants include land eviction grant, subsidy for fixed assets purchase and technical transformation, because the grants are the government grants received by the Group to purchase or construct long-term assets, these grants are accounted for as government grants related to assets.

A government grant related to an asset is recognized as deferred income and included in profit or loss over the useful life of related asset.

40.2 Determination basis and accounting treatment of government grants related to income

The Group's government grants mainly include allowance for project development and fiscal subsidies. These government grants are accounted for as government grants related to income.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income and recognized in profit or loss over the periods in which the related costs or losses are recognized; if the grant is a compensation for related expenses or losses already incurred, the grant is recognized immediately in profit or loss for the period.

A government grant related to the Group's daily activities is recognized in other income based on the nature of economic activities; a government grant not related to the Group's daily activities is recognized in non-operating income.

For repayment of a government grant already recognized, if there is related deferred income, the repayment is offset against the carrying amount of the deferred income, and any excess is recognized in profit or loss for the period. If there is no related deferred income, the repayment is recognized immediately in profit or loss for the period.

Relocation compensation received for relocation in the public interests

If the Group relocates for the benefits of the public interests such as overall planning of urban and rural areas and receives relocation compensation appropriated by the government directly from its fiscal budget, it recognizes such income as special payable. The income attributable to compensation for losses of fixed assets and intangible assets, related expenses, losses from suspension of production incurred during the relocation and reconstruction period, and purchases of assets after the relocation is transferred from special payable to deferred income and is accounted for as either a government grant related to an asset or a government grant related to income based on its nature. Any surplus of relocation compensation after deducting the amount transferred to deferred income is recognized as capital reserve.

41. Deferred tax assets/ deferred tax liabilities

√Applicable N/A

The income tax expenses include current income tax and deferred income tax.

41.1 Current income tax

At the balance sheet date, current income tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

41.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognized as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognized using the balance sheet liability method.

Deferred tax is generally recognized for all temporary differences. Deferred tax assets for deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable profits (or deductible losses) at the time of transaction, no deferred tax asset or liability is recognized.

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realized or the liability is settled.

Current and deferred tax expenses or income are recognized in profit or loss for the period, except when they arise from transactions or events that are directly recognized in other comprehensive income or in shareholders' equity, in which case they are recognized in other comprehensive income or in shareholders' equity, and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilized. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

41.3 Offset of income tax

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity

or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

42. Leases

(1). Accounting treatment of operating lease

Applicable N/A

(2). Accounting treatment of finance lease

Applicable N/A

(3). Determination and accounting method of leases under the New Lease Standards

Applicable N/A

A lease is a contract whereby the lessor conveys to the lessee in return for a consideration the right to use an asset for an agreed period of time.

The Group assesses whether a contract is or contains a lease at inception date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

42.1 The Group as lessee

42.1.1 Separating components of a lease

If the contract contains one or more lease and non-lease components, the Group will separate the individual lease and non-lease components and allocate contract consideration according to the relative proportion of the sum of the stand-alone prices of the lease components and the stand-alone prices of the non-lease components.

The Group applies practical expedient not to separate non-lease components from lease components for buildings, right to the use of the site and electronic equipment, etc., and instead accounts for the lease components and any associated non-lease components as a single lease.

42.1.2 Right-of-use assets

Except for short-term leases and leases of low-value assets, at the commencement date of the lease, the Group recognizes a right-of-use asset.

The commencement date of the lease is the date on which a lessor makes an underlying asset available for use by the Group. The Group measures the right-of-use assets at cost. The cost of the right-of-use assets comprises:

- the amount of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group.

The Group depreciates right-of-use assets by reference to the relevant depreciation provisions of *Accounting Standards for Business Enterprises No. 4 - Fixed Assets*. The right-of-use assets are depreciated over the remaining useful lives of the leased assets where the Group is reasonably certain to obtain ownership of the underlying assets at the end of the lease term. Otherwise, right-of-use assets are depreciated over the shorter of the lease term and the remaining useful lives of the leased assets.

The Group determines whether a right-of-use asset is impaired and accounts for the identified impairment loss in accordance with the *Accounting Standards for Business Enterprises No. 8 - Impairment of Assets*.

42.1.3 Lease liabilities

Except for short-term leases and leases of low-value assets, at the commencement date of the lease, the Group measures the lease liabilities at the present value of the lease payments that are not paid at that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate. The Group uses the LPR announced by the People's Bank of China if the interest rate implicit in the lease is not readily determinable.

Lease payments refer to payments relating to the right to use leased assets during the lease term which are made by the Group to the lessor, including:

- fixed payments and in-substance fixed payments, less any lease incentives receivable (if any);
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option reasonably certain to be exercised by the Group;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate the lease; and
- amounts expected to be paid under residual value guarantees provided by the Group.

After the commencement date of the lease, the Group calculates interest expenses of lease liabilities for each period of the lease term based on fixed periodic rate, and recognizes such expenses in profit or loss or cost of related assets.

After the commencement date of the lease, the Group re-measures the lease liabilities and adjusts the right-of-use assets accordingly in the following cases. If the book value of the right-of-use asset has been reduced to zero, but the lease liability needs to be reduced further, the Group will recognize the difference in profit or loss for the period:

- there is a change in the lease term, or in the assessment of an option to purchase the underlying asset, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.;
- there is a change in the amounts expected to be payable under a residual value guarantee, or in future lease payments resulting from a change in an index or a rate used to determine those payments, in which case the related lease liability is remeasured by discounting the revised lease payments using the unchanged discount rate.

Where the Group recognizes right-of-use assets and related lease liabilities for the relevant lease transactions, deferred income tax is recognized for the entire lease transaction in accordance with the *Accounting Standards for Business Enterprises No. 18 - Income Tax*. The Group assesses temporary differences based on the net amount of right-of-use assets and lease liabilities, and recognizes deferred tax assets and deferred tax liabilities.

42.1.4 Short-term leases and leases of low-value assets

The Group chooses not to recognize right-of-use assets and lease liabilities for short-term leases of transportation equipment, machinery and equipment and electronic equipment and leases of low-value assets. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain a call option. A lease of low-value assets, is a lease that the single underlying asset, when is new, is of low value. The Group shall recognize the lease payments associated with short-term leases and leases of low-value assets in profit or loss or cost of related assets on a straight-line basis over the lease term.

42.1.5 Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the lease modification expanded the scope of the lease by adding the right-of-use of one or more lease assets; and
- the increased consideration is equivalent to the amount of stand-alone price of the expanded lease scope adjusted according to the contract.

If the lease modification is not accounted for as an individual lease, on the effective date of the lease modification, the Group reallocates the consideration of the contract after the change, re-determines the lease term, and re-measures lease liabilities based on the changed lease payments and the present value calculated by the revised discount rate.

If the lease modification results in a reduction in the lease scope or lease term, the carrying amount of the right-of-use assets will be reduced, and the gains or losses relevant to the lease partially or fully terminated will be included in profit or loss for the period; for other lease modifications resulting in the remeasurement of lease liabilities, the carrying amount of right-of-use assets is adjusted accordingly.

42.2. The Group as lessor

42.2.1 Separating components of a lease

For a contract that contains lease components and non-lease components, the Group allocates the contract consideration in accordance with the *Accounting Standards for Business Enterprises No. 14 - Revenue* on apportionment of transaction prices, based on the respective stand-alone prices of the lease components and the non-lease components.

42.2.2 Classification of a lease

Leases are classified as finance leases whenever the terms of the leased assets transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

42.2.3 The Group as lessor under operating leases

Receipts of lease under operating leases are recognized as rental income on a straight-line basis over the term of the relevant lease. Initial direct costs related to operating leases incurred by the Group are capitalized when incurred, and are recognized in profit or loss for the current period on the same basis as recognition of rental income over the lease term.

Variable lease receipts acquired by the Group in connection with operating leases that are not included in the lease receipts are recognized in profit or loss when incurred.

42.2.4 The Group as lessor under finance leases

At the commencement date, the Group recognizes a finance lease receivable at the amount equal to the net investment in the lease with finance lease assets derecognized. The net investment in the lease is the sum of any unguaranteed residual value and lease receipts from the commencement date, discounted at the interest rate implicit in the lease. The receipts of the lease refer to the amount that the Group should collect from the lessee for the purpose of transferring the leased assets during the lease term, including:

- fixed payments (including in-substance fixed payments) paid by the lessee, less any lease incentives;
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option, provided that it is reasonably determined that the lessee will exercise the option;
- the amount to be paid by the lessee to exercise the option to terminate the lease, provided that the lease term reflects the lessee's exercise of the option to terminate the lease;
- the residual value of the guarantee provided by the lessee, the party concerned with the lessee and the independent third party with the financial ability to perform the guarantee obligation.

The variable lease receipts that are not included in the measurement of net lease investment are recognized in profit or loss when incurred.

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate.

42.3 Subleases

As the lessor of a sublease, the Group accounts for the original lease contract and the sublease contract as two separate contracts. The Group classifies the subleases based on the right-of-use assets generating from the original lease rather than the underlying assets of the original lease.

42.4 Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any advances from customers or lease receivable relating to the original lease as part of the lease receivable for the new lease.

The Group will account for the lease modification to a finance lease as an individual lease, when it satisfies all the following criteria:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- The increased consideration is equivalent to the amount of stand-alone price of the expanded lease scope adjusted according to the contract.

For a modification to a finance lease that is not accounted for as a separate lease, the Group shall account for the modification as follows:

- If the lease would have been classified as an operating lease had the modification been effect at the inception date, the Group shall account for the lease modification as a new lease from the effective date of the modification, and measure the carrying amount of the underlying asset as the net investment in the lease before the effective date of the lease modification.
- If the lease would have been classified as an operating lease if the modification had been in effect at the inception date, the Group shall apply the requirements of contract modification and renegotiation under the *Accounting Standards for Business Enterprises No. 22 - Financial Instruments: Recognition and Measurement*.

42.5 Sale and leaseback transactions

42.5.1 The Group as seller-lessee

The Group applies the requirements of the *Accounting Standards for Business Enterprises No. 14 Revenue* to determine whether the transfer of an asset is accounted for as a sale of that asset. If the transfer of an asset does not constitute a sale, the Group shall continue to recognize the transferred assets and recognize a financial liability equal to the transfer proceeds in accordance with the *Accounting Standards for Business Enterprises No. 22 Financial Instruments: Recognition and Measurement*. If the transfer of an asset is a sale, the Group shall measure the right-of-use assets arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use, and recognize only the amount of any gain or loss that relates to the rights transferred to the lessor.

42.5.2 The Group as buyer-lessor

If the transfer of an asset in a sale and leaseback transaction does not constitute a sale, the Group does not recognize the transferred asset but a financial asset equal to the transfer proceeds in amount, and accounts for such financial asset under the *Accounting Standards for Business Enterprises No. 22 - Financial Instruments: Recognition and Measurement*. If the transfer of an asset constitutes a sale, the Group accounts for the purchase of the asset in accordance with other applicable Accounting Standards for Business Enterprises and accounts for the lease of the asset.

43. Other significant accounting policies and accounting estimates

√Applicable □N/A

43.1 Hedge accounting

43.1.1 Basis for hedge accounting and method of accounting treatment

To manage the risk exposures arising from the specific risks such as foreign currency risk, interest rate risk, etc., the Group designates certain financial instruments as hedging instruments to hedge the risks. For hedges that satisfy specified criteria, the Group adopts hedge accounting treatment. The Group's hedges include cash flow hedges. Hedges of interest rate risk arising from specified commitments are accounted for as cash flow hedges.

At the inception of a hedge, the Group records the relationship between the hedging instrument and hedged item, risk management objective and strategy for undertaking various hedging transactions. At the inception and in subsequent periods, the hedge is assessed for effectiveness by the Group on an ongoing basis so as to determine whether the hedge is highly effective throughout the accounting periods for which the hedging relationship was designated.

Where any of the following scenarios is satisfied, the Group will cease to use hedge accounting:

- the hedging relationship no longer satisfies risk management objectives due to the changes of risk management objectives;
- the hedging instrument has expired, been sold, terminated or exercised;
- the economic relationship between the hedged item and hedging instrument no longer exists, or the impact of credit risk is becoming a dominating factor of changes in value arising from the economic relationship between the hedged item and hedging instrument.
- the hedging relationship no longer satisfy other criteria of using hedge accounting.

Cash flow hedges

For gains or losses from hedging instruments, the part attributable to effective hedges is considered as cash flow hedge reserves and included in other comprehensive income; while the part attributable to ineffective hedges is included in profit or loss. The amount of cash flow hedge reserves is determined at the lower of absolute amounts of: accumulated gains or losses of the hedging instrument since the commencement of the hedge; accumulated changes of present value of expected future cash flows of the hedged item since the commencement of the hedge.

Where the hedged item is an expected transaction that results in that the Group subsequently recognizes a non-financial asset or non-financial liability, or the expected transaction of non-financial asset or non-financial liability forms a specified commitment that is applicable to fair value hedge accounting, the Group will transfer the cash flow hedge reserve previously recognized in other comprehensive income to the initially recognized amount of the asset or liability. For cash flow hedges other than those involved in above scenarios, the Group transfers the cash flow hedge reserve previously recognized in other comprehensive income to profit or loss in the period in which the profit or loss is affected by expected cash flows of the hedged item. If the cash flow hedge reserve recognized in other comprehensive income is a loss, and the loss (or part of it) is not expected to be made up for in future accounting periods, the part that is not expected to be made up for is transferred from other comprehensive income to profit or loss when the Group makes such anticipation.

When the Group ceases to use the hedge accounting for cash flow hedges, if it is still expected that the hedged future cash flows will occur, the accumulated cash flow hedge reserve is retained, and accounted for using the above method; if it is expected that the hedged future cash flows will not occur, the accumulated cash flow hedge reserve is transferred from other comprehensive income to profit or loss.

43.1.2 Methods of assessment of effectiveness of hedges

The Group continuously assesses whether the hedging relationship satisfies the requirements of hedging effectiveness on the commencement date of the hedge and in subsequent periods. Where the hedge satisfies all of the following criteria, the Group will consider that the hedging relationship satisfies the requirements of hedging effectiveness:

- there is economic relationship between the hedged item and hedging instrument;

- the impact of credit risk is not the dominating factor of changes in value arising from the economic relationship between the hedged item and hedging instrument;
- the hedging ratio of hedging relationship will equal to the ratio of the number of items hedged by the Group to the actual number of hedging instruments.

If the hedging relationship no longer meets the requirement of hedging effectiveness due to the hedging ratio, but the risk management objectives of the hedging relationship have not changed, the Group will rebalance the hedging relationship. The number of hedged items or hedging instruments in the hedging relationship is adjusted so that the hedging ratio meets the requirements of hedging effectiveness again.

43.2 Accounting treatment of assets securitization

The Group transfers part of the individual automotive mortgage loans or portfolios of finance lease receivables to structured entities, which will then issue securities to the investors (hereinafter refer to as "assets securitization transactions"). The interests of securitized financial assets are reflected in the form of preferred asset-backed securities or subordinated asset-backed securities. The subordinated asset-backed securities are not allowed to be transferred before the settlement of principal and interest of preferred asset-backed securities in full amount.

For assets securitization transaction that does not satisfy the criteria of derecognition, relevant financial assets are not derecognized and the funds raised from third party investors are accounted for as financing transactions.

For assets securitization transaction where the Group neither transferred nor retained substantially all the risks and rewards of the ownership of the financial assets, but retained control over the financial assets, the Group continue to recognize the transferred assets to the extent of its continuing involvement in the transferred assets and recognizes relevant liabilities.

When the assets securitization results in derecognition of (part of) the financial assets, the Group allocates the carrying amount of the transferred assets based on the respective fair value of the derecognized financial assets and the financial assets with retained interests. The gains of losses from the securitization transaction, i.e. the difference between the consideration received and the carrying amount of the derecognized financial assets, are included in profit or loss.

In applying the accounting policies of assets securitization, the Group has taken into consideration of the extent of risks and rewards transferred to other entity, as well as the extent of the Group's control over the entity:

- when the Group has transferred substantially all the risks and rewards of the ownership of the financial assets, the Group derecognizes the financial assets;
- when the Group retained substantially all the risks and rewards of the ownership of the financial assets, the Group continue to recognize the financial assets;
- If the Group neither transferred nor retained substantially all the risks and rewards of the ownership of the financial assets, the Group will consider whether it has control over the financial assets. If the Group retains no control, the Group will derecognize the financial assets, and respectively recognize rights and obligations from or retained in the transfer as assets or liabilities. If the Group retains control, the Group will recognize the financial assets to the extent of continuing involvement in the financial assets and recognize relevant liabilities.

43.3 Criteria of recognition of discontinued operation and accounting treatment

Discontinued operation represents the component that satisfies any of the following criteria and can be separately distinguished, and the component has been disposed or classified as held for sale:

- the component represents an independent major business or a major operation area;
- the component is a part of the plan relating to the proposed disposal of an independent major business or a separate major operation area;
- the component is a subsidiary obtained especially for resale purpose.

The gains or losses from derecognition are presented separately from operating profit or loss in the income statement. The operating profit or loss and gains or losses on disposal such as impairment losses from discontinued

operations and amount of reversal, etc. are presented as discontinued operations. The Group presents the information previously presented as profit or loss from continuing operations as discontinued operations for the comparative accounting period in the current financial statements.

43.4 Transfer of assets under repurchase agreement

43.4.1 Financial assets purchased under resale agreements

According to agreement, financial assets to be sold on a certain future date are not recognized in balance sheet. Cost paid to purchase such assets, is presented in balance sheet as financial assets purchased under resale agreements. The difference between the price to purchase and price to sell the asset is calculated by effective interest method, and recognized in interest income.

43.4.2 Financial assets sold under repurchase agreements

According to agreement, financial assets to be purchased on a future certain date are not recognized in balance sheet. Cash received from sale of such assets, is presented in balance sheet as financial assets sold under repurchase agreements. The difference between the price to purchase and price to sell the asset is calculated by effective interest method, and recognized in interest expenses.

43.5 Production safety fee

Production safety fee accrued according to relevant regulations is recognized in the cost of relevant products or profit or loss for the current period and is recorded as special reserve. Accounting treatments for the use of production safety fee are distinguished whether fixed assets are formed, for those in the nature of expenses are directly charged against special reserve, for those which form part of fixed assets, the accumulated cost is recognized in fixed assets when it is ready for intended use, meanwhile special reserve is reversed at the same amount and depreciation is recognized at the same amount.

43.6 Exchange of non-monetary assets

If the exchange of non-monetary assets is of commercial substance, and the fair value of assets received or surrendered can be reliably measured, the exchange of non-monetary assets is measured at fair value. The asset received is initially measured at cost which is the sum of the fair value of assets surrendered and related tax payable; for the asset surrendered, upon derecognition, the difference between the fair value of the asset surrendered and its carrying amount is included in profit or loss. Where there is objective evidence indicating the fair value of the asset received is more reliable, the initially recognized amount of the asset received is the sum of the fair value of the asset received and related tax payable; for the asset surrendered, upon derecognition, the difference between the fair value of the asset received and the carrying amount of the asset surrendered is included in profit or loss.

43.7 Debt restructuring

43.7.1 Recording of debt restructuring obligation as the debtor

Where a debt is restructured in the manner of settlement of debt with asset, the Group will derecognize relevant asset and settled debt upon satisfaction of criteria of derecognition. The difference between the carrying amount of the settled debt and the carrying amount of the transferred asset is included in profit or loss.

Where the debt is restructured in the manner of debt-to-equity conversion, the Group will derecognize the settled debts upon satisfaction of criteria of derecognition. Upon initial recognition, the equity instrument is measured at fair value. If the fair value of the equity instrument cannot be reliably measured, it is measured at the fair value of the settled debts. The difference between the carrying amount of the settled debts and the recognized amount of the equity instrument is recognized in profit or loss.

Where the debt is restructured by revising other terms, the Group will recognize and measure the restructured debt in accordance with "*Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of*

Financial Instruments" and *"Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments"*.

Where the debt is restructured through settlement of debt with multiple assets or through portfolios, the Group will recognize and measure equity instrument and restructuring debts using the above methods. The difference between the carrying amount of the settled debt and the sum of carrying amount of the transferred assets and recognized amount of the restructured debt is included in profit or loss.

43.7.2 Recording debt restructuring obligation as the creditor

Where a debt is restructured in the manner of settlement of debt with asset, upon initial recognition, the assets other than the financial assets received are measured at cost. Therein, the cost of inventories includes the fair value of debt waived and other direct costs incurred to bring the assets to current location and conditions, such as tax, transportation fee, handling charges, insurance premium, etc. The cost of investments in associates or joint ventures includes the fair value of debt waived and other costs directly attributable to the asset, such as tax etc. The cost of investment properties includes the fair value of debt waived and other costs directly attributable to the asset, such as tax etc. The cost of fixed assets includes the fair value of debt waived and other direct costs incurred to bring the assets to current location and conditions, such as tax, transportation fee, handling charges, installation fee, professional service fee, etc. The cost of intangible assets includes the fair value of debt waived and other direct costs incurred to bring the assets to current location and conditions, such as tax, etc. The difference between the fair value of debt waived and its carrying amount is included in profit or loss.

Where the debt restructuring through debt-to-equity instrument conversion results in the Group's conversion of debts to equity investments in associates or joint ventures, the Group will measure the initial investment cost at the fair value of the debt waived and other costs directly attributable to the asset, such as tax, etc. The difference between the fair value of debt waived and its carrying amount is included in profit or loss.

Where the debt is restructured by revising other terms, the Group will recognize and measure the restructured debt in accordance with *"Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments"*.

Where the debt is restructured through settlement of debt with multiple assets or through portfolios, the Group will first recognize and measure the financial assets received and restructured debts in accordance with *"Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments"*, the allocate the fair value of debts waived net of the recognized amounts of financial assets received and restructured debt according to the respective fair value of the assets other than the financial assets received. And the cost of each asset is determined using aforesaid methods on such basis. The fair value of the debt waived and its carrying amount is included in profit or loss.

44. Changes in significant accounting policies and accounting estimates

(1). Changes in significant accounting policies

Applicable N/A Others

Other explanations:

The *Interpretation No. 15 of the Accounting Standards for Business Enterprises* (the "Interpretation No. 15") was issued by the Ministry of Finance on 30 December 2021, which stipulated the accounting treatment of external sale of products or by-products produced by an enterprise before the fixed assets are ready for intended use or in the process of research and development, as well as the judgment on onerous contract.

Accounting treatment of external sale of products or by-products produced by an enterprise before the fixed assets are ready for intended use or in the process of research and development

In accordance with the Interpretation No. 15, if an enterprise sells products or by-products produced before the fixed assets are ready for intended use or in the process of research and development, it shall, in accordance with

the provisions of *Accounting Standards for Business Enterprises No. 14 - Revenue* and *Accounting Standards for Business Enterprises No. 1 - Inventory*, respectively conduct accounting treatment of income and costs related to the trial sale, and include them in profit or loss for the period, but the balance of the related income from trial sale less cost shall not be used to offset against the cost of fixed assets or research and development expenses. Concurrently, an enterprise shall separately disclose in the notes the information including the amount of related income from and cost of trial sale, the specific presenting items, and the significant accounting estimates applied in determining the cost of trial sale. The Interpretation became effective on 1 January 2022, and retroactive adjustments should be made for trial sale that occurred between the beginning of the earliest presentation period of the financial statements and 1 January 2022.

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

Judgment on onerous contracts

The Interpretation No. 15 clarifies that the "cost to perform the contract" considered by an enterprise in determining whether a contract is an onerous contract shall include the incremental cost to perform the contract and the apportioned amount of other costs directly related to the performance of the contract. The Interpretation became effective on 1 January 2022, and an enterprise shall implement this Interpretation on contracts to which the obligations have not been completely fulfilled by 1 January 2022. The accumulative effect is adjusted for the opening balance of retained earnings for the year when the Interpretation is implemented and other related items to the financial statements, but not adjusted for the comparative data of prior periods.

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

The *Interpretation No. 16 of the Accounting Standards for Business Enterprises* (the "*Interpretation No. 16*") was issued by the Ministry of Finance on 30 November 2022, which stipulated the accounting treatment concerning the income tax effect of dividends on a financial instrument classified as an equity instrument by the issuer and the change of cash-settled share-based payment to equity-settled share-based payment by an enterprise.

Accounting treatment concerning the income tax effect of dividends on a financial instrument classified as an equity instrument by the issuer

In accordance with the Interpretation No. 16, for a financial instrument classified as an equity instrument by an enterprise in accordance with the *Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments* and other applicable provisions, if the relevant dividend payments are deductible before enterprise income tax in accordance with the relevant tax provisions, the enterprise, on recognition of dividends payable, shall include the tax effect of dividends in profit or loss or owners' equity using the same accounting treatment for previous transactions or events that generated distributable profits. The Interpretation became effective on 30 November 2022. Where the recognition of dividends payable by a financial instrument classified as an equity instrument occurs during the period from 1 January 2022 to the effective date of this Interpretation, the enterprise shall adjust the tax effect if such effect exists but is not treated according to the provisions hereinabove. Where the said recognition occurs before 1 January 2022 but the relevant financial instrument has not been derecognized as at 1 January 2022, the enterprise shall adjust the tax effect retrospectively if such effect exists but is not treated according to the provisions hereinabove.

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

Accounting treatment concerning the change of cash-settled share-based payment to equity-settled share-based payment by an enterprise

In accordance with the Interpretation No. 16, where an enterprise changes the terms and conditions of a cash-settled share-based payment agreement to those of an equity-settled share-based payment agreement, the enterprise shall, on the date of change, measure the equity-settled share-based payment at the fair value of the granted equity instrument on the current day, include the services received in capital reserve, and at the same time, derecognize the

liability that has been recognized for cash-settled share-based payment on the date of change, with the resulted difference included in profit or loss for the period. The Interpretation became effective on 30 November 2022. For the aforesaid transactions that are added during the period from 1 January 2022 to the effective date of this Interpretation, the enterprise shall make adjustments in accordance with the provisions of this Interpretation. If any transaction occurred before 1 January 2022 is not treated in accordance with the aforesaid provisions, the enterprise shall adjust the retained earnings as at 1 January 2022 and other related items to the financial statements based on the accumulative effect, without adjusting the information of the comparable period.

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

(2). Changes in significant accounting estimates

Applicable N/A

(3). Adjustments to the opening balances in the financial statements for the year of the first implementation of New Standards or Interpretations since 2022

Applicable N/A

45. Others

Applicable N/A

VI. TAXES

1. Major categories of taxes and tax rates

Information of major categories of taxes and tax rates

Applicable N/A

Category of taxes	Basis of tax computation	Tax rate
Value-added tax	Sales of goods, rendering of processing and repair and replacement services, and lease of tangible movable property	13%
	Transportation services	9%
	Modern services (excluding lease of immovable properties and tangible movable properties) (including research and technical services, and logistics support services, etc.)	6%
	Lease of immovable properties	9%, 5%
	Financial services	6%
Consumption tax	Revenue from sales of automobiles by vehicle manufacturers	1% - 25%
Enterprise income tax	Enterprise's taxable income	15%, 25%

Disclosure about entities being levied at different enterprise income tax rates:

Applicable N/A

Name of taxpayer	Income tax rate (%)
SAIC Maxus Vehicle Co., Ltd. (“SAIC Maxus”)	25
SAIC Capital Company Limited (“SAIC Capital”)	25
SAIC General Motors Sales Co., Ltd. (“GM Sales”)	25
Shanghai Shanghong Real Estate Co., Ltd. (“Shanghong Real Estate”)	25
SAIC Investment Management Co., Ltd. (“Investment Management”)	25
SAIC Group Financial Holding Management Co., Ltd. (“SAIC Financial Holding”)	25
SAIC Insurance Sales Co., Ltd. (“SAIC Insurance”)	25
SAIC Volkswagen Sales Co., Ltd.	25
China United Automotive System Co., Ltd.	25
SAIC Finance Co., Ltd. (“SFC”)	25
Shanghai Pengpu Machine Building Plant Co., Ltd.	25
HUAYU Automotive Systems Co., Ltd. (“HASCO”)	25
Anji Automotive Logistics Co., Ltd. (“Anji Logistics”)	25
Shanghai Automotive Industry Sales Co., Ltd. (“Industry Sales”)	25
Shanghai Shangyuan Investment Management Co., Ltd. (“Shangyuan Investment”)	25
China Automotive Industrial Development Co., Ltd.	25
SAIC Motor (Beijing) Co., Ltd.	25
Shanghai Automobile Asset Management Co., Ltd. (“Asset Management”)	25
Donghua Automotive Industrial Co., Ltd. (“Donghua”)	25
SAIC Activity Centre Co., Ltd.	25
Nanjing Automobile (Group) Corporation (“Nanjing Automobile Group”)	25
Shanghai Sunwin Bus Co., Ltd. (“Shanghai Sunwin”)	25
SAIC-GMAC Automotive Finance Co., Ltd. (“SAIC-GMAC”)	25
Shanghai E-propulsion Auto Technology Co., Ltd.	25
SAIC International Trade Co., Ltd.	25
Rising Auto Technology Co., Ltd.	25
IM Motors Co., Ltd.. (“IM Motors”)	25
Shanghai Dongzheng Automotive Finance Co., Ltd. (“Dongzheng Finance”)	25
Z-one Technology Co., Ltd (“Z-one Tech”)	25

2. Tax incentives

√Applicable □N/A

(1) According to *Enterprise Income Tax Law of the People’s Republic of China* (hereinafter referred to as “EIT Law”) and other related regulations, the Company is recognized as a High-Technology Enterprise which is qualified to get the State’s special support from 2008, enjoying a preferential tax rate of 15% of enterprise income tax. The Company passed the review/reassessment of High-Technology Enterprise in 2011, 2014, 2017 and 2020, and obtained the certificate of High-Technology Enterprise. Therefore, the applicable income tax rate for the Company is 15% for the current year and last year.

(2) On 27 July 2011, the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs jointly issued the *Circular on Tax Policy Issues concerning Further Implementing the Western China Development Strategy* (Cai Shui [2011] No. 58) (hereinafter referred to as "Cai Shui No. 58 Circular"), the applicable enterprise income tax rate of enterprises among encouraged industries established in

western development zone for the years from 2011 to 2020 is reduced to 15%. SAIC GM Wuling Co., Ltd. (hereinafter referred to as "SGMW") registered in Liuzhou City, Guangxi Zhuang Autonomous Region, which is located in the China Western Development Region and established a branch in Chongqing ("Chongqing Branch"). National Development and Reform Commission ("NDRC") issued the *Catalogue of Encouraged Industries in the Western Region* to include automotive vehicles and special vehicles manufacturing in catalogue of encouraged industries of Guangxi Zhuang Autonomous Region and Chongqing Municipality, the enterprise income tax is applicable to the preferential tax rate of 15%. Therefore, enterprise income tax of the headquarters of SGMW located in Liuzhou City, Guangxi and Chongqing Branch is levied at a preferential income tax rate of 15%. On 23 April 2020, the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission jointly released *Announcement on Enterprises Income Tax Policy Concerning Continuation of the Western China Development* (Cai Shui [2020] No. 23 Announcement), the applicable enterprise income tax rate of enterprises among encouraged industries established in western development zone from 1 January 2021 to 31 December 2030 is reduced to 15%. The Company's principal business is among the encouraged industries in the western development zone, therefore, enterprise income tax of the headquarters of SGMW located in Liuzhou City, Guangxi and Chongqing Branch is still levied at the preferential income tax rate of 15% from 1 January 2021 to 31 December 2030.

(3) SAIC Hongyan Automotive Co., Ltd. ("SAIC Hongyan") and its subsidiary SAIC Hongyan Axle (Chongqing) Co., Ltd. ("SAIC Hongyan Axle") are established in the western zone. According to Cai Shui No. 58 Circular, the management of SAIC Hongyan considers that the principal business of SAIC Hongyan and SAIC Hongyan Axle is included in the scope of "Automotive vehicles, special vehicles and parts manufacturing" in the *Catalogue of Encouraged Industries in the Western Region*, therefore the enterprise income tax of SAIC Hongyan and SAIC Hongyan Axle is levied at 15%. In addition, according to Cai Shui [2020] No. 23 Announcement, SAIC Hongyan and SAIC Hongyan Axle are still entitled to a preferential income tax rate of 15% from 1 January 2021 to 31 December 2030.

(4) According to the EIT Law and other related regulations, SAIC Motor Transmission Co., Ltd. ("SAIC Transmission"), Shanghai New Power Automotive Technology Company Limited ("SNAT"), Shanghai Hydrogen Propulsion Technology Co., Ltd. ("SHPT"), SAIC Shidai Power Battery System Co., Ltd. ("SAIC Shidai"), DIAS Automotive Electronic Systems Co., Ltd. ("DIAS") and Nanjing Iveco Automobile Co., Ltd. ("Nanjing Iveco") are recognized as High-Technology Enterprises which are qualified to get the State's special support. Therefore, SAIC Transmission, SNAT, SHPT, SAIC Shidai, DIAS and Nanjing Iveco are subject to the EIT rate of 15% in the current year.

(5) In the current year, the EIT rate applicable to the overseas subsidiaries is subject to the local tax requirements.

3. Others

Applicable N/A

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Cash on hand	2,060,057.37	1,453,475.49
RMB	1,957,350.08	1,284,566.79
Other currencies	102,707.29	168,908.70
Bank balances	138,989,266,806.73	126,635,625,375.06
RMB	116,843,459,488.19	109,076,716,789.58
USD	7,019,770,863.50	5,645,766,013.03
EUR	5,896,385,775.90	2,804,721,796.68
GBP	2,276,370,774.64	2,316,917,109.25
AUD	1,966,273,661.34	2,012,503,675.36
HKD	740,153,246.91	674,759,639.31
THB	651,105,454.40	810,966,744.96
IDR	840,792,355.34	448,756,490.48
AED	547,141,491.19	1,010,089,213.32
CLP	494,305,711.52	774,206,926.00
INR	418,246,374.61	311,512,826.28
NOK	307,155,012.65	120,643,728.36
HUF	287,627,592.00	259,193,346.57
MYR	188,123,168.08	137,466,585.88
ZAR	147,025,592.61	60,203,196.49
NZD	129,804,441.35	78,347,576.11
Other currencies	235,525,802.50	92,853,717.40
Other monetary funds	16,165,302,603.02	11,888,845,882.11
RMB	13,932,610,200.99	11,643,830,400.17
USD	52,895,158.02	77,471,743.97
EUR	2,177,323,428.77	102,840,272.00
INR	525,894.00	43,951,957.00
IDR		16,092,000.00
Others	1,947,921.24	4,659,508.97
Total	155,156,629,467.12	138,525,924,732.66
Including: Cash and bank balances deposited abroad	20,020,340,832.58	16,750,526,139.99

Other explanations:

Details of restricted cash and bank balances are as follows:

Item	31 December 2022	1 January 2022
Bank balances		
- Pledged for bank acceptances		187,776,407.91
- Others	104,637,756.95	91,866,934.06

Other monetary funds		
- Restricted deposits at the central bank (Note)	6,679,374,493.23	9,205,882,838.57
- Deposits for bank draft	8,683,511,786.52	1,892,109,803.98
- Pledged for letters of credit	26,265,997.91	207,675,303.98
- Others	69,746,944.47	30,988,390.49
Total	15,563,536,979.08	11,616,299,678.99

Note: It represents the general deposit reserve deposited at the central bank by SFC and SAIC-GMAC as required. SFC and SAIC-GMAC contribute restricted deposits at the central bank in accordance with its regulations, and the above-mentioned deposits should not be used for daily operations.

2. Held-for-trading financial assets

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Financial assets designated as at fair value through profit or loss	45,230,022,623.99	53,883,499,373.59
Including:		
Derivative instruments	7,220,961.71	68,642.21
Bond investments	3,286,609,955.50	3,022,602,082.56
Investments such as stocks, funds and structured deposits	32,238,401,372.29	43,321,218,224.75
Bank acceptances	9,697,790,334.49	7,539,610,424.07
Total	45,230,022,623.99	53,883,499,373.59

Other explanations:

□Applicable √N/A

3. Derivative financial assets

□Applicable √N/A

4. Notes receivable

(1). Presentation of notes receivable by categories

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Bank acceptances	2,780,077,794.42	1,951,084,417.47
Commercial acceptances	3,095,341,413.20	2,429,879,615.58
Total	5,875,419,207.62	4,380,964,033.05

(2). The Company's pledged notes receivable at the end of the period√Applicable N/A

Unit: RMB

Item	31 December 2022
Bank acceptances	45,930,000.00
Total	45,930,000.00

(3). Notes receivable endorsed or discounted by the Company to other parties which are not yet due at the balance sheet dateApplicable √N/A**(4). Notes receivable reclassified to accounts receivable due to the drawer's inability to settle the notes on maturity**Applicable √N/A**(5). Disclosure by categories under bad debt provision methods**√Applicable N/A

Unit: RMB

Category	31 December 2022					1 January 2022				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	(%)	Amount	Bad debt accrual rate (%)		Amount	(%)	Amount	Bad debt accrual rate (%)	
Bad debt provision on a portfolio basis	5,877,065,134.13	100	1,645,926.51	0.03	5,875,419,207.62	4,408,886,230.36	100	27,922,197.31	0.63	4,380,964,033.05
Total	5,877,065,134.13	100	1,645,926.51	0.03	5,875,419,207.62	4,408,886,230.36	100	27,922,197.31	0.63	4,380,964,033.05

Bad debt provision on an individual basis:

Applicable √N/A

Bad debt provision on a portfolio basis:

√Applicable N/A

Unit: RMB

Item	31 December 2022		
	Notes receivable	Bad debt provision	Bad debt accrual rate (%)
Bank acceptances	2,780,077,794.42		
Commercial acceptances	3,096,987,339.71	1,645,926.51	0.05
Total	5,877,065,134.13	1,645,926.51	0.03

Recognition standards of bad debt provision on a portfolio basis and the explanations thereon

Applicable √N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable √N/A

(6). Details of bad debt provision

√Applicable □N/A

Unit: RMB

Type	1 January 2022	Changes for the period			31 December 2022
		Provision	Recovery or reversal	Write-off or charge-off	
Commercial acceptances	27,922,197.31	17,407,888.61	-43,684,159.41		1,645,926.51
Total	27,922,197.31	17,407,888.61	-43,684,159.41		1,645,926.51

In the current period, the recovery or reversal of bad debt provision that is significant is as follows:

□Applicable √N/A

(7) Notes receivable actually written off in the current period

□Applicable √N/A

Other explanations:

□Applicable √N/A

5. Accounts receivable**(1). Disclosure of accounts receivable by aging:**

√Applicable □N/A

Unit: RMB

Aging	31 December 2022
Within 1 year	
Including: Sub-items within 1 year	
Within 1 year	59,720,624,114.55
Sub-total of accounts receivable within 1 year	59,720,624,114.55
1-2 years	4,192,579,219.29
2-3 years	700,378,359.39
Over 3 years	1,624,349,225.19
Total	66,237,930,918.42

(2). Disclosure by categories under bad debt provision methods

√Applicable □N/A

Unit: RMB

Category	31 December 2022					1 January 2022				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	(%)	Amount	Bad debt accrual rate (%)		Amount	(%)	Amount	Bad debt accrual rate (%)	
Bad debt provision on an individual basis	2,671,256,503.27	4.03	986,934,719.67	36.95	1,684,321,783.60	736,880,761.98	1.47	558,059,129.99	75.73	178,821,631.99
Including:										
High-risk receivables	2,671,256,503.27	4.03	986,934,719.67	36.95	1,684,321,783.60	736,880,761.98	1.47	558,059,129.99	75.73	178,821,631.99

Bad debt provision on a portfolio basis	63,566,674,415.15	95.97	2,337,893,533.15	3.68	61,228,780,882.00	49,259,611,920.16	98.53	1,974,900,157.27	4.01	47,284,711,762.89
Including:										
General portfolio	63,566,674,415.15	95.97	2,337,893,533.15	3.68	61,228,780,882.00	49,259,611,920.16	98.53	1,974,900,157.27	4.01	47,284,711,762.89
Total	66,237,930,918.42	100.00	3,324,828,252.82	5.02	62,913,102,665.60	49,996,492,682.14	100.00	2,532,959,287.26	5.07	47,463,533,394.88

Bad debt provision on an individual basis

Applicable N/A

Unit: RMB

Item	31 December 2022			
	Book balance	Bad debt provision	Bad debt accrual rate (%)	Reason
High-risk receivables	2,671,256,503.27	986,934,719.67	36.95	
Total	2,671,256,503.27	986,934,719.67	36.95	

Explanation on bad debt provision on an individual basis:

Applicable N/A

Bad debt provision on a portfolio basis:

Applicable N/A

Items on a portfolio basis: General portfolio

Unit: RMB

Item	31 December 2022		
	Accounts receivable	Bad debt provision	Bad debt accrual rate (%)
Within 1 year	59,526,492,591.59	190,520,535.89	0.32
1-2 years	1,946,989,834.89	438,584,099.80	22.53
2-3 years	680,627,008.53	333,808,532.49	49.04
Over 3 years	1,412,564,980.14	1,374,980,364.97	97.34
Total	63,566,674,415.15	2,337,893,533.15	3.68

Recognition standards of bad debt provision on a portfolio basis and the explanations thereon

Applicable N/A

As a part of the Group's credit risk management, the Group assessed the expected credit loss of accounts receivable by using their aging in respect of general portfolio. The Group's management considered that the aging of accounts receivable could reflect the clients' ability to pay accounts receivable on maturity. In determining the expected credit loss of accounts receivable, the Group took the historical actual impairment condition, the present situation and the forecast of future economic condition into considerations to determine the corresponding expected credit risk and calculate the expected credit loss.

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable N/A

(3). Details of bad debt provision

√Applicable □N/A

Unit: RMB

Type	1 January 2022	Changes for the period				31 December 2022
		Provision	Recovery or reversal	Write-off or charge-off	Others	
Credit loss provision	2,532,959,287.26	1,505,469,161.33	-632,318,707.24	-81,487,241.54	205,753.01	3,324,828,252.82
Total	2,532,959,287.26	1,505,469,161.33	-632,318,707.24	-81,487,241.54	205,753.01	3,324,828,252.82

Recovery or reversal of bad debt provision that is significant:

□Applicable √N/A

(4). Accounts receivable actually written off in the current period

□Applicable √N/A

(5). Top five accounts receivable categorized by debtors

√Applicable □N/A

Unit: RMB

Name	Relationship with the Group	31 December 2022	Aging	Proportion to total accounts receivable (%)
Company 1	Joint venture	5,186,178,410.42	Within 1 year	7.83
Company 2	Third party	3,447,911,788.56	Within 1 year	5.20
Company 3	Joint venture	3,356,213,029.96	Within 1 year	5.07
Company 4	Third party	1,749,460,345.00	Within 1 year	2.64
Company 5	Third party	1,687,771,417.00	Within 1 year	2.55
Total		15,427,534,990.94		23.29

(6). Accounts receivable derecognized due to transfer of financial assets

□Applicable √N/A

(7). Assets and liabilities arising from transfer of accounts receivable and continuous involvement

□Applicable √N/A

Other explanations:

√Applicable □N/A

At the end of the year, accounts receivable amounting to RMB 1,496,651,242.13 were pledged as the collateral for bank borrowings.

6. Financing with receivables

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Notes receivable - Bank acceptances	11,550,691,647.05	11,369,104,594.18
Total	11,550,691,647.05	11,369,104,594.18

Movements of financing with receivables and the changes in fair value:

Applicable N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable N/A

Other explanations:

Applicable N/A

7. Prepayments

(1). Aging analysis of prepayments is as follows:

Applicable N/A

Unit: RMB

Aging	31 December 2022		1 January 2022	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	21,963,402,950.60	99.04	22,467,463,900.12	99.08
1-2 years	128,853,167.53	0.58	83,025,650.20	0.37
2-3 years	28,739,392.64	0.13	72,668,555.76	0.32
Over 3 years	55,563,748.27	0.25	51,990,071.32	0.23
Total	22,176,559,259.04	100.00	22,675,148,177.40	100.00

(2). Top five prepayments categorized by receivers

Applicable N/A

Name	Relationship with the Group	31 December 2022	Aging	Proportion to total prepayments (%)
Company 1	Joint venture	10,521,569,989.72	Within 1 year	47.43
Company 2	Joint venture	845,393,987.41	Within 1 year	3.81
Company 3	Third party	814,094,200.00	Within 1 year	3.67
Company 4	Third party	344,729,956.97	Within 1 year	1.56
Company 5	Third party	323,180,000.00	Within 1 year	1.46
Total		12,848,968,134.10		57.93

Other explanations:

Applicable N/A

At the end of the year, the balance of impairment provision for prepayments amounted to RMB 4,889,866.13, including an addition of RMB 407,700.00 made by SNAT.

8. Other receivables

Presentation by items

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Interest receivable	796,901,904.49	334,405,628.65
Dividends receivable	1,211,251,796.86	1,465,390,572.13
Other receivables	13,892,700,626.58	13,686,523,338.29
Total	15,900,854,327.93	15,486,319,539.07

Other explanations:

Applicable N/A

At the end of the year, other receivables amounting to RMB 700,000,000.00 were pledged as the collateral for bank borrowings.

Interest receivable**(1). Classification of interest receivable**Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Time deposits	795,662,279.30	331,012,938.64
Entrusted loans	1,182,525.41	3,392,690.01
Deposits made with other banks	57,099.78	
Total	796,901,904.49	334,405,628.65

(2). Significant overdue interestApplicable N/A**(3). Details of bad debt provision**Applicable N/A

Other explanations:

Applicable N/A**Dividends receivable****(4). Dividends receivable**Applicable N/A

Unit: RMB

Item (or investee)	31 December 2022	1 January 2022
Dividends receivable due from joint ventures	1,039,670,621.49	1,007,903,720.35
Dividends receivable due from associates	152,875,695.00	423,753,604.88
Others	18,705,480.37	33,733,246.90
Total	1,211,251,796.86	1,465,390,572.13

(5). Significant dividends receivable aged more than one year

Applicable N/A

(6). Details of bad debt provision

Applicable N/A

Other explanations:

Applicable N/A

Other receivables

(7). Disclosure of other receivables by aging

Applicable N/A

Unit: RMB

Aging	31 December 2022
Within 1 year	
Including: Sub-items within 1 year	
Within 1 year	8,817,240,254.24
Sub-total of other receivables within 1 year	8,817,240,254.24
1-2 years	2,336,232,639.57
2-3 years	941,896,662.24
Over 3 years	2,868,685,784.33
Total	14,964,055,340.38

(8). Classification of other receivables by nature

Applicable N/A

Unit: RMB

Nature	31 December 2022	1 January 2022
New energy vehicle subsidies	5,883,716,877.03	7,131,702,471.04
Disposal of assets	436,976,767.83	436,959,144.34
Advances to project	250,652,875.48	458,936,669.46
Guarantees and tax refund receivable, etc.	8,392,708,820.04	6,796,808,023.01
Total	14,964,055,340.38	14,824,406,307.85

(9). Details of bad debt provision

Applicable N/A

Bad debt provision made in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

Applicable N/A

(10). Details of bad debt provision

Applicable N/A

Unit: RMB

Type	1 January 2022	Changes for the period				31 December 2022
		Provision	Recovery or reversal	Write-off or charge-off	Others	

Other receivables	1,137,882,969.56	80,187,557.07	-136,321,569.05	-10,437,835.78	43,592.00	1,071,354,713.80
Total	1,137,882,969.56	80,187,557.07	-136,321,569.05	-10,437,835.78	43,592.00	1,071,354,713.80

In the current period, the recovery or reversal of bad debt provision that is significant is as follows:

Applicable N/A

(11). Other receivables actually written off in the current period

Applicable N/A

(12). Top five other receivables categorized by debtors

Applicable N/A

Unit: RMB

Name	31 December 2022	Aging	Proportion to total other receivables (%)
Company 1	4,760,558,082.80	1 to 5 years	31.81
Company 2	2,032,969,838.41	Within 1 year	13.59
Company 3	1,123,158,794.23	3 to 5 years	7.51
Company 4	436,976,767.83	Within 8 years	2.92
Company 5	413,067,075.08	Within 1 year	2.76
Total	8,766,730,558.35		58.59

(13). Other receivables related to government grants

Applicable N/A

(14). Other receivables derecognized due to transfer of financial assets

Applicable N/A

(15). Assets and liabilities arising from transfer of other receivables and continuous involvement

Applicable N/A

Other explanations:

Applicable N/A

9. Financial assets purchased under resale agreements

	31 December 2022	1 January 2022
Financial assets purchased under resale agreements	4,619,815,075.30	5,881,850,702.79

10. Inventories

(1). Categories of inventories

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
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	Book balance	Provision for decline in value of inventories / impairment provision for costs to fulfill the contract	Carrying amount	Book balance	Provision for decline in value of inventories / impairment provision for costs to fulfill the contract	Carrying amount
Raw materials	17,901,865,550.65	1,575,419,021.74	16,326,446,528.91	15,892,985,299.47	1,452,760,646.35	14,440,224,653.12
Work-in-process	13,323,211,098.71	121,956,733.43	13,201,254,365.28	11,832,357,893.64	89,289,651.53	11,743,068,242.11
Goods on hand	60,452,114,794.69	1,609,389,490.77	58,842,725,303.92	31,473,004,742.83	1,156,067,095.54	30,316,937,647.29
Costs to fulfill the contract	164,574,846.19		164,574,846.19	135,676,547.52		135,676,547.52
Total	91,841,766,290.24	3,306,765,245.94	88,535,001,044.30	59,334,024,483.46	2,698,117,393.42	56,635,907,090.04

(2). Provision for decline in value of inventories and impairment provision for costs to fulfill the contract

√Applicable □N/A

Unit: RMB

Item	1 January 2022	Increase during the period		Decrease during the period		31 December 2022
		Provision	Others	Reversal or write-off	Others	
Raw materials	1,452,760,646.35	257,505,178.58	7,745,047.93	142,591,851.12		1,575,419,021.74
Work-in-process	89,289,651.53	78,233,374.41	7,070,311.00	52,636,603.51		121,956,733.43
Goods on hand	1,156,067,095.54	927,648,797.00	410,929.00	474,737,330.77		1,609,389,490.77
Total	2,698,117,393.42	1,263,387,349.99	15,226,287.93	669,965,785.40		3,306,765,245.94

Details of provision for decline in value of inventories:

Item	Basis of provision for decline in value of inventories	Reason for reversal of provision for decline in value of inventories
Raw materials	Lower of cost or net realizable value	Value rebound
Work-in-process	Lower of cost or net realizable value	Value rebound
Finished goods or goods on hand	Lower of cost or net realizable value	Value rebound

(3). Explanation on capitalized amount included in the closing balance of inventories

□Applicable √N/A

(4). Description of current amortization of costs to fulfill the contract

□Applicable √N/A

Other explanations:

√Applicable □N/A

At the end of the year, inventories amounting to RMB 754,180,636.54 (net) were pledged as the collateral for bank borrowings.

11. Contract assets

(1). Details of contract assets

□Applicable √N/A

(2). Amount of and reasons for significant changes in the carrying amount during the reporting period

□Applicable √N/A

(3). Impairment provision for contract assets in the period

Applicable N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable N/A

Other explanations:

Applicable N/A

12. Held-for-sale assets

Applicable N/A

Unit: RMB

Item	Balance at 31 December 2022	Provision for impairment	Carrying amount at 31 December 2022	Fair value	Estimated disposal costs	Expected disposal time
Held-for-sale equity	805,013,278.30		805,013,278.30			
Total	805,013,278.30		805,013,278.30			

13. Non-current assets due within one year

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Long-term loans due within one year	49,479,895,770.19	49,853,489,724.23
Debt investments due within one year	403,458,000.00	
Long-term receivables due within one year	10,490,072,049.65	9,255,313,079.81
Other non-current assets due within one year	1,085,842,761.26	2,739,396,826.72
Total	61,459,268,581.10	61,848,199,630.76

Debt investments and other debt investments that are significant at the end of the period:

Applicable N/A

14. Other current assets

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Short-term borrowings issued	69,401,356,357.56	63,008,711,730.13
Interbank depository receipts	26,138,075,534.51	53,923,058,871.00
Input VAT to be deducted	7,480,557,930.06	8,301,196,664.27
Factoring receivable	815,532,633.92	741,870,273.86
Short-term entrusted loans	59,500,000.00	352,000,000.00
Prepaid expenses	152,647,761.54	262,681,307.37
Discount	127,576,840.01	182,177,405.10
Time deposits	3,767,720,000.00	

Total	107,942,967,057.60	126,771,696,251.73
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15. Loans and advances

(1). Details of loans and advances

Unit: RMB

Item	31 December 2022			1 January 2022		
	Book balance	Credit impairment provision	Carrying amount	Book balance	Credit impairment provision	Carrying amount
Long-term loans issued	152,026,691,581.41	4,569,180,211.67	147,457,511,369.74	157,170,682,934.44	4,771,190,861.14	152,399,492,073.30
Less: Long-term loans due within one year	51,121,265,104.83	1,641,369,334.64	49,479,895,770.19	51,296,712,875.69	1,443,223,151.46	49,853,489,724.23
Long-term loans due after one year	100,905,426,476.58	2,927,810,877.03	97,977,615,599.55	105,873,970,058.75	3,327,967,709.68	102,546,002,349.07

(2). Credit risks of loans are set forth as below:

Unit: RMB

Category	31 December 2022				1 January 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)		12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	
Total principal of loans and advances	216,074,243,867.99	5,666,207,650.54	1,439,406,793.99	223,179,858,312.52	214,797,728,847.79	6,480,476,551.24	632,422,676.16	221,910,628,075.19
Less: Impairment loss on loans	4,210,933,517.13	1,050,753,710.80	1,059,303,357.29	6,320,990,585.22	5,427,453,616.73	722,264,067.09	352,706,587.94	6,502,424,271.76
Loans and advances - net	211,863,310,350.86	4,615,453,939.74	380,103,436.70	216,858,867,727.30	209,370,275,231.06	5,758,212,484.15	279,716,088.22	215,408,203,803.43

(3). Changes in loss provision for loans and advances are as follows:

Unit: RMB

Item	2022			Total
	Stage 1	Stage 2	Stage 3	
	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	
Balance at 1 January 2022	5,427,453,616.73	722,264,067.09	352,706,587.94	6,502,424,271.76
Changes for the year				
-Transfer to Stage 1	41,357,903.77	-37,037,652.84	-4,320,250.93	
-Transfer to Stage 2	-30,893,183.73	33,251,555.31	-2,358,371.58	
-Transfer to Stage 3	-4,267,168.94	-37,584,829.37	41,851,998.31	
Net change for the year	-1,222,717,650.70	369,860,570.61	1,669,657,361.97	816,800,281.88
Recovery of written-off loans for the year			240,004,636.30	240,004,636.30
Write-off and charge-off for the year			-1,238,238,604.72	-1,238,238,604.72
Balance at 31 December 2022	4,210,933,517.13	1,050,753,710.80	1,059,303,357.29	6,320,990,585.22
-Loss provision for long-term loans				4,569,180,211.67
-Loss provision for short-term loans				1,751,810,373.55

16. Debt investments

(1). Details of debt investments

√Applicable □N/A

Unit: RMB

Item	31 December 2022			1 January 2022		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Entrusted loans	653,458,000.00		653,458,000.00	399,394,000.00		399,394,000.00
Time deposits	23,789,000,000.00		23,789,000,000.00			
Less: Debt investments due within one year	403,458,000.00		403,458,000.00			
Total	24,039,000,000.00		24,039,000,000.00	399,394,000.00		399,394,000.00

(2). Debt investments that are significant at the end of the period

Applicable N/A

(3). Details of provision for impairment

Applicable N/A

Impairment provision made in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

Applicable N/A

Other explanations:

Applicable N/A

17. Other debt investments**(1). Details of other debt investments**

Applicable N/A

Unit: RMB

Item	1 January 2022	31 December 2022
Interbank depository receipts and bonds	34,252,527.10	843,316,530.00
Less: Other debt investments due within one year		
Total	34,252,527.10	843,316,530.00

(2). Other debt investments that are significant at the end of the period

Applicable N/A

(3). Details of provision for impairment

Applicable N/A

Impairment provision made in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

Applicable N/A

Other explanations:

Applicable N/A

18. Long-term receivables**(1). Details of long-term receivables**

√Applicable □N/A

Unit: RMB

Item	31 December 2022			1 January 2022			Range of discount rate
	Book balance	Bad debt provision	Carrying amount	Book balance	Bad debt provision	Carrying amount	
Finance lease receivables	20,750,605,511.29	575,827,262.72	20,174,778,248.57	21,557,065,328.85	503,588,209.54	21,053,477,119.31	
Including: Unrealized financing income	2,803,901,545.75		2,803,901,545.75	2,403,069,958.46		2,403,069,958.46	
Sale of goods settled by installments	1,469,118,004.00	1,814,131.11	1,467,303,872.89	697,742,724.94	6,253,541.00	691,489,183.94	
Rendering of services settled by installments				32,470,150.30		32,470,150.30	
Long-term receivables due within one year	10,650,396,419.10	-160,324,369.45	-10,490,072,049.65	-9,435,261,661.67	-179,948,581.86	-9,255,313,079.81	
Total	11,569,327,096.19	417,317,024.38	11,152,010,071.81	12,852,016,542.42	329,893,168.68	12,522,123,373.74	

(2). Details of bad debt provision

□Applicable √N/A

Bad debt provision made in the current period and the basis to assess whether credit risk of financial instruments is increased significantly

□Applicable √N/A

(3). Long-term receivables derecognized due to transfer of financial assets

□Applicable √N/A

(4). Assets and liabilities arising from transfer of long-term receivables and continuous involvement

□Applicable √N/A

Other explanations:

√Applicable □N/A

Changes in provision for credit loss:

	Finance lease receivables	Sale of goods settled by installments	Total
Balance at 31 December 2021	503,588,209.54	6,253,541.00	509,841,750.54
Net change	182,773,648.13	-1,566,966.70	181,206,681.43
Write-off and charge-off	-186,256,176.00	-2,872,443.19	-189,128,619.19
Recovery of write-off in prior years	75,721,581.05		75,721,581.05
Balance at 31 December 2022	575,827,262.72	1,814,131.11	577,641,393.83

19. Long-term equity investments

√Applicable □N/A

Unit: RMB

Investee	1 January 2022	Increase (decrease) during the period	31 December 2022	Impairment provision as at 31 December 2022
		Others		
I. Joint ventures				
SAIC Volkswagen Automotive Co., Ltd.	13,693,396,028.16	-636,565,627.70	13,056,830,400.46	
Pan Asia Technical Automotive Center Co., Ltd.	401,026,813.59	60,224,533.11	461,251,346.70	
SAIC Iveco Commercial Vehicle Investment Co., Ltd. (Note 3)	974,363,440.38	-974,363,440.38		
Shanghai Advanced Traction Battery Systems Co., Ltd. (Note 1)	32,734,330.74	1,246,402.91	33,980,733.65	
SAIC General Motors Co., Ltd.	11,562,089,010.82	-766,497,144.28	10,795,591,866.54	
SAIC GM Dong Yue Motors Co., Ltd.	619,960,677.26	34,256,317.69	654,216,994.95	
Shanghai GM Dong Yue Powertrain Co., Ltd.	1,598,873,687.12	-29,993,298.64	1,568,880,388.48	
Shanghai GM (Shenyang) Norsom Motors Co., Ltd.	666,990,720.38	197,359,164.20	864,349,884.58	
ZF Transmissions Shanghai Co., Ltd. (Note 1)	452,062,196.07	131,462,162.01	583,524,358.08	
Shanghai SAIC Magneti Marelli Powertrain Co., Ltd.	157,266,087.97	-32,525,449.21	124,740,638.76	
United Automotive Electronic Systems Co., Ltd. (Note 1)	6,544,664,235.85	737,995,427.76	7,282,659,663.61	
Shanghai MHI Engine Co., Ltd.	103,684,480.93	21,731,806.04	125,416,286.97	
Tianjin Zhongxing Auto Parts Co., Ltd.	31,567,169.30	-487,544.58	31,079,624.72	
Shanghai Kede Auto Parts Co., Ltd.	72,022,006.57	-12,304,012.08	59,717,994.49	
Bosch Huayu Steering Systems Co., Ltd. (Note 1)	1,703,552,410.31	270,632,002.10	1,974,184,412.41	
Shanghai Saiwei Investment Center (Limited Partnership) (Note 11)	1,811,905,673.82	370,774,103.16	2,182,679,776.98	
Kolbenschmidt Shanghai Piston Co., Ltd.	322,454,774.37	9,859,396.97	332,314,171.34	
Shanghai Valeo Automotive Electrical Systems Co., Ltd.	287,199,752.55	-17,388,615.13	269,811,137.42	
Kolbenschmidt Pierburg Shanghai Nonferrous Components Co., Ltd.	767,465,719.43	-44,210,273.33	723,255,446.10	
Shanghai GKN HUAYU Driveline Systems Co., Ltd (Note 1)	1,572,750,650.93	67,879,900.31	1,640,630,551.24	
Shanghai Mahle Thermal Systems Co., Ltd.	477,224,374.78	-99,525,329.94	377,699,044.84	
Yan Feng Gabriel (Shanghai) Automotive Safety Systems Co., Ltd. (Note 1)	104,084,102.00	2,614,390.00	106,698,492.00	
Yanfeng Plastic Omnium Automotive Exterior Trimming System Co., Ltd. (Note 1)	903,646,027.00	116,246,307.00	1,019,892,334.00	
Hua Dong Teksid Automotive Foundry Co., Ltd.	226,300,705.68	3,157,841.18	229,458,546.86	
Pierburg Huayu Pump Technology Co. Ltd.	171,905,619.39	13,873,243.79	185,778,863.18	
Yanfeng Visteon Investment Co., Ltd.	577,007,975.02	1,668,188.00	578,676,163.02	
KS HUAYU Alu Tech GmbH	123,745,015.05	-7,176,165.57	116,568,849.48	
Huayu Continental Brake Systems (Chongqing) Co., Ltd.	6,987,645.66	5,840,975.40	12,828,621.06	
Hubei Hangpeng Chemical Power Technology Co., Ltd. (Note 1)	165,192,076.07	8,922,627.19	174,114,703.26	
Shanghai Kunzhihuixing Logistics Co., Ltd. (Formerly known as "Shanghai Anji Nyk Logistics Co., Ltd.") (Note 8 and 14)				
Shanghai Anjie Car Transportation Co., Ltd.	61,807,255.92	-13,814,125.85	47,993,130.07	
Dalian Hai Jia Automobile Harbor Co., Ltd.	185,870,138.71	-3,753,389.90	182,116,748.81	
Nanjing Harbor Jiangsheng Vehicle Dock Co., Ltd.	55,668,054.02	554,999.24	56,223,053.26	
Shanghai Anfu Logistics Co., Ltd. (Note 1)	69,508,002.94	-2,622,488.98	66,885,513.96	
Shanghai Anji Xunda Automobile Transportation Co., Ltd. (Note 1)	43,873,910.44	-12,658,599.25	31,215,311.19	
Tianjin Port Haijia Automotive Terminal Co., Ltd. (Note 1)	179,120,143.12	-31,877,125.00	147,243,018.12	
Hangzhou Chang'an Minsheng Anji Logistics Co., Ltd.	12,667,002.80	-463,518.44	12,203,484.36	
Anji Intelligent Instrumentation Technology Co., Ltd. (Note 8)	12,837,903.20	-12,837,903.20		

Shanghai Dingshang Logistics Co., Ltd. (Note 1)	7,634,300.34	2,771,790.83	10,406,091.17	
Nanjing Jiazhong Logistics Co., Ltd. (Note 1)	5,867,705.91	-5,407,904.70	459,801.21	
Beijing Boruiyechuan Car Service Co., Ltd.	20,065,670.57	-6,194,349.61	13,871,320.96	
Shanghai Onstar Telematics Co., Ltd.	175,469,158.71	-17,358,308.71	158,110,850.00	
Nanjing Automotive Forging Co., Ltd.	340,806,873.66	11,477,006.28	352,283,879.94	
SAIC Infineon Automotive Power Semiconductor (Shanghai) Co., Ltd. (Note 1)	41,247,225.21	145,187,350.69	186,434,575.90	
Securipu Power Battery System Co., Ltd. (Note 1 and 2)		457,285,266.71	457,285,266.71	
Others	1,026,389,378.83	-663,724,288.01	362,665,090.82	
Sub-total	48,370,956,131.58	-718,727,699.92	47,652,228,431.66	
II. Associates				
Shanghai Volkswagen Powertrain Co., Ltd.	1,385,061,315.30	-301,939,029.98	1,083,122,285.32	
Volkswagen Transmission (Shanghai) Co., Ltd.	145,113,120.25	-42,521,545.90	102,591,574.35	
China Automobile Development United Investment Co., Ltd.	137,831,593.57	27,210,913.78	165,042,507.35	
Shanghai Huizhong Sachs Shock Absorber Co., Ltd.	211,584,457.59	11,708,741.67	223,293,199.26	
Shanghai ThyssenKrupp Presta HuiZhong Co., Ltd.	188,652,927.85	82,562,648.82	271,215,576.67	
Shanghai Benteler Huizhong Automotive Parts Co., Ltd.	110,098,679.89	-4,062,517.97	106,036,161.92	
Shanghai Sanli-Huizhong Auto Parts Co., Ltd.	141,701,546.42	11,268,155.16	152,969,701.58	
Shanghai Mhi Turbocharger Co., Ltd.	283,892,036.96	-11,533,661.53	272,358,375.43	
Shanghai Edscha Machinery Co., Ltd.	62,807,889.22	-29,494,616.35	33,313,272.87	
Shanghai Tenneco Exhaust System Co., Ltd.	226,979,683.44	-37,613,660.98	189,366,022.46	
Federal-Mogul Shanghai Bearing Co., Ltd.	156,741,710.02	-75,221,113.90	81,520,596.12	
Shanghai Federal-Mogul Compound Material Co., Ltd.	55,778,245.11	10,038,446.78	65,816,691.89	
Yapp Automotive Parts Co., Ltd.	1,041,947,857.31	78,742,236.56	1,120,690,093.87	
Shanghai Aichi Forging Co., Ltd.	174,635,745.98	-14,049,410.36	160,586,335.62	
Shanghai Neturen Co., Ltd.	115,685,407.40	-5,538,108.39	110,147,299.01	
Shanghai Meridian Magnesium Products Co., Ltd.	63,325,255.22	8,979,894.42	72,305,149.64	
Shanghai Xingsheng Gasket Co., Ltd.	45,677,508.43	3,417,649.06	49,095,157.49	
Shanghai Boze Auto Parts Co., Ltd.	70,149,295.38	-20,479,831.92	49,669,463.46	
Shanghai Inteva Automotive Door Systems Co., Ltd.	137,676,894.02	2,489,506.88	140,166,400.90	
Sanden (Suzhou) Precision Parts Co., Ltd.	34,036,469.41	-3,911,540.48	30,124,928.93	
Avanzar Interior Products de Mexico, S.de R.L de C.V.	2,901,632.00	7,951,577.00	10,853,209.00	
Continental Brake Systems (Shanghai) Co., Ltd.	45,522,167.02	588,153.49	46,110,320.51	
BAIC Yanfeng Automotive Parts Co., Ltd.	127,852,537.00	-18,342,719.00	109,509,818.00	
Dongfeng Adient AUTOMOTIVE Seating Co., Ltd. (Note 9)	115,450,343.00	-6,623,029.00	108,827,314.00	
Avanzar Interior Products LLC	40,048,489.00	10,522,692.00	50,571,181.00	
Chongqing Henglong Hongyan Automotive Steering Co., Ltd.	13,441,968.95	-2,058,193.64	11,383,775.31	
Shanghai ABB Chargedot New Energy Technology Co., Ltd.	8,355,273.10	968,043.55	9,323,316.65	
Jiangsu Used Motor Vehicle Market Co., Ltd.	2,037,068.67	-581,239.31	1,455,829.36	
Nanjing Auto Parts Factory	4,316,204.30	74,453.49	4,390,657.79	
Nanjing Valeo Clutch Co., Ltd.	92,620,485.43	12,695,106.59	105,315,592.02	
Qingdao Toyo Heat Exchanger Co., Ltd.	27,931,025.70	-21,026,583.49	6,904,442.21	
Shanghai Shanke Automotive Culture Communication Co., Ltd.	277,777.55	-15,920.53	261,857.02	
Anji Nyk Logistics (Thailand) Co., Ltd.	9,005,031.39	6,926,249.27	15,931,280.66	
Chongqing Jiangsheng Automotive Logistics Co., Ltd.	119,168,030.42	971,349.64	120,139,380.06	
Shidai SAIC Power Battery Co., Ltd.	1,543,907,353.87	257,668,729.36	1,801,576,083.23	
Sunrise Power Co., Ltd. (Note 9)	16,258,857.38	15,109,852.62	31,368,710.00	
Shanghai Kelai Shengluo Automation Equipment Co., Ltd. (Note 12)	50,471,387.38	-50,471,387.38		
Shanghai Baosteel&Arcelor Tailor Metal Co., Ltd.	209,369,436.15	5,129,687.16	214,499,123.31	
Anji Car Rental & Leasing Co., Ltd.	216,127,552.18	14,201,166.03	230,328,718.21	

Sailing Capital International (Shanghai) Co., Ltd. (Note 6)	1,076,338,025.65	-275,606,902.58	800,731,123.07	
Shanghai SAIC Huankai Investment Management Co., Ltd.	112,489,717.32	18,769,503.26	131,259,220.58	30,325,460.00
Shanghai SAIC Zhongyuan Equity Investment Partnership (L.P.) (Note 6 and 9)	624,381,268.78	-4,867,333.89	619,513,934.89	
Sailing Capital Management Co., Ltd. (Note 9)	75,134,423.54	-1,253,147.94	73,881,275.60	
Shanghai Integrated Circuit Industry Investment Fund Management Co., Ltd.	24,209,303.40	5,475,925.79	29,685,229.19	
Qingdao SAIC Xinsheng Equity Investment Partnership(L.P.) (Note 5)	66,314,912.18	94,018,347.56	160,333,259.74	
Shanghai Xinpeng Lianzhong Auto Parts Co., Ltd.	302,512,209.44	21,795,080.79	324,307,290.23	
Changzhou SAIKC Mobility Investment Partnership (Limited Partnership) (Note 5 and 9)	75,178,705.52	1,029,400.92	76,208,106.44	
Jiaxing Xinsheng Investment Partnership (Limited Partnership)	207,169,828.51	-112,323,699.06	94,846,129.45	
Chongqing Guoyuan Ro-Ro Terminal Co., Ltd.	77,683,232.67	-1,962,516.71	75,720,715.96	
Ningde Jiaocheng SAIC Industry Upgrade Equity Investment Partnership (L.P.) (Note 6)	172,349,514.68	174,381,826.88	346,731,341.56	
Shanghai Yangtze River Delta Industry Upgrade Equity Investment Partnership (L.P.) (Note 5)	939,588,391.97	341,122,104.22	1,280,710,496.19	
Qingdao Shangqihui Zhuzhan New Industry Investment Fund Partnership (L.P.) (Note 6 and 15)	445,454,200.20	209,243,187.87	654,697,388.07	
SAIC Fiat Powertrain Hongyan Co., Ltd.	807,861,672.11	61,941,013.72	869,802,685.83	
Taizhou Shangqi Qifeng Equity Investment Partnership (L.P.) (Note 6 and 9)	316,721,067.50	233,409,313.03	550,130,380.53	
Banma Network Technology Co., Ltd. (Note 4 and 9)	683,272,240.61	310,199,409.75	993,471,650.36	
Global Car Sharing and Rental Co., Ltd.	686,787,442.34	-153,579,192.57	533,208,249.77	
Wuhan Zhonghaiting Data Technology Co., Ltd. (Note 10)		748,483,517.28	748,483,517.28	
Shanghai Jieneng Zhidian New Energy Technology Co., Ltd. (Note 2)		142,210,917.77	142,210,917.77	
Jiaxing SAIC Qirui Equity Investment Partnership (Limited Partnership) (Note 2 and 9)		1,538,212,571.34	1,538,212,571.34	
Shandong Shangqishan High Tech Power Equity Investment Fund Partnership (Limited Partnership) (Note 2)		395,716,555.56	395,716,555.56	
Shanghai Yike Green Engineering Co., Ltd. (Note 13)		94,497,157.17	94,497,157.17	
Shanghai Trust Co., Ltd. (Note 9)	392,643,598.64	25,649,766.66	418,293,365.30	
Shanghai Nantan Urban Construction Development Co., Ltd. (Note 7)	4,613,278.30	-4,613,278.30		
Others	1,265,579,686.54	1,027,576,947.10	2,293,156,633.64	34,937,232.30
Sub-total	15,790,722,979.16	4,813,267,618.84	20,603,990,598.00	65,262,692.30
Total	64,161,679,110.74	4,094,539,918.92	68,256,219,029.66	65,262,692.30

Unit: RMB

	31 December 2022	31 December 2021
-Investments in joint ventures	47,652,228,431.66	48,370,956,131.58
-Investments in associates	20,603,990,598.00	15,790,722,979.16
-Write-off by cross-shareholding	-3,545,820,288.35	-3,247,211,197.86
Total	64,710,398,741.31	60,914,467,912.88
Less: Impairment provision for long-term equity investments	65,262,692.30	65,262,692.30
Net long-term equity investments	64,645,136,049.01	60,849,205,220.58

Other explanations:

Note 1: Pursuant to the Articles of Association, these companies are joint ventures of the Group as their significant financial and operating decisions should achieve unanimous consent of investors.

Note 2: These companies are new investments of the Group for the year.

- Note 3: In the current year, SNAT, a subsidiary of the Company, has completed the liquidation of SAIC Iveco Commercial Vehicle Investment Co., Ltd.
- Note 4: In the current year, Jiaxing Ruijia Equity Investment Partnership (Limited Partnership) (“Jiaxing Ruijia”), a subsidiary of the Group, contributed RMB 347,159,055.00 to Banma Network Technology Co., Ltd. in the form of monetary funds.
- Note 5: In the current year, the shareholders of these companies contributed additional capital in monetary funds to these companies at the original shareholding ratio, of which the Group increased its total capital by RMB 366,605,489.14.
- Note 6: In the current year, some of the invested companies reduced their capital and returned the investment principal to the investors in monetary funds based on the original shareholding ratio. The Group received a total of RMB 278,346,133.39 of the returned investment principal.
- Note 7: In the current year, Shangyuan Investment Management, a subsidiary of the Group, contributed RMB 800,400,000.00 to Shanghai Nantan Urban Construction Development Co., Ltd. in the form of monetary funds. Then Shangyuan Investment Management entered into an equity transfer agreement with Shanghai Bund Urban Renewal Construction Co., Ltd. (“Renewal Company”) to transfer the 23% of equity in Shanghai Nantan Urban Construction Development Co., Ltd. to Renewal Company. As at the end of the year, the above-mentioned transaction was still in progress, thus Shangyuan Investment Management transferred its investment in Shanghai Nantan Urban Construction and Development Co., Ltd. to held-for-sale assets.
- Note 8: Long-term equity investments in these companies have been reduced to zero under the equity method.
- Note 9: These companies are associates of the Group as the Group had a significant impact on their operating activities.
- Note 10: The company was originally a subsidiary of the Group and was changed to an associate of the Group during the year, please refer to Note (VIII) 4.
- Note 11: The Group's shareholding ratio in the company reached 75.15%. However, according to articles of association of this limited partnership, the Group has common control over it, so it is accounted as a joint venture. Due to capital contribution at premium by other shareholders of the enterprise's investees, long-term equity investments and capital reserve increased by RMB 604,818,081.26 respectively.
- Note 12: In the current year, Lianjing Automotive Technology Co., Ltd. (“Lianjing Automotive”), a subsidiary of the Group, sold its 49.00% of equity in Shanghai Kelai Shengluo Automation Equipment Co., Ltd. to Shanghai Kelai Mechatronics Engineering Co., Ltd. at an evaluation price of RMB 75,950,000.00. The difference of RMB 25,350,212.61 between the carrying amount and the sales price was presented in investment income, please refer to Note (VII) 70.
- Note 13: In the current year, Asset Management, a subsidiary of the Group, purchased 33.00% of equity in Shanghai Yike Green Engineering Co., Ltd. from Shanghai Automotive Industry Development Co., Ltd., a subsidiary of SAIC (Group), at an evaluation price of RMB 82,335,000.00.
- Note 14: The company was originally a joint venture of the Group and was changed to a subsidiary of the Group during the year, please refer to Note (VIII) 1, (1).
- Note 15: In the current year, SAIC Financial Holding, a subsidiary of the Group, contributed RMB 200,000,000.00 to Qingdao Shangqihui Zhuzhan New Industry Investment Fund Partnership (L.P.) in the form of monetary funds.

20. Investments in other equity instruments

(1). Details of investments in other equity instruments

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Stock investment	16,977,712,330.55	22,315,575,396.39
Unlisted equity investment	216,877,665.08	228,357,486.14
Total	17,194,589,995.63	22,543,932,882.53

(2). Details of investments in non-held-for-trading equity instruments

□Applicable √N/A

Other explanations:

□Applicable √N/A

21. Other non-current financial assets

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Other non-current financial assets	16,624,603,978.18	8,200,237,311.05
Total	16,624,603,978.18	8,200,237,311.05

22. Investment properties

Measurement model of investment properties

(1). Investment properties measured at cost:

Unit: RMB

Item	Buildings	Land use right	Total
I. Cost			
1. 1 January 2022	4,143,215,485.03	1,134,464,311.92	5,277,679,796.95
2. Increase in the current period	617,910,653.23	89,908,728.30	707,819,381.53
(1) Purchase			
(2) Transfer from inventories / fixed assets / construction in progress	617,910,653.23		617,910,653.23
(3) Increase due to business combinations			
(4) Transfer from intangible assets		89,908,728.30	89,908,728.30
3. Decrease in the current period	1,685,429,452.87	477,945,305.23	2,163,374,758.10
(1) Disposals	12,263,330.25		12,263,330.25
(2) Other transfer-out	1,673,166,122.62	477,945,305.23	2,151,111,427.85
4. 31 December 2022	3,075,696,685.39	746,427,734.99	3,822,124,420.38
II. Accumulated depreciation and amortization			
1. 1 January 2022	1,748,788,087.43	286,841,801.71	2,035,629,889.14
2. Increase in the current period	241,389,680.25	21,516,389.86	262,906,070.11
(1) Provision or amortization	121,001,645.70	12,973,463.13	133,975,108.83
(2) Transfer from fixed assets	120,388,034.55		120,388,034.55
(3) Transfer from intangible assets		8,542,926.73	8,542,926.73
3. Decrease in the current period	558,105,309.06	103,206,584.24	661,311,893.30

(1) Disposals	7,059,370.62		7,059,370.62
(2) Other transfer-out	551,045,938.44	103,206,584.24	654,252,522.68
4. 31 December 2022	1,432,072,458.62	205,151,607.33	1,637,224,065.95
III. Impairment provision			
1. 1 January 2022			
2. Increase in the current period			
(1) Provision			
3. Decrease in the current period			
(1) Disposals			
(2) Other transfer-out			
4. 31 December 2022			
IV. Carrying amount			
1. 31 December 2022	1,643,624,226.77	541,276,127.66	2,184,900,354.43
2. 1 January 2022	2,394,427,397.60	847,622,510.21	3,242,049,907.81

(2). Investment properties of which certificates of title have not been obtained√Applicable N/A

Unit: RMB

Item	Carrying amount	Reasons why certificates of title have not been obtained
Buildings	556,985,923.52	In progress

Other explanations:

√Applicable N/A

At the end of the year, buildings amounting to RMB 87,965,204.95 (net) and land use right amounting to 41,383,812.80 (net) were pledged as collateral for bank borrowings.

23. Fixed assets presentation by items√Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Fixed assets	79,239,748,494.54	78,350,634,327.37
Total	79,239,748,494.54	78,350,634,327.37

Other explanations:

Applicable N/A**Fixed assets****(1). Details of fixed assets**√Applicable N/A

Unit: RMB

Item	Buildings	Machinery and equipment	Electronic equipment, fixtures and furniture	Transportation vehicles	Molds	Total
I. Cost						

SAIC MOTOR ANNUAL REPORT 2022

1. 1 January 2022	40,602,985,486.77	94,108,551,933.0 5	9,067,065,034.10	5,682,956,433.2 8	15,216,700,822.21	164,678,259,709.41
2. Increase in the current period	3,310,516,907.55	6,134,636,557.15	1,470,249,853.59	556,649,639.99	4,208,402,903.10	15,680,455,861.38
(1) Purchase	66,146,292.20	234,128,253.26	224,580,226.27	112,675,711.97	516,406,083.58	1,153,936,567.28
(2) Transfer from construction in progress	1,400,773,419.92	5,500,663,925.35	1,120,521,961.01	428,954,833.77	3,624,414,263.33	12,075,328,403.38
(3) Increase due to business combinations			1,208,034.53	345,958.44		1,553,992.97
(4) Transfer from investment properties	1,673,166,122.62					1,673,166,122.62
(5) Translation differences of financial statements denominated in foreign currencies	170,431,072.81	368,209,471.41	56,805,917.00	14,673,135.81	67,582,556.19	677,702,153.22
(6) Reclassification		31,634,907.13	67,133,714.78			98,768,621.91
3. Decrease in the current period	286,841,595.86	1,001,878,475.36	431,311,061.20	639,007,870.88	8,459,868.95	2,367,498,872.25
(1) Disposal or retirement	33,894,080.77	1,001,878,475.36	399,440,237.77	630,763,436.30	8,459,868.95	2,074,436,099.15
(2) Decrease due to the changes in the scope of consolidation			31,870,823.43	8,244,434.58		40,115,258.01
(3) Transfer to investment properties	154,178,893.18					154,178,893.18
(4) Reclassification	98,768,621.91					98,768,621.91
4. 31 December 2022	43,626,660,798.46	99,241,310,014.8 4	10,106,003,826.49	5,600,598,202.3 9	19,416,643,856.36	177,991,216,698.54
II. Accumulated depreciation						
1. 1 January 2022	13,049,562,794.52	48,770,008,684.2 7	6,244,660,964.20	2,518,880,594.7 6	7,712,908,472.08	78,296,021,509.83
2. Increase in the current period	2,243,898,506.82	8,286,681,755.13	1,175,903,305.67	477,568,070.50	1,761,697,671.95	13,945,749,310.07
(1) Provision	1,662,750,243.82	8,121,024,494.06	1,125,687,237.29	473,411,545.33	1,739,219,038.99	13,122,092,559.49
(2) Transfer from investment properties	551,045,938.44					551,045,938.44
(3) Translation differences of financial statements denominated in foreign currencies	30,102,324.56	164,021,816.08	48,519,814.95	4,156,525.17	22,478,632.96	269,279,113.72
(4) Reclassification		1,635,444.99	1,696,253.43			3,331,698.42
3. Decrease in the current period	140,830,822.01	795,257,217.58	334,073,204.77	474,200,413.71	6,418,286.82	1,750,779,944.89
(1) Disposal or retirement	17,111,089.04	795,257,217.58	315,850,409.05	470,760,578.39	6,418,286.82	1,605,397,580.88
(2) Decrease due to the changes in the scope of consolidation			18,222,795.72	3,439,835.32		21,662,631.04
(3) Transfer to investment properties	120,388,034.55					120,388,034.55
(4) Reclassification	3,331,698.42					3,331,698.42
4. 31 December 2022	15,152,630,479.33	56,261,433,221.8 2	7,086,491,065.10	2,522,248,251.55	9,468,187,857.21	90,490,990,875.01
III. Impairment provision						
1. 1 January 2022	87,049,450.90	4,285,036,279.87	126,002,641.35	52,785,171.55	3,480,730,328.54	8,031,603,872.21
2. Increase in the current period	97,871,333.34	217,797,891.28	22,232,081.51	2,062,753.29	11,157,595.20	351,121,654.62
(1) Provision	97,867,364.34	215,359,193.09	22,232,081.51	2,062,753.29	11,157,595.20	348,678,987.43
(2) Transfer from construction in progress		1,229,350.19				1,229,350.19
(3) Translation differences of financial statements denominated in foreign currencies	3,969.00	1,209,348.00				1,213,317.00
3. Decrease in the current period	2,541,196.38	77,352,483.02	26,031,668.01	14,612,156.71	1,710,693.72	122,248,197.84
(1) Disposal or retirement	2,541,196.38	77,352,483.02	26,031,668.01	14,612,156.71	1,710,693.72	122,248,197.84
4. 31 December 2022	182,379,587.86	4,425,481,688.13	122,203,054.85	40,235,768.13	3,490,177,230.02	8,260,477,328.99
IV. Carrying amount						

1. 31 December 2022	28,291,650,731.27	38,554,395,104.89	2,897,309,706.54	3,038,114,182.71	6,458,278,769.13	79,239,748,494.54
2. 1 January 2022	27,466,373,241.35	41,053,506,968.91	2,696,401,428.55	3,111,290,666.97	4,023,062,021.59	78,350,634,327.37

(2). Details of temporary idle fixed assets

Applicable N/A

(3). Details of fixed assets leased under finance leases

Applicable N/A

(4). Fixed assets leased out under operating leases

Applicable N/A

(5). Fixed assets of which certificates of title have not been obtained

Applicable N/A

Unit: RMB

Item	Carrying amount	Reasons why certificates of title have not been obtained
Buildings	1,448,965,694.93	In progress

Other explanations:

Applicable N/A

At the end of the year, the buildings, the machinery and equipment, the molds, the transportation vehicles, and the electronic equipment, fixtures and furniture, with net book value of RMB 2,586,998,397.18, RMB 659,726,222.17, RMB 504,124,538.04 and RMB 465,814,469.69 and RMB 50,840,905.53 respectively were pledged as the collateral for bank borrowings.

Disposal of fixed assets

Applicable N/A

24. Construction in progress**Presentation by items**

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Construction in progress	15,736,205,791.63	14,828,788,730.22
Total	15,736,205,791.63	14,828,788,730.22

Other explanations:

Applicable N/A

Construction in progress**(1). Details of construction in progress**

Applicable N/A

Unit: RMB

Item	31 December 2022			1 January 2022		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Project of passenger vehicles of self-owned brands	2,977,083,475.35		2,977,083,475.35	3,308,147,655.80		3,308,147,655.80
Project of commercial vehicles of self-owned brand	1,949,212,581.57		1,949,212,581.57	2,818,210,652.11		2,818,210,652.11
HASCO Vision, Yanfeng interior, seating, and electronic technology renovation projects, etc.	3,499,480,157.77	10,706,735.87	3,488,773,421.90	2,327,157,598.15	11,902,450.04	2,315,255,148.11
Project of Shanghong Real Estate Changfeng	2,202,013,411.76		2,202,013,411.76	2,065,826,384.18		2,065,826,384.18
Project of technology improvement and capacity expansion of SGMW	1,407,299,822.92		1,407,299,822.92	1,443,692,191.17		1,443,692,191.17
Expansion project of SRIH, etc.	781,017,196.70		781,017,196.70	536,317,568.21		536,317,568.21
Logistics operation center project of industrial pins etc.				441,375,962.75		441,375,962.75
Anji logistics infrastructure and ship building projects, etc.	426,669,095.76	353,500.00	426,315,595.76	327,191,932.31		327,191,932.31
Asset management photovoltaic power generation and other infrastructure projects, etc.	365,835,231.09		365,835,231.09	289,923,390.59		289,923,390.59
SAIC HONGYAN manufacturing and investment projects, etc.	137,623,145.07	35,041,029.97	102,582,115.10	61,247,375.82		61,247,375.82
SAIC HONGYAN smart factory project	287,892,762.19		287,892,762.19	125,403,749.36		125,403,749.36
Project of self-owned brand in Thailand	75,602,196.80		75,602,196.80	182,077,253.60		182,077,253.60
MG Indian project	176,513,893.96		176,513,893.96	124,427,841.91		124,427,841.91
Gearbox renewal and renovation project, etc.	248,722,119.92		248,722,119.92	121,201,770.56		121,201,770.56
Nanjing Iveco production investment project, etc.	305,328,663.70		305,328,663.70			
Others	942,013,302.91		942,013,302.91	668,489,853.74		668,489,853.74
Total	15,782,307,057.47	46,101,265.84	15,736,205,791.63	14,840,691,180.26	11,902,450.04	14,828,788,730.22

SAIC MOTOR ANNUAL REPORT 2022

(2). Changes in significant construction in progress

√Applicable □N/A

Unit: RMB

Name of item	Budget	1 January 2022	Increase in the current period	Transfer to fixed assets upon completion	Other decreases during the period	31 December 2022	Proportion of project investment to the budget (%)	Project progress	Amount of accumulated capitalized interest	Including: Interest capitalized	Interest capitalization rate for the period (%)	Sources of funds
Project of passenger vehicles of self-owned brands	30,427,344,209.95	3,308,147,655.80	2,288,339,272.00	2,614,742,815.54	4,660,636.91	2,977,083,475.35	58	Under construction				Self-financed and raised
Project of commercial vehicles of self-owned brand	11,369,981,353.07	2,818,210,652.11	667,732,188.18	1,536,730,258.72		1,949,212,581.57	41	Under construction				Self-financed and raised
HASCO Vision, Yanfeng interior, seating, and electronic technology renovation projects, etc.	18,056,475,605.88	2,327,157,598.15	4,816,165,433.51	3,421,201,983.19	222,640,890.70	3,499,480,157.77	96	Under construction	8,551,583.12	4,740,816.23	4.03	Self-financed
Project of Shanghong Real Estate Changfeng	4,543,210,000.00	2,065,826,384.18	136,187,027.58			2,202,013,411.76	86	Under construction	268,272,950.38	65,055,799.47	3.45	Self-financed
Project of technology improvement and capacity expansion of SGMW	5,237,680,880.95	1,443,692,191.17	1,338,365,814.81	1,374,758,183.06		1,407,299,822.92	92	Under construction				Self-financed
Expansion project of SRIH, etc.	6,022,416,838.15	536,317,568.21	402,902,317.12	147,905,571.12	10,297,117.51	781,017,196.70	17	Under construction				Self-financed
Logistics operation center project of industrial pins etc.	450,000,000.00	441,375,962.75	743,759.27		442,119,722.02		100	Completed				Self-financed
Anji logistics infrastructure project, etc.	2,539,948,113.12	327,191,932.31	437,645,678.20	265,849,305.88	72,319,208.86	426,669,095.77	74	Under construction				Self-financed
Asset management photovoltaic power generation and other infrastructure projects, etc.	1,400,040,284.14	289,923,390.59	227,301,354.31	80,151,212.38	71,238,301.43	365,835,231.09	42	Under construction	4,271,303.50	2,988,207.21	4.50	Self-financed
SAIC HONGYAN manufacturing and investment projects, etc.	472,000,000.00	61,247,375.82	144,827,124.45	68,451,355.20		137,623,145.07	29	Under construction				Self-financed
SAIC HONGYAN smart factory project	568,600,000.00	125,403,749.36	169,659,765.18	7,170,752.35		287,892,762.19	51	Under construction				Self-financed and raised
Project of self-owned brand in Thailand	1,354,139,871.20	182,077,253.60	101,042,568.54	207,517,625.34		75,602,196.80	95	Under construction				Self-financed
MG Indian project	2,632,577,229.56	124,427,841.91	310,001,677.17	255,821,506.69	2,094,118.43	176,513,893.96	71	Under construction				Self-financed
Gearbox renewal and renovation project, etc.	2,398,643,001.40	121,201,770.56	350,899,966.42	218,349,003.13	5,030,613.93	248,722,119.92	90	Under construction				Self-financed
Nanjing Iveco production investment project, etc.	741,188,815.07		332,777,609.24	26,344,790.11	1,104,155.43	305,328,663.70	45	Under construction				Self-financed
Others	8,758,434,307.79	668,489,853.74	2,316,747,179.78	1,850,334,040.67	192,889,689.95	942,013,302.90	48	Under construction				Self-financed
Total	96,972,680,510.28	14,840,691,180.26	14,041,338,735.76	12,075,328,403.38	1,024,394,455.17	15,782,307,057.47			281,095,837.00	72,784,822.91		

(3). Provision for impairment losses of construction in progress√Applicable N/A

Unit: RMB

Item	Amount provision for the period	Reason for the provision
HASCO Vision, Yanfeng interior, seating, and electronic technology renovation projects, etc.	33,636.02	The project has been partially suspended
SAIC HONGYAN manufacturing and investment projects, etc.	35,041,029.97	The project did not achieve the expected effect and purpose
Anji logistics infrastructure project, etc.	353,500.00	The project has been partially suspended
Total	35,428,165.99	

Other explanations:

√Applicable N/A

At the end of year, construction in progress with net book value of RMB 2,277,615,608.56 was pledged as the collateral for bank borrowings.

Materials for construction of fixed assets**(4). Details of materials for construction of fixed assets**Applicable N/A**25. Bearer biological assets****(1). Bearer biological assets measured at cost**Applicable N/A**(2). Bearer biological assets measured at fair value**Applicable N/A

Other explanations:

Applicable N/A**26. Oil and gas assets**Applicable N/A**27. Right-of-use assets**√Applicable N/A

Unit: RMB

Item	Buildings	Transportation vehicles	Right to the use of the site	Electronic equipment, etc.	Total
I. Cost					
1. 1 January 2022	7,230,409,555.87	249,471,355.61	4,509,492,617.59	113,581,451.68	12,102,954,980.75
2. Increase in the current period	2,293,104,937.47	1,877,518,564.86	541,069,735.43	78,323,295.56	4,790,016,533.32
(1) Leased assets in the year	2,175,989,176.63	1,874,780,584.86	541,069,735.43	60,971,163.79	4,652,810,660.71

(2) Increase due to changes in the scope of consolidation	1,674,533.84				1,674,533.84
(3) Translation differences of financial statements denominated in foreign currencies	115,441,227.00	2,737,980.00		17,352,131.77	135,531,338.77
3. Decrease in the current period	942,877,763.95	12,518,291.78		56,052,689.70	1,011,448,745.43
(1) Disposals	183,546,263.17			2,190,038.12	185,736,301.29
(2) Decrease due to lease modifications	759,331,500.78	12,518,291.78		53,862,651.58	825,712,444.14
4. 31 December 2022	8,580,636,729.39	2,114,471,628.69	5,050,562,353.02	135,852,057.54	15,881,522,768.64
II. Accumulated depreciation					
1. 1 January 2022	1,235,569,977.94	57,720,091.39	2,313,547,272.55	40,836,579.36	3,647,673,921.24
2. Increase in the current period	1,595,993,892.64	137,656,168.98	325,156,336.35	40,257,919.82	2,099,064,317.79
(1) Provision	1,573,811,906.60	137,043,670.98	325,156,336.35	35,617,922.83	2,071,629,836.76
(2) Translation differences of financial statements denominated in foreign currencies	22,181,986.04	612,498.00		4,639,996.99	27,434,481.03
3. Decrease in the current period	440,157,465.72	8,901,718.60		12,237,730.85	461,296,915.17
(1) Disposals	117,788,986.00			189,873.27	117,978,859.27
(2) Decrease due to lease modifications	322,368,479.72	8,901,718.60		12,047,857.58	343,318,055.90
4. 31 December 2022	2,391,406,404.86	186,474,541.77	2,638,703,608.90	68,856,768.33	5,285,441,323.86
III. Carrying amount					
1. 31 December 2022	6,189,230,324.53	1,927,997,086.92	2,411,858,744.12	66,995,289.21	10,596,081,444.78
2. 1 January 2022	5,994,839,577.93	191,751,264.22	2,195,945,345.04	72,744,872.32	8,455,281,059.51

Other explanations:

As at 31 December 2022, there are no security provisions attached to the lease agreements other than the deposit paid by the Group to the lessor as a security interest in the leased assets. Leased assets cannot be used as security for borrowings.

SAIC MOTOR ANNUAL REPORT 2022

28. Intangible assets

(1). Details of intangible assets

√Applicable □N/A

Unit: RMB

Item	Land use right	Patent	Know-how	Royalty right	Software use right	Trademark right	Others	Total
I. Cost								
1. 1 January 2022	14,448,586,891.90	1,077,652,252.05	7,199,924,275.46	51,650,000.00	4,922,714,804.01	291,215,241.04	1,024,901,817.30	29,016,645,281.76
2. Increase in the current period	839,061,647.82		2,661,646,398.15		918,831,816.02		6,370,428.00	4,425,910,289.99
(1) Purchase	353,551,939.12		515,106,955.65		874,698,283.57		6,073,173.00	1,749,430,351.34
(2) Transfer from development expenditure			2,141,443,696.66					2,141,443,696.66
(3) Transfer from investment properties	477,945,305.23							477,945,305.23
(4) Increase due to changes in the scope of consolidation					7,367,666.00			7,367,666.00
(5) Translation differences of financial statements denominated in foreign currencies	7,564,403.47		5,095,745.84		36,765,866.45		297,255.00	49,723,270.76
3. Decrease in the current period	99,023,971.27	50,000.00	414,263.21		50,532,060.25		28,036,624.42	178,056,919.15
(1) Disposals	9,115,242.97	50,000.00	414,263.21		46,678,663.21		28,036,624.42	84,294,793.81
(2) Transfer to investment properties	89,908,728.30							89,908,728.30
(3) Decrease due to changes in the scope of consolidation					3,853,397.04			3,853,397.04
4. 31 December 2022	15,188,624,568.45	1,077,602,252.05	9,861,156,410.40	51,650,000.00	5,791,014,559.78	291,215,241.04	1,003,235,620.88	33,264,498,652.60
II. Accumulated amortization								
1. 1 January 2022	2,383,585,325.79	953,016,418.72	3,607,394,880.52	51,650,000.00	3,409,737,391.61	236,264,444.99	578,641,795.98	11,220,290,257.61
2. Increase in the current period	488,853,376.62	18,408,655.28	1,047,053,936.85		585,808,184.80	4,756,466.20	56,927,938.54	2,201,808,558.29
(1) Provision	382,524,361.10	18,408,655.28	1,044,521,283.87		574,160,830.94	4,756,466.20	56,717,349.51	2,081,088,946.90
(2) Transfer from investment properties	103,206,584.24							103,206,584.24
(3) Translation differences of financial statements denominated in foreign currencies	3,122,431.28		2,532,652.98		11,647,353.86		210,589.03	17,513,027.15
3. Decrease in the current period	9,211,005.56	50,000.00	414,263.21		19,683,415.71		24,226,714.34	53,585,398.82
(1) Disposals	668,078.83	50,000.00	414,263.21		18,633,417.25		24,226,714.34	43,992,473.63
(2) Transfer to investment properties	8,542,926.73							8,542,926.73
(3) Decrease due to changes in the scope of consolidation					1,049,998.46			1,049,998.46
4. 31 December 2022	2,863,227,696.85	971,375,074.00	4,654,034,554.16	51,650,000.00	3,975,862,160.70	241,020,911.19	611,343,020.18	13,368,513,417.08
III. Impairment provision								
1. 1 January 2022	3,612,787.25	81,250,000.00	812,115,585.81		61,949,501.66			958,927,874.72
2. Increase in the current period			17,641,847.52		4,020,236.58			21,662,084.10
(1) Provision			17,641,847.52		4,020,236.58			21,662,084.10
3. Decrease in the current period					7,457,244.81			7,457,244.81
(1) Disposals					7,439,035.38			7,439,035.38

(2) Translation differences of financial statements denominated in foreign currencies					18,209.43			18,209.43
4. 31 December 2022	3,612,787.25	81,250,000.00	829,757,433.33		58,512,493.43			973,132,714.01
IV. Carrying amount								
1. 31 December 2022	12,321,784,084.35	24,977,178.05	4,377,364,422.91		1,756,639,905.65	50,194,329.85	391,892,600.70	18,922,852,521.51
2. 1 January 2022	12,061,388,778.86	43,385,833.33	2,780,413,809.13		1,451,027,910.74	54,950,796.05	446,260,021.32	16,837,427,149.43

At the end of the period, intangible assets arising from internal R&D by the Company accounted for 11.27% of total balance of intangible assets.

(2). Land use right of which certificates of title have not been obtained

√Applicable □N/A

Unit: RMB

Item	Carrying amount	Reasons why certificates of title have not been obtained
Land use right	2,466,100.00	In progress

Other explanations:

√Applicable □N/A

At the end of the year, land use right and know-how at net carrying amount of RMB 2,775,085,698.10 and RMB 215,308,879.93 respectively were pledged as the collateral for bank borrowings.

29. Development expenditure

√Applicable □N/A

Unit: RMB

Item	1 January 2022	Increase in the current period		Decrease in the current period			31 December 2022
		Internal development expenditure	Others	Recognized as intangible assets	Transferred to profit or loss	Decrease due to changes in the scope of consolidation	
Research expenditures			6,996,745,952.33		6,996,745,952.33		
Development expenditures	2,739,342,219.35		13,869,446,975.15	2,141,443,696.66	11,034,173,485.65	144,370,136.26	11,286,397.99
Total	2,739,342,219.35		20,866,192,927.48	2,141,443,696.66	18,030,919,437.98	144,370,136.26	11,286,397.99

Other explanations:

Development expenditures accounted for 66.47% of total research and development expenditures during the year.

30. Goodwill**(1). Cost of goodwill**

√Applicable □N/A

Unit: RMB

Name of the investee or item resulting in goodwill	1 January 2022	Increase	Decrease	31 December 2022
		Business combination	Disposal	
HASCO Vision Technology (Shanghai) Co., Ltd	781,115,081.73			781,115,081.73
SAIC-GMAC Automotive Finance Co., Ltd.	333,378,433.68			333,378,433.68
Wuhan Zhonghaiting Data Technology Co., Ltd.	55,012,594.38		55,012,594.38	
Shanghai Sunwin Bus Co., Ltd.	53,349,858.83			53,349,858.83
Shanghai New Power Automotive Technology Company Limited	6,994,594.88			6,994,594.88
Nanjing Shendi Welding Technology Co., Ltd.	4,652,677.65			4,652,677.65
Co wheels UK & Trip IQ	66,724,864.08			66,724,864.08
Shanghai Motor Vehicle Recycling Service Center		15,087,796.12		15,087,796.12

Others	41,895,969.68			41,895,969.68
Total	1,343,124,074.91	15,087,796.12	55,012,594.38	1,303,199,276.65

(2). Impairment of goodwill

√Applicable □N/A

Unit: RMB

Name of the investee or item resulting in goodwill	1 January 2022	Increase	Decrease		31 December 2022
		Provision	Disposals	Others	
Impairment of goodwill	75,450,214.04				75,450,214.04
Total	75,450,214.04				75,450,214.04

(3). Details of asset group or portfolio of goodwill

□Applicable √N/A

(4). Describe the test procedure, parameters of impairment of goodwill (e.g.: growth rate during the forecast period and stable period, profit rate, discount rate, and forecast period when estimating the present value of future cash flows, if applicable) as well as recognition method for impairment loss

□Applicable √N/A

(5). Effect of impairment testing of goodwill

□Applicable √N/A

Other explanations:

□Applicable √N/A

31. Long-term deferred expenses

√Applicable □N/A

Unit: RMB

Item	1 January 2022	Increase in the current period	Amortization	Other decrease	31 December 2022
Improvement expenditure of fixed assets	1,687,008,869.51	586,313,911.18	576,518,846.13	4,910,536.36	1,691,893,398.20
Others	513,312,236.15	466,830,645.28	243,940,505.57	127,200.00	736,075,175.86
Total	2,200,321,105.66	1,053,144,556.46	820,459,351.70	5,037,736.36	2,427,968,574.06

32. Deferred tax assets/deferred tax liabilities**(1). Deferred tax assets that are not offset**

√Applicable □N/A

Unit: RMB

Item	31 December 2022		1 January 2022	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for impairment losses of assets	9,703,498,463.57	2,254,204,982.58	8,495,342,883.09	2,059,419,103.74

Temporary difference arising from depreciation of fixed assets	204,548,478.26	63,905,586.57	217,068,420.14	69,676,287.82
Temporary difference arising from amortization of intangible assets	125,147,450.40	30,643,778.59	135,749,721.65	29,237,322.92
Net temporary difference between right-of-use assets and lease liabilities	701,534,550.60	169,283,250.27	609,979,824.48	152,694,946.02
Deferred income	5,745,291,429.80	1,291,710,155.96	6,793,772,916.17	1,549,594,482.34
Temporary difference arising from held-for-trading financial assets measured at fair value	181,459,554.89	29,771,797.21	40,601,887.68	6,757,585.87
Retained earnings attributable to the Group in structured entities included in the scope of consolidation	2,534,170,130.26	380,125,519.54		
Temporary difference arising from other debt investments measured at fair value	365,352.71	91,338.19	208,783.04	52,195.76
Temporary difference arising from investments in other equity instruments measured at fair value	1,000,000.00	250,000.00	8,499,167.22	1,574,953.76
Liabilities accrued but unpaid	100,068,820,131.19	22,846,838,284.85	94,790,181,582.51	21,514,220,825.63
Unrealized profit of internal transactions	1,923,688,790.98	471,383,025.71	1,293,682,454.29	322,731,341.52
Others	7,433,036,653.40	1,599,790,210.25	9,339,739,663.05	2,232,110,948.19
Total	128,622,560,986.06	29,137,997,929.72	121,724,827,303.32	27,938,069,993.57

(2). Deferred tax liabilities that are not offset

√Applicable □N/A

Unit: RMB

Item	31 December 2022		1 January 2022	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Temporary difference arising from held-for-trading financial assets measured at fair value	514,281,672.31	106,445,190.40	1,298,479,380.16	320,119,966.37
Temporary difference arising from other current assets - Interbank depository receipts measured at fair value	8,547,346.47	2,136,836.62	45,005,394.31	11,251,348.58
Temporary difference arising from investments in other equity instruments measured at fair value	11,196,074,868.10	2,054,161,640.93	16,971,338,840.60	3,109,560,878.87
Retained earnings attributable to the Group in structured entities included in the scope of consolidation	4,322,649,848.93	827,245,449.21	2,215,209,633.89	553,802,408.47
Added value in asset assessment of business combinations not involving enterprises under common control	1,025,871,087.89	208,251,436.73	1,341,929,975.49	266,760,001.90
Temporary difference arising from depreciation of fixed assets	2,107,124,743.93	418,388,940.09	2,144,603,057.68	493,529,015.35
Others	1,386,635,786.71	314,153,052.95	1,112,951,355.03	229,398,197.28
Total	20,561,185,354.34	3,930,782,546.93	25,129,517,637.16	4,984,421,816.82

(3). Deferred tax assets or deferred tax liabilities that are presented at the net amount after offset

√Applicable □N/A

Unit: RMB

Item	Offset amount between deferred tax assets and liabilities at 31 December 2022	Deferred tax assets or liabilities after offset at 31 December 2022	Offset amount between deferred tax assets and liabilities at 1 January 2022	Deferred tax assets or liabilities after offset at 1 January 2022
Deferred tax assets	515,026,238.05	28,622,971,691.67	99,222,462.96	27,838,847,530.61
Deferred tax liabilities	515,026,238.05	3,415,756,308.88	99,222,462.96	4,885,199,353.86

(4). Details of unrecognized deferred tax assets

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Deductible temporary differences	99,814,333,168.37	88,448,473,515.88
Total	99,814,333,168.37	88,448,473,515.88

(5). Deductible losses, for which no deferred tax assets are recognized, will expire in the following years

□Applicable √N/A

Other explanations:

√Applicable □N/A

Movements of net amount of deferred tax assets (liabilities) for the year are as follows:

Item	2022
31 December 2021	22,953,648,176.75
Recognized in profit or loss during the year	1,014,993,182.29
Recognized in equity during the year (Note)	1,218,299,023.75
Decrease due to changes in the scope of consolidation during the year	-20,275,000.00
31 December 2022	25,207,215,382.79

Note: In credit amount of equity, RMB 1,054,074,284.18 represents income tax effect of profit or loss from changes in fair value of investments in other equity instruments, RMB 39,142.43 represents income tax effect of profit or loss from changes in fair value of other debt investments, RMB 9,114,511.96 represents income tax effect of profit or loss from changes in fair value of other current assets, RMB 2,622,721.25 represents income tax effect of effective part of cash flow hedging profit or loss, RMB 152,448,363.93 represents effect of translation differences of deferred tax assets (liabilities) denominated in foreign currencies.

33. Other non-current assets

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Asset-backed securities	7,069,904,229.91	5,613,724,958.40
Continuous involvement in the financial assets	6,488,968,351.52	5,323,830,628.68
Prepayment for long-term assets	646,441,043.57	264,321,652.47
Others	693,497,327.96	936,403,081.79
Less: Impairment provision for other non-current assets	583,196,894.24	340,836,108.50

Less: Other non-current assets due within one year	1,085,842,761.26	2,739,396,826.72
Total	13,229,771,297.46	9,058,047,386.12

34. Short-term borrowings

(1) Categories of short-term borrowings

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Secured loans with securities under the custody of lenders (Note1)	995,800,000.00	1,399,895,300.00
Secured loans with securities under the Group's custody (Note2)	59,000,000.00	86,000,000.00
Unsecured and non-guaranteed loans	37,282,675,598.51	26,363,586,734.01
Total	38,337,475,598.51	27,849,482,034.01

Explanation on categories of short-term borrowings:

Note 1: At the end of the year, the secured loans with securities under the custody of lenders amounting to RMB 700,000,000.00 were obtained with other receivables with carrying amount of RMB 700,000,000.00 as the collateral. The secured loans with securities under the custody of lenders amounting to RMB 276,000,000.00 were obtained with accounts receivable with carrying amount of RMB 258,282,348.07 as the collateral. The secured loans with securities under the custody of lenders amounting to RMB 19,800,000.00 were obtained with accounts receivable with carrying amount of RMB 22,000,000.00 as the collateral.

Note 2: At the end of the year, the secured loans with securities under the Group's custody amounting to RMB 59,000,000.00 were obtained with investment properties - buildings with net book value of RMB 87,965,204.95 and investment properties - land use right with net book value of RMB 41,383,812.80 as the collateral.

(2). Short-term borrowings overdue but not yet repaid

Applicable N/A

Including significant short-term borrowings overdue but not yet repaid:

Applicable N/A

Other explanations:

Applicable N/A

35. Held-for-trading financial liabilities

Applicable N/A

Unit: RMB

Item	1 January 2022	Increase during the period	Decrease during the period	31 December 2022
Held-for-trading financial liabilities	15,932,323.02	5,203,328.95	1,532,075.90	19,603,576.07
Financial liabilities designated as at fair value through profit or loss		31,896,882.53		31,896,882.53

Total	15,932,323.02	37,100,211.48	1,532,075.90	51,500,458.60
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Other explanations:

Applicable N/A

Note: Which represents other shareholders' interests in structured entities that included in the scope of consolidation of the consolidated financial statements, because the Group is able to exercise control over them. Such financial liabilities are designated as at fair value through profit or loss by the Group. Such designation can significantly reduce the inconsistency in recognition and measurement of related gains or losses caused by different measurement basis of such financial assets/liabilities.

36. Derivative financial liabilities

Applicable N/A

37. Notes payable

(1) Notes payable are presented as follows

Applicable N/A

Unit: RMB

Categories	31 December 2022	1 January 2022
Commercial acceptances	823,032,895.82	836,185,936.60
Bank acceptances	76,813,119,424.98	40,989,651,058.39
Total	77,636,152,320.80	41,825,836,994.99

At the end of the period, the balance of total notes receivable due but not paid was RMB 0.

38. Accounts payable

(1). Accounts payable are presented as follows

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Accounts payable for purchase of materials and equipment, etc.	166,644,919,051.63	157,226,453,930.47
Total	166,644,919,051.63	157,226,453,930.47

(2). Significant accounts payable aged more than one year

Applicable N/A

Other explanations:

Applicable N/A

39. Receipts in advance

(1). Details of receipts in advance

Applicable N/A

(2). Significant receipts in advance aged more than one year□Applicable N/A

Other explanations:

□Applicable N/A**40. Contract liabilities****(1). Contract liabilities are presented as follows**Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Payments for vehicles, materials, accessories, etc. received in advance	25,343,898,792.34	26,514,455,824.76
Total	25,343,898,792.34	26,514,455,824.76

The Group's performance obligations corresponding to contract liabilities are expected to be fulfilled within one year.

(2). The amount and reason for the significant changes in the carrying amount during the reporting period□Applicable N/A

Other explanations:

□Applicable N/A**41. Employee benefits payable****(1). Employee benefits payable are presented as follows**Applicable □N/A

Unit: RMB

Item	1 January 2022	Increase (Decrease) due to changes in the scope of consolidation	Effect of exchange rate changes	Increase during the period	Decrease during the period	31 December 2022
I. Short-term benefits	10,965,724,582.68	-17,449,470.44	16,448.50	36,078,441,445.00	34,954,358,345.89	12,072,374,659.85
II. Post-employment benefit - defined contribution plans	152,877,324.05	547,115.82		1,788,737,381.57	1,558,806,430.03	383,355,391.41
III. Termination benefits	372,630,373.50			231,348,457.48	279,997,192.30	323,981,638.68
Total	11,491,232,280.23	-16,902,354.62	16,448.50	38,098,527,284.05	36,793,161,968.22	12,779,711,689.94

(2). Short-term benefits are presented as followsApplicable □N/A

Unit: RMB

Item	1 January 2022	Increase (Decrease) due to changes in the scope of consolidation	Effect of exchange rate changes	Increase during the period	Decrease during the period	31 December 2022
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I. Payroll, bonus, allowance and subsidies	7,641,221,018.42	-19,322,911.25	19,830.10	29,253,369,188.41	28,352,313,421.34	8,522,973,704.34
II. Staff welfare	2,164,596,426.72	53,101.86		105,325,957.66	45,230,273.82	2,224,745,212.42
III. Social security contributions	219,317,049.78	353,470.00	165,042.08	3,710,115,437.04	3,507,794,199.64	422,156,799.26
IV. Housing funds	109,994,051.79	345,139.11		1,764,313,415.72	1,740,294,002.58	134,358,604.04
V. Trade union fund and employee education fund	464,077,034.24			540,294,953.85	480,274,973.22	524,097,014.87
VI. Others	366,519,001.73	1,121,729.84	-168,423.68	705,022,492.32	828,451,475.29	244,043,324.92
Total	10,965,724,582.68	-17,449,470.44	16,448.50	36,078,441,445.00	34,954,358,345.89	12,072,374,659.85

(3). Defined contribution plan is presented as follows

√Applicable □N/A

Unit: RMB

Item	1 January 2022	Increase due to changes in the scope of consolidation	Increase during the period	Decrease during the period	31 December 2022
1. Basic pensions	144,648,586.60	530,536.56	1,669,715,416.69	1,454,381,113.29	360,513,426.56
2. Unemployment insurance	5,648,737.45	16,579.26	49,826,754.63	37,095,714.96	18,396,356.38
3. Enterprise annuity contribution	2,580,000.00		69,195,210.25	67,329,601.78	4,445,608.47
Total	152,877,324.05	547,115.82	1,788,737,381.57	1,558,806,430.03	383,355,391.41

Other explanations:

□Applicable √N/A

42. Taxes payable

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Enterprise income tax	3,534,383,042.29	2,902,231,031.27
Value added tax	1,663,783,207.21	1,371,813,941.33
Consumption tax	216,543,999.64	565,897,852.63
Educational surcharge	82,094,934.48	89,077,376.51
City construction tax	77,395,673.09	82,033,543.16
Individual income tax	265,653,344.28	207,136,296.24
Land use tax	22,043,459.03	13,811,768.29
Others	734,914,052.78	318,412,619.14
Total	6,596,811,712.80	5,550,414,428.57

43. Other payables**Presentation by items**

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Interest payable	71,057,893.27	136,379,101.06

Dividends payable	501,397,429.89	1,146,540,878.06
Other payables	66,035,164,755.82	62,896,188,606.83
Total	66,607,620,078.98	64,179,108,585.95

Other explanations:

Applicable N/A

Interest payable

(1). Presentation by categories

Applicable N/A

Dividends payable

(2). Presentation by categories

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Dividends payable-Dividends payable to minority shareholders of subsidiaries	501,397,429.89	1,146,540,878.06
Total	501,397,429.89	1,146,540,878.06

Other payables

(1). Presentation of other payables by nature

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Sales commission and discount	48,935,953,871.67	48,155,628,395.50
Dealers' guarantees and deposits	1,163,776,249.02	1,175,101,480.08
Others	15,935,434,635.13	13,565,458,731.25
Total	66,035,164,755.82	62,896,188,606.83

(2). Significant other payables aged more than one year

Applicable N/A

Other explanations:

Applicable N/A

44. Held-for-sale liabilities

Applicable N/A

45. Non-current liabilities due within one year

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Long-term borrowings due within one year	17,626,117,611.61	7,604,918,787.87
Bonds payable due within one year	14,258,489,955.48	10,932,050,916.14
Long-term payables due within one year	289,560,545.26	115,272,965.55
Lease liabilities due within one year	2,427,675,904.73	1,590,569,804.64
Long-term employee benefits payable due within one year	10,390,000.00	29,458,127.81
Provisions due within one year	4,810,186,031.40	5,392,638,628.76
Other non-current liabilities due within one year	121,290,078.86	32,223,258.73
Total	39,543,710,127.34	25,697,132,489.50

46. Other current liabilities

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Short-term bonds payable	1,019,165,972.22	1,125,953,333.33
Output VAT to be transferred	902,525,960.16	864,688,565.69
Accrued expenses	70,730,133.35	33,773,680.19
Total	1,992,422,065.73	2,024,415,579.21

Note: SAIC Financial Holding issued fixed rate short-term financing bonds with a total principal of RMB 500 million on 11 January 2022, which were fully repaid in January 2023; SAIC Financial Holding issued fixed rate short-term financing bonds with a total principal of RMB 500 million on 23 August 2022, which will be fully repaid in August 2023.

Changes in short-term bonds payable:

□Applicable √N/A

Other explanations:

□Applicable √N/A

47. Long-term borrowings**(1). Categories of long-term borrowings**

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Secured loans with securities under the Group's custody	4,292,945,767.27	4,314,245,653.69
Unsecured and non-guaranteed loans	47,888,635,896.33	30,202,073,341.51
Less: Long-term borrowings due within one year	17,626,117,611.61	7,604,918,787.87
Total	34,555,464,051.99	26,911,400,207.33

Explanation on categories of long-term borrowings:

Note: At the end of the year, the secured loans with securities under the Group's custody amounting to RMB 918,558,565.00 were obtained with fixed assets - transportation vehicles with net book value of RMB 463,824,401.80, fixed assets - buildings with net book value of RMB 311,407,006.22 and intangible assets - land use right with net book value of RMB 834,657,203.31 as the collaterals; the

secured loans with securities under the Group's custody amounting to RMB 1,389,078,799.92 were obtained with fixed assets - buildings with net book value of RMB 618,371,381.28, intangible assets - land use right with net book value of RMB 324,310,581.39, intangible assets - Know-how with net book value of RMB 215,308,879.93, the fixed assets - machinery and equipment with net book value of RMB 492,424,845.41, the fixed assets - molds with net book value of RMB 504,124,538.0, the fixed assets - transportation vehicles with net book value of RMB 1,299,731.00, the fixed assets - electronic equipment with net book value of RMB 19,511,195.38, construction in progress with net book value of RMB 75,602,196.80, inventories with net book value of RMB 754,180,636.54 and accounts receivable with net book value of RMB 1,216,368,894.06 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 1,579,634,958.35 were obtained with construction in progress with net book value of RMB 2,202,013,411.76 and intangible assets - land use right with net book value of RMB 1,464,217,535.25 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 222,520,000.00 were obtained with fixed assets - buildings with net book value of RMB 368,758,736.87 fixed assets - machinery and equipment with net book value of RMB 167,301,376.76, fixed assets - transportation vehicles with net book value of RMB 690,336.89, fixed assets - electronic equipment with net book value of RMB 31,329,710.15 and intangible assets - land use right with net book value of RMB 41,302,761.00 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 118,153,444.00 were obtained with fixed assets - buildings with net book value of RMB 1,156,864,774.69 and intangible assets - land use right with net book value of RMB 89,870,126.71 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 65,000,000.00 were obtained with fixed assets - buildings with net book value of RMB 131,596,498.12 and intangible assets - land use right with net book value of RMB 20,727,490.44 as the collaterals.

Other explanations, including interest rate range:

Applicable N/A

48. Bonds payable

(1). Bonds payable

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Non-bank financial institution bonds of SAIC-GMAC (Note 1)	19,315,362,791.62	18,387,242,747.13
Financial asset-backed securities (Note 2)	6,026,262,030.14	5,430,554,956.68
Corporate bonds (Note 3)	2,523,956,849.36	4,996,131,506.75
Medium-term note (Note 4)	1,515,329,589.05	1,515,329,589.05
Less: Bonds payable due within one year	14,258,489,955.48	10,932,050,916.14
Total	15,122,421,304.69	19,397,207,883.47

Note 1: The Company's subsidiary SAIC-GMAC issued a bond with a fixed interest rate of RMB 8,000,000,000.00 on 21 April 2020 in inter-bank bond markets with the coupon rate of 2.68% per annum and interest to be paid annually, which bore interest from 23 April 2020 and fell due on 23 April 2023. SAIC-GMAC issued a bond with a fixed interest rate of RMB 5,000,000,000.00 on 3 March 2021 in inter-bank bond markets with the coupon rate of 3.80% per annum and interest to be paid annually, which bore interest from 5 March 2021 and will fall due on 5 March 2024. SAIC-GMAC issued a bond with a fixed interest rate of RMB 1,000,000,000.00 on 17 March 2021 in Hong Kong Exchanges and Clearing Limited with the coupon rate of 3.20% per annum, which will fall due on 17 March 2025. SAIC-GMAC issued a bond with a fixed interest rate of RMB 5,000,000,000.00 on 8 November 2022 in inter-bank bond markets with the coupon rate of 2.78% per annum, which will fall due on 10 November 2025. At the end of the year, the book balance of above bonds is RMB 19,315,362,791.62, of which RMB 8,146,777,440.56 will fall due within one year.

Note 2: The Company's subsidiary SAIC-GMAC issued preferred asset-backed securities with a fixed interest rate amounting to RMB 8,630,000,000.00 on 10 May 2021, which fell due in March 2023. SAIC-GMAC issued preferred A2 green asset-backed securities with a fixed interest rate amounting to RMB 490,000,000.00 on 24 January 2022, which will fall due in October 2023. SAIC-GMAC issued asset-backed securities amounting to RMB 8,650,000,000.00 on 25 April 2022, which include preferred A1 asset-backed securities with a fixed interest rate amounting to RMB 4,000,000,000.00 and preferred A2 asset-backed securities with a fixed interest rate amounting to RMB 4,650,000,000.00, of which preferred A1 asset-backed securities with a fixed interest rate fell due in April 2023 and preferred A2 asset-backed securities with a fixed interest rate will fall due in June 2024. The Company's subsidiary SAIC Financial Holding issued asset-backed notes amounting to RMB 1,146,000,000.00 on 7 September 2022, which include preferred A1 notes amounting to RMB 810,000,000.00 and preferred A2 notes amounting to RMB 336,000,000.00, which will fall due in 26 December 2023. SAIC-GMAC and SAIC Financial Holding did not derecognize related financial assets but accounted for the amount financed as bonds payable. At the end of the year, the book balance of above bonds is RMB 6,026,262,030.14, of which RMB 5,072,426,076.51 will fall due within one year.

Note 3: On 20 June 2022, SAIC Financial Holding, a subsidiary of the Company, issued corporate bond amounting to RMB 1 billion with a coupon rate of 3.10%. The bond will fall due 20 June 2025. At the end of the year, the interest payable amounting to RMB 16,561,643.88 will fall due within one year. On 1 November 2022, SAIC Financial Holding issued corporate bond amounting to RMB 1.5 billion with a coupon rate of 2.95%. The bond will fall due on 1 November 2025. At the end of the year, the interest payable amounting to RMB 7,395,205.48 will fall due within one year.

Note 4: On 21 October 2020, SAIC Financial Holding issued a medium-term note amounting to RMB 1 billion with a coupon rate of 4.35%. The interest is paid annually and the principal is due on 21 October 2023. At the end of the year, the principal and interest payable amounting to RMB 1,008,700,000.00 will fall due within one year. On 6 August 2021, SAIC Financial Holding issued a medium-term note amounting to RMB 500 million with a coupon rate of 3.27%. The interest is paid annually and the principal is due on 6 August 2024. At the end of the year, the interest payable amounting to RMB 6,629,589.05 will fall due within one year.

(2). Changes in bonds payable (Excluding other financial instruments (preference shares, perpetual bonds and others) classified as financial liabilities)

Applicable N/A

(3). Converting terms and period of convertible corporate bonds

Applicable N/A

(4). Other financial instruments classified as financial liabilities

Basic information for outstanding preference shares, perpetual bonds and other financial instruments at the end of the period

Applicable N/A

Changes in financial instruments including outstanding preference shares and perpetual bonds at the end of the period

Applicable N/A

Basis for classifying other financial instruments to financial liabilities

Applicable N/A

Other explanations:

Applicable N/A

49. Lease liabilities

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Lease liabilities	13,174,476,679.42	9,936,410,501.40
Less: Lease liabilities due within one year	2,427,675,904.73	1,590,569,804.64
Total	10,746,800,774.69	8,345,840,696.76

50. Long-term payables

Presentation of long-term payables

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Long-term payables	643,896,781.18	690,212,700.46
Special payables	535,797,935.77	570,374,070.77
Less: Long-term payables due within one year	289,560,545.26	115,272,965.55
Total	890,134,171.69	1,145,313,805.68

Other explanations:

Applicable N/A

Long-term payables

(1). Presentation of long-term payables by nature

Applicable N/A

Special payables

(2). Presentation of special payables by nature

Applicable N/A

Unit: RMB

Item	1 January 2022	Increase	Decrease	31 December 2022	Reason
Special reward fund	570,374,070.77		34,576,135.00	535,797,935.77	
Total	570,374,070.77		34,576,135.00	535,797,935.77	/

51. Long-term employee benefits payable

Applicable N/A

(1). Statement of long-term employee benefits payable

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
I. Post-employment benefits - net liabilities of defined benefit plans	3,033,716,691.01	3,307,484,455.35
II. Termination benefits	1,224,302,771.23	1,656,443,937.50
III. Other long-term benefits	584,700,009.06	574,056,947.94
Less: Long-term employee benefits payable due within one year	10,390,000.00	29,458,127.81
Total	4,832,329,471.30	5,508,527,212.98

(2). Movements of defined benefit plans

Present value of defined benefit plan obligations:

Applicable N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
I. Opening balance	3,307,484,455.35	3,252,998,421.88
II. Cost of defined benefit plans recognized in profit or loss	73,815,783.45	74,937,753.40
1. Current service cost	-16,398,516.67	16,084,892.60
2. Past service cost		
3. Gains on curtailments and settlements (Loss is indicated by "-")	-8,080,176.27	-12,861,771.23
4. Net value of interest	98,294,476.39	71,714,632.03
III. Cost of defined benefit plans recognized in other comprehensive income	-178,054,468.67	80,453,409.25
1. Actuarial gains (Loss is indicated by "-")	-178,054,468.67	80,453,409.25
IV. Other movements	-169,529,079.12	-100,905,129.18
1. Consideration paid at the time of settlement		
2. Benefits paid	-169,529,079.12	-100,905,129.18
V. Closing balance	3,033,716,691.01	3,307,484,455.35

Planned asset:

Applicable N/A

Net liabilities (assets) of defined benefit plan

Applicable N/A

Explanation on the defined benefit plan, corresponding risks, and effects on the Company's future cash flows, timing and uncertainty:

Applicable N/A

The Group provided retired employees with defined benefit plans of supplementary post-employment benefits. The Group estimated its commitment to employees after retirement by actuarial valuation, and calculated its liabilities resulted from the supplementary post-employment based on estimation. Liabilities of the plan is estimated based on its future cash outflow at certain benefit increase rate and death rate and discounted to its present value at certain discount rate. The discount rate is determined based on the rate of the government bonds with an expected term and currency that are consistent with the expected term of the obligations at the balance sheet date. The Group recognized the liability according to the results from actuarial valuation, and recognized relevant actuarial gains and losses in other comprehensive income that will not be reclassified subsequently to

profit or loss. Past service cost is recognized in profit or loss when the defined benefit plan is revised. The current service cost will be included in the profit or loss for the period when the present value of obligations of defined benefit plans increases due to the service rendered by the employee during the current period. Gains and losses on curtailments and settlements are included in the profit or loss for the period at the balance between the present value of obligations of defined benefit plans and the settlement price as determined on the settlement date. Net interest is determined by multiplying the net liabilities of the defined benefit plans by the discount rate.

Defined benefit plans of supplementary post-employment benefits expose the Group to actuarial risks such as: interest rate risk, longevity risk, demographic risk, risk of policies change and inflation risk. The decrease in yields of government bonds will lead to increase in present value of defined benefit plans obligations which is calculated based on the best estimates of participating employees' mortality rate. The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability. Besides, the present value of the defined benefit plan liability is related to the future payment standards, which is estimated based on inflation rate. Therefore, the increase of inflation rate will increase the plan's liability.

The most recent actuarial valuation of the defined benefit plan liabilities was carried out at 31 December 2022 by professional institution. The present value of the defined benefit obligation and the related service cost were measured using the projected unit credit method.

Significant actuarial assumptions for the purposes of the actuarial valuations are discount rate, benefit increase rate and death rate. The discount rates used are 3% - 4%. The assumption of death rate was based on "China Life Insurance Mortality Table (2010-2013)".

Explanation on significant actuarial assumptions and sensitivity analysis of the defined benefit plan:

Applicable N/A

The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

If the discount rate is 25 basis points higher (lower), the present value of defined benefit plan liabilities would decrease by RMB 143 million (increase by RMB 154 million).

If the benefit increase rate increases (decreases) by 1%, the present value of defined benefit plan liabilities would decrease by RMB 59 million (increase by RMB 53 million).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit liabilities as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In the above sensitivity analysis, the present value of defined benefit plan liabilities has been calculated using the same method as that applied in calculating the defined benefit plan liabilities recognized in in the balance sheet.

Other explanations:

Applicable N/A

52. Provisions

Applicable N/A

Unit: RMB

Item	1 January 2022	31 December 2022	Reason
Obligation of guarantees provided to outsiders			
Pending litigations			
Products quality warranty	14,197,897,263.12	16,082,020,958.93	

Expected compensation expenditure	924,190,944.02	52,710,450.11	
Liability due to continuous involvement	5,323,830,628.68	6,488,968,351.52	
Restructuring obligation			
Onerous contracts to be performed			
Sales return payable			
Others	410,466,368.05	271,136,379.98	
Less: Provisions due within one year	5,392,638,628.76	4,810,186,031.40	
Total	15,463,746,575.11	18,084,650,109.14	/

53. Deferred income

Details of deferred income

Applicable N/A

Unit: RMB

Item	1 January 2022	Increase	Decrease	31 December 2022	Reason
Government grants	12,216,396,692.68	1,160,643,322.11	1,623,681,074.67	11,753,358,940.12	
Interest received in advance by SFC, SAIC-GMAC and SAIC Financial Holding	11,078,114,161.11	335,526,004.68	3,996,052,087.81	7,417,588,077.98	
Others	18,822,360.84		11,681,834.85	7,140,525.99	
Total	23,313,333,214.63	1,496,169,326.79	5,631,414,997.33	19,178,087,544.09	/

Items relating to government grants:

Applicable N/A

Unit: RMB

Item	1 January 2022	Increase	Amount recognized in non-operating income	Amount recognized in other income	Other changes	31 December 2022	Related to assets/income
Government grants	12,216,396,692.68	1,160,643,322.11	58,675,619.37	1,562,012,357.46	-2,993,097.84	11,753,358,940.12	Assets/income
Total	12,216,396,692.68	1,160,643,322.11	58,675,619.37	1,562,012,357.46	-2,993,097.84	11,753,358,940.12	

Other explanations:

Applicable N/A

54. Other non-current liabilities

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Contract liabilities	3,128,048,686.90	2,732,388,637.05
Less: Other non-current liabilities due within one year	121,290,078.86	32,223,258.73
Total	3,006,758,608.04	2,700,165,378.32

55. Share capital

Applicable N/A

At the end of the year, the Company had registered capital and paid-in capital of RMB 11,683,461,365.00 with a par value of RMB 1.00 per share. Categories and composition of the shares are as follows:

Unit: RMB

	1 January 2022	Changes (+, -)					31 December 2022
		New shares	Allotment	Capitalization of surplus reserve	Others	Sub-total	
Total shares	11,683,461,365						11,683,461,365

56. Other equity instruments

(1). Basic information of other financial instruments including outstanding preference shares and perpetual bonds at the end of the period

Applicable N/A

(2). Changes in financial instruments including outstanding preference shares and perpetual bonds at the end of the period

Applicable N/A

Explanation on changes in other equity instruments, corresponding reasons and basis of relevant accounting treatment in the current period:

Applicable N/A

Other explanations:

Applicable N/A

57. Capital reserve

Applicable N/A

Unit: RMB

Item	1 January 2022	Increase	Decrease	31 December 2022
Capital premium (share premium)	53,727,085,657.06	700,834,933.84		54,427,920,590.90
Other capital reserve	2,812,907,080.87	655,558,451.80		3,468,465,532.67
Total	56,539,992,737.93	1,356,393,385.64		57,896,386,123.57

Other explanations, including increase or decrease in the period and related reasons:

In the other capital reserve, the increase of RMB 604,818,081.26 was resulted from the increase in capital reserve due to premium contribution made by other shareholders of a subsidiary of Shanghai Saiwei Investment Center (Limited Partnership), a joint venture of the Group; the increase of RMB 35,912,369.78 was resulted from the impact of equity incentives for employees of IM Motors, a subsidiary of the Group.

58. Treasury shares

Applicable N/A

Unit: RMB

Item	1 January 2022	Increase	Decrease	31 December 2022
Repurchase of shares	2,778,609,178.04	969,165,378.65		3,747,774,556.69

Total	2,778,609,178.04	969,165,378.65		3,747,774,556.69
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Other explanations, including increase or decrease in the period and related reasons:

The Company respectively discussed and approved the "Proposal on Repurchase of Shares by Means of Concentrated Competitive Bidding" by the 12th session of the seventh board of directors held on 3 July 2020 and the first extraordinary general meeting of 2020 held on 20 July 2020 respectively, and announced the Report on the Repurchase of the Company's Shares by Means of Centralized Competitive Bidding of SAIC Motor Corporation Limited" on 22 July 2020. These repurchased shares are used for the Company's share incentive, the type of repurchased shares is common shares (A share) denominated in RMB, the minimum quantity of repurchased stocks is 58,417,307 shares and the maximum quantity is 116,834,613 shares, the time limit of repurchase is within 6 months since discussion and approval of A share proposal by the general meeting, the price of repurchase shall not exceed RMB 25.97/share (inclusive), and the funds of repurchase are originated from the Company's self-owned funds (hereinafter referred to as "2020 Repurchase of Shares"). As at 19 January 2021, the time limit of 2020 Repurchase of Shares was expired. The Company repurchased a total of 108,161,920 shares of the Company by means of concentrated competitive bidding, accounting for 0.93% of the total share capital of the Company, the highest price was RMB 25.80/share and the lowest price was RMB 17.81/share. Total amounts paid were RMB 2,247,076,643.92 (excluding transaction costs) and the transaction costs amounted to RMB 382,057.42.

The Company discussed and approved the "Proposal on Repurchase of Shares by Means of Concentrated Competitive Bidding" by the 4th session of the eighth board of directors held on 9 September 2021, and announced the Report on the Repurchase of the Company's Shares by Means of Concentrated Competitive Bidding of SAIC Motor Corporation Limited" on 10 September 2021. These repurchased shares are used for the Company's share incentive, the type of repurchased shares is common shares (A share) denominated in RMB. The total amount paid shall not be less than RMB 1.5 billion (inclusive) and not exceed 3 billion (inclusive). The time limit of repurchase is within 12 months since discussion and approval of A share proposal by the Board of Directors. The price of repurchase shall not exceed RMB 28.91/share (inclusive), and the funds of repurchase are originated from the Company's self-owned funds (hereinafter referred to as "2021 Repurchase of Shares"). As at 8 September 2022, the time limit of 2021 Repurchase of Shares was expired. The Company repurchased a total of 80,021,941 shares of the Company by means of concentrated competitive bidding under 2021 Repurchase of Shares, accounting for 0.68% of the total share capital of the Company. The highest repurchase price was RMB 21.48/share and the lowest repurchase price was RMB 15.34/share. The total amount utilized was RMB 1,500,062,241.03 (excluding transaction costs) and the transaction costs amounted to RMB 253,614.32.

59. Other comprehensive income

√Applicable □N/A

Unit: RMB

Item	1 January 2022	2022						31 December 2022
		Incurring amount before income tax	Less: Amount included in other comprehensive income in the prior period but transferred to profit or loss in the current period	Less: Amount included in other comprehensive income in the prior period but transferred to retained earnings in the current period	Less: Income tax expenses	Attributable to the Company after income tax	Attributable to minority shareholders after income tax	
I. Other comprehensive income that will not be reclassified to profit or loss	14,660,230,855.27	-5,549,183,298.95		-22,525,347.02	-1,054,074,284.18	-4,005,736,176.58	-511,898,185.21	10,654,494,678.69
Including: Changes due to re-measurement of defined benefit plans	1,043,407,428.71	178,054,468.67				181,076,485.54	-3,022,016.87	1,224,483,914.25
Other comprehensive income that will not be reclassified to profit or loss under equity method	-18,564,627.38	55,525,372.10				32,382,397.01	23,142,975.09	13,817,769.63
Changes in fair value of investments in other equity instruments	13,635,388,053.94	-5,782,763,139.72		-22,525,347.02	-1,054,074,284.18	-4,219,195,059.13	-532,019,143.43	9,416,192,994.81
Changes in fair value of the Company's own credit risk								
II. Other comprehensive income that may be reclassified to profit or loss	-581,465,895.29	844,674,310.24			-11,776,375.64	733,615,485.48	122,835,200.40	152,149,590.19
Including: Other comprehensive income that may be reclassified subsequently to profit or loss under equity method	-90,075,554.70	125,717,610.68				111,649,509.06	14,068,101.62	21,573,954.36
Changes in fair value of other debt investments	-67,629.73	-156,569.67			-39,142.43	156,008.11	-273,435.35	88,378.38
The amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other debt investments	217,372.88							217,372.88
Reserve for cash flow hedges								
Translation difference of financial statements denominated in foreign currencies	-521,391,678.13	759,807,966.42				651,417,432.29	108,390,534.13	130,025,754.16
Changes in fair value of financing with receivables	-11,334,182.26	6,254,235.62				5,604,235.62	650,000.00	-5,729,946.64
Other current assets - changes in fair value of interbank depository receipts	33,473,411.95	-36,458,047.84			-9,114,511.96	-27,343,535.88		6,129,876.07
Other non-current assets due within one year - changes in fair value of bonds	0.05							0.05
Effective portion of profit or loss from cash flow hedges	7,712,364.65	-10,490,884.97			-2,622,721.25	-7,868,163.72		-155,799.07
Total	14,078,764,959.98	-4,704,508,988.71		-22,525,347.02	-1,065,850,659.82	-3,272,120,691.10	-389,062,984.81	10,806,644,268.88

60. Special reserve

√Applicable □N/A

Unit: RMB

Item	1 January 2022	Increase	Decrease	31 December 2022
Safety production costs	825,427,615.49	140,814,792.19	43,670,214.11	922,572,193.57
Total	825,427,615.49	140,814,792.19	43,670,214.11	922,572,193.57

61. Surplus reserve

√Applicable □N/A

Unit: RMB

Item	1 January 2022	Increase	Decrease	31 December 2022
Statutory surplus reserve	22,779,030,101.35			22,779,030,101.35
Discretionary surplus reserve	18,064,141,547.16			18,064,141,547.16
Reserve fund				
Enterprise development fund				
Others				
Total	40,843,171,648.51			40,843,171,648.51

62. Retained earnings

√Applicable □N/A

Unit: RMB

Item	2022	2021
Balance at the end of prior period before adjustment	148,758,956,883.06	134,964,016,372.01
Adjustment of opening balance of retained earnings (add: +; less: -)		-180,113,149.49
Balance at the beginning of current period (adjusted)	148,758,956,883.06	134,783,903,222.52
Add: Net profit attributable to the owners of the Company	16,117,549,650.39	24,533,097,943.83
Retained earnings carried forward from other comprehensive income of the current year	22,525,347.02	202,269,344.90
Less: Appropriation to statutory surplus reserve		
Appropriation to discretionary surplus reserve		
Appropriation to general risk reserve		
Dividends distribution on ordinary shares	7,846,983,360.12	7,176,685,655.90
Conversion of ordinary shares' dividends into share capital		
Appropriation to general risk reserve of SFC and SAIC-GMAC	99,297,958.47	256,884,032.64
Increase/decrease due to changes in shareholding ratio of the Company in subsidiaries		3,459,288,448.48
Appropriation to staff incentive and welfare fund of subsidiaries	45,492,884.45	50,457,039.35
Effect of joint-stock system reform of subsidiaries		-183,001,548.18
Balance at the end of the period	156,907,257,677.43	148,758,956,883.06

Details of adjustment of retained earnings at the beginning of the current period:

1. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to retrospective adjustment based on ASBEs and relevant new regulations.

2. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to changes in accounting policies.

3. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to corrections of significant accounting errors.

4. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to changes in consolidation scope of business combination involving enterprises under common control.

5. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to other adjustments.

Retained earnings carried forward from other comprehensive income:

The Group's subsidiaries disposed of a portion of their investments in other equity instruments during the year and the cumulative change in fair value included in other comprehensive income was carried forward to retained earnings.

Dividends payable on ordinary shares:

Prior year's cash dividends approved at general meeting of shareholders

Pursuant to resolution made at 2021 annual general meeting of shareholders on 20 May 2022, the Company distributed cash dividends of RMB 6.82 (tax included) per 10 shares, amounting to RMB 7,846,983,360.12 based on 11,505,840,704 shares to which the Company was entitled.

Profit distribution determined after the balance sheet date:

According to the proposal of the 13th session of the eighth board of directors held on 27 April 2023, the Company plans to distribute cash dividends of RMB 3.37 (inclusive of tax) per 10 shares amounting to RMB 3,873,908,518.85, based on shares which the Company is entitled to obtain profit. Before the registration date of equity on which dividends are distributed, if there is any change in the total shares which the Company are entitled to obtain profit, it is planned to keep the total amount of distribution unchanged and adjust the amount of distribution per share accordingly. The above dividend distribution plan is subject to the approval of the general meeting of shareholders.

63. Operating income/costs

(1). Details of operating income/costs

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022		Year ended 31 December 2021	
	Income	Costs	Income	Costs
Primary operations	705,550,149,371.30	639,515,022,437.02	745,977,427,412.92	676,114,947,097.26
Other operations	15,437,378,930.73	12,185,754,716.04	13,937,208,147.16	10,627,845,456.66
Total	720,987,528,302.03	651,700,777,153.06	759,914,635,560.08	686,742,792,553.92

1) Primary operations

Unit: RMB

	Year ended 31 December 2022		Year ended 31 December 2021	
	Operating income	Operating costs	Operating income	Operating costs
Sales of vehicles	505,066,480,922.39	482,122,361,279.85	556,966,641,271.70	529,615,693,850.05
Sales of parts	168,526,908,114.37	130,323,730,495.11	159,406,778,327.63	122,379,419,450.29

Trading	11,846,849,423.98	11,121,474,933.25	12,451,221,302.56	11,587,676,466.95
Service and others	20,109,910,910.56	15,947,455,728.81	17,152,786,511.03	12,532,157,329.97
Total	705,550,149,371.30	639,515,022,437.02	745,977,427,412.92	676,114,947,097.26

2) Other operations

Unit: RMB

	Year ended 31 December 2022		Year ended 31 December 2021	
	Operating income	Operating costs	Operating income	Operating costs
Sales of raw materials and waste	8,687,708,248.74	7,137,390,876.82	7,989,584,423.86	6,304,157,204.14
Rendering of services	3,656,748,272.76	2,684,244,244.84	2,749,445,757.54	2,085,120,874.80
Rental	729,314,120.41	521,402,333.51	680,675,443.85	474,886,688.69
Others	2,363,608,288.82	1,842,717,260.87	2,517,502,521.91	1,763,680,689.03
Total	15,437,378,930.73	12,185,754,716.04	13,937,208,147.16	10,627,845,456.66

3) Operating income from the top five customers is as follows:

Unit: RMB

Name	Operating income	Proportion to total operating income (%)
Company 1	33,385,899,859.70	4.63
Company 2	23,668,067,575.19	3.28
Company 3	10,722,471,906.65	1.49
Company 4	6,360,180,877.85	0.88
Company 5	5,381,875,251.61	0.75
Total	79,518,495,471.00	11.03

(2). Details of income from contractsApplicable N/A

Explanation on income from contracts:

Applicable N/A**(3). Explanation on performance obligations**Applicable N/A

The Group is mainly engaged in research and development, production and sales of automobiles and parts. For goods sold to customers, the Group recognizes revenue when the control of the goods is transferred, that is, when the goods are delivered to the counterparty's designated location, delivered to the counterparty's designated carrier, or when the sales are completed as otherwise agreed.

(4). Explanation on allocation to remaining performance obligationsApplicable N/A**64. Taxes and levies**Applicable N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
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Consumption tax	2,771,606,633.83	3,244,733,621.07
Education surcharges	621,664,980.25	580,353,075.79
City construction and maintenance tax	735,153,850.20	617,608,093.36
Stamp tax	563,989,082.60	517,643,183.51
Property tax	358,081,887.10	313,120,497.16
Land use tax	119,618,512.70	136,976,500.46
Others	119,207,041.40	130,100,170.40
Total	5,289,321,988.08	5,540,535,141.75

65. Selling expenses

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Advertising expenses	13,174,417,699.01	13,105,390,077.40
Product quality warranty	5,130,303,806.29	4,866,760,764.53
Logistics management fee	1,090,148,541.22	1,325,142,818.14
Others	10,780,532,817.62	10,207,807,806.07
Total	30,175,402,864.14	29,505,101,466.14

66. Administrative expenses

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Labour costs such as wages and salaries	11,278,830,619.26	10,140,356,458.76
Depreciation and amortization	1,996,287,498.01	1,874,893,537.68
Technology transfer fees	78,664,980.54	115,654,131.94
Others	12,287,595,676.12	11,972,622,199.28
Total	25,641,378,773.93	24,103,526,327.66

67. Research and development expenses

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Research expenditure	6,996,745,952.33	7,045,653,289.04
Development expenditure	11,034,173,485.65	12,622,844,247.91
Total	18,030,919,437.98	19,668,497,536.95

68. Financial expenses

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Interest expenses	2,778,913,802.99	2,156,313,639.88
Less: Capitalized interest expenses (Note (VII) 24)	72,784,822.91	50,187,995.92

Less: Interest income	2,749,031,197.87	2,410,923,781.61
Exchange gain or loss	-1,029,490,270.91	569,818,808.90
Others	307,986,463.00	299,162,991.06
Total	-764,406,025.70	564,183,662.31

69. Other income

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Government grants	3,598,800,363.85	3,823,183,406.63
Total	3,598,800,363.85	3,823,183,406.63

70. Investment income

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Income from long-term equity investments under equity method	10,504,760,318.28	17,366,044,031.14
Gains from disposal of long-term equity investments (Note 1)	954,656,897.58	3,712,257,284.27
Investment income from held-for-trading financial assets and other non-current financial assets in holding period	905,932,661.03	1,496,016,535.69
Dividends income from investments in other equity instruments in holding period		
Interest income from debt investments in holding period		
Interest income from other debt investments in holding period	58,511,032.38	15,449,818.06
Investment income from disposal of held-for-trading financial assets		
Investment income from disposal of investments in other equity instruments		
Investment income from disposal of debt investments		
Investment income disposal of other debt investments		
Income from debt restructuring		
Gains from disposal of held-for-trading financial assets	278,913,109.03	3,173,589,065.31
Investment income from investments in other equity instruments in holding period	734,282,924.20	612,515,884.27
Gains from derecognition of financial assets measured at amortized cost (Note 2)	789,267,211.97	764,415,851.96
Interest income from time deposits	496,755,799.28	
Gain or loss from business combinations not involving enterprises under common control achieved in stages involving multiple transactions		-1,711,806.78
Others	-20,319,384.64	25,828,923.31
Total	14,702,760,569.11	27,164,405,587.23

Other explanations:

Note 1: Among them, RMB 619,089,124.80 represents the investment income from disposal of Zhonghaiting (a subsidiary of Platform Company) by Platform Company (a subsidiary of the Group), please refer to Note (VIII) 4; RMB 310,217,560.17 represents the investment income recognized from the difference between

the disposal price of Valeo Shanghai Automotive Electric Motors & Wiper System Co., Ltd. (an associate of HASCO) disposed by HASCO (a subsidiary of the Group) and the carrying amount; RMB 25,350,212.61 represents the investment income from the disposal of Shanghai Kelai Shengluo Automation Equipment Co., Ltd. (an associate of Lianjing Automotive) by Lianjing Automotive (a subsidiary of the Group), please refer to Note (VII) 19.

Note 2: It represents the profit or loss arising from partial or total derecognition of some of the financial assets transferred by the Group's subsidiaries SAIC-GMAC and SFC through credit asset securitization transactions during the year.

71. Net exposure hedging income

Applicable N/A

72. Gains from changes in fair value

Applicable N/A

Unit: RMB

Source	Year ended 31 December 2022	Year ended 31 December 2021
Held-for-trading financial assets / Other non-current financial assets	-76,947,943.24	1,737,521,822.54
Held-for-trading financial liabilities	103,117.47	347,867.00
Total	-76,844,825.77	1,737,869,689.54

73. Credit impairment losses

Applicable N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Bad debt provision for notes receivable	26,276,270.80	-27,317,597.13
Bad debt provision for accounts receivable	-873,150,454.09	-587,028,289.71
Bad debt provision for other receivables	56,134,011.98	-46,520,882.77
Credit impairment gains (losses) of other current assets	8,251,731.83	-8,251,731.83
Bad debt provision for long-term receivables	-181,206,681.43	-142,488,987.59
Impairment gains (losses) of loans and advances	-816,800,281.88	131,846,963.23
Credit impairment gains (losses) of other non-current assets	-302,619,839.13	448,506,482.74
Total	-2,083,115,241.92	-231,254,043.06

74. Assets impairment losses

Applicable N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
1. Bad debt loss		
2. Loss from decline in value of inventories and impairment losses on costs to fulfil a contract	-1,042,978,500.51	-481,813,095.01

3. Impairment on long-term equity investments		
4. Impairment on investment properties		
5. Impairment on fixed assets	-348,678,987.43	-428,597,455.41
6. Impairment on materials for construction of fixed assets		
7. Impairment on construction in progress	-35,428,165.99	-245,166.61
8. Impairment on bearer biological assets		
9. Impairment on oil and gas assets		
10. Impairment on intangible assets	-21,662,084.10	-6,216,756.38
11. Impairment on goodwill		-66,724,864.08
12. Impairment on prepayments	-407,700.00	
13. Impairment on development expenditure	-11,286,397.99	
14. Others	2,534,652.81	233,577.45
Total	-1,457,907,183.21	-983,363,760.04

75. Gains from disposal of assets

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Gains from disposal of fixed assets	37,839,354.42	805,168,542.14
Gains from disposal of construction in progress	24,787.09	4,102,417.63
Gains from disposal of right-of-use assets	4,822,068.75	782,942.46
Gains from disposal of intangible assets	1,864,583,919.16	7,676.08
Total	1,907,270,129.42	810,061,578.31

76. Non-operating income

Details of non-operating income

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021	Amount included in non-recurring profit or loss for the period
Total gains on disposal of non-current assets			
Including: Gains from disposal of fixed assets			
Gains from disposal of intangible assets			
Gains on exchange of non-monetary assets			
Donations received			
Government grants	60,534,444.97	209,123,365.78	60,534,444.97
Negative goodwill arising from business combinations not involving enterprises under common control	993,558,775.01	5,456,162.00	993,558,775.01
Payables waived by creditors	927,533,864.00	22,165,217.33	927,533,864.00
Others	180,898,366.32	232,490,517.95	180,898,366.32
Total	2,162,525,450.30	469,235,263.06	2,162,525,450.30

Government grants recognized in profit or loss

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021	Related to assets/income
Relocation compensation	60,534,444.97	209,123,365.78	Assets/income
Total	60,534,444.97	209,123,365.78	

Other explanations:

□Applicable √N/A

77. Non-operating expenses

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021	Amount included in non-recurring profit or loss for the period
Total losses on disposal of non-current assets			
Including: Losses on disposal of fixed assets			
Losses on disposal of intangible assets			
Losses on exchange of non-monetary assets			
Donations	18,967,677.71	41,014,346.92	18,967,677.71
Relocation	792,452.83	105,862,392.74	792,452.83
Indemnity loss to suppliers	1,752,690.72	27,709,329.88	1,752,690.72
Others	92,158,523.71	183,739,293.02	92,158,523.71
Total	113,671,344.97	358,325,362.56	113,671,344.97

78. Income tax expenses**(1). Statement of income tax expenses**

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Current income tax expenses	6,451,937,032.63	4,441,920,311.23
Deferred tax expenses	-1,014,993,182.29	3,037,819,736.14
Effect of prior year's income tax annual filing	-208,516,210.31	136,160,483.87
Total	5,228,427,640.03	7,615,900,531.24

(2). Adjustment on accounting profit and income tax expenses

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022
Total profit	28,071,080,464.14
Income tax expenses calculated based on statutory/applicable tax rate	4,210,662,069.62
Effect of different tax rates of subsidiaries operating in other jurisdictions	3,031,922,051.31

Effect of adjustment on income tax for prior period	-208,516,210.31
Effect of non-taxable income	-2,058,317,424.80
Effect of non-deductible cost, expense and loss	134,704,519.23
Effect of utilizing deductible loss not recognized for deferred tax assets for prior period	-786,529,097.73
Effect of deductible temporary differences or deductible losses not recognized for deferred tax assets for the current period	1,919,479,352.35
Effect of super tax deduction for research and development expenditures	-1,014,977,619.64
Total	5,228,427,640.03

Other explanations:

Applicable N/A

79. Other comprehensive income

Applicable N/A

Please refer to Note (VII) 59.

80. Items in the cash flow statement

(1). Other cash receipts relating to operating activities

Applicable N/A

(2). Other cash payments relating to operating activities

Applicable N/A

(3). Other cash receipts relating to investing activities

Applicable N/A

(4). Other cash payments relating to investing activities

Applicable N/A

(5). Other cash receipts relating to financing activities

Applicable N/A

(6). Other cash payments relating to financing activities

Applicable N/A

81. Supplementary information to the cash flow statement

(1). Supplementary information to the cash flow statement

Applicable N/A

Unit: RMB

Supplementary information	Year ended 31 December 2022	Year ended 31 December 2021
1. Reconciliation of net profit to cash flows from operating activities:		

Net profit	22,842,652,824.11	33,941,758,857.55
Add: Provision for assets impairment losses	1,457,907,183.21	983,363,760.04
Credit impairment losses	2,083,115,241.92	231,254,043.06
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of bearer biological assets	13,122,092,559.49	13,386,833,817.75
Amortization of right-of-use assets	2,071,629,836.76	1,504,075,352.37
Amortization of intangible assets	2,081,088,946.90	2,023,586,974.53
Depreciation and amortization of investment properties	133,975,108.83	134,048,947.28
Amortization of long-term deferred expenses	820,459,351.70	636,251,191.25
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by "-")	-1,905,517,438.70	-773,728,656.93
Losses on changes in fair value (gains are indicated by "-")	76,844,825.77	-1,737,869,689.54
Financial expenses (gains are indicated by "-")	2,706,128,980.08	2,106,125,643.96
Investment losses (income is indicated by "-")	-14,702,760,569.11	-27,164,405,587.23
Decrease in deferred tax assets (increase is indicated by "-")	-627,467,353.60	2,796,341,095.57
Increase in deferred tax liabilities (decrease is indicated by "-")	-387,525,828.69	241,478,640.57
Decrease in inventories (increase is indicated by "-")	-36,599,945,533.38	16,305,380,923.53
Net decrease (increase) in repurchase arrangements	1,262,035,627.49	2,193,698,038.21
Decrease in operating receivables (increase is indicated by "-")	-24,953,523,767.55	6,361,504,559.37
Increase in operating payables (decrease is indicated by "-")	40,023,350,289.28	-31,553,958,757.43
Net cash flow from operating activities	9,504,540,284.51	21,615,739,153.91
2. Significant investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	139,593,092,488.04	126,909,625,053.67
Less: Opening balance of cash	126,909,625,053.67	123,847,282,440.56
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	12,683,467,434.37	3,062,342,613.11

(2). Net cash payments for the acquisition of subsidiaries during the period

□Applicable √N/A

(3). Net cash receipts from the disposal of subsidiaries during the period

□Applicable √N/A

(4). Composition of cash and cash equivalents

√Applicable □N/A

Unit: RMB

Item	31 December 2022	1 January 2022
I. Cash	139,593,092,488.04	126,909,625,053.67
Including: Cash on hand	2,060,057.37	1,453,475.49
Bank deposits that can be withdrawn on demand	138,884,629,049.78	126,355,982,033.09
Other monetary funds that can be withdrawn on demand	706,403,380.89	552,189,545.09
Deposits with the central bank		
Deposits made with other banks		
Placements with banks		
II. Cash equivalents		
Including: Debt security investment due within three months		
III. Closing balance of cash and cash equivalents	139,593,092,488.04	126,909,625,053.67
Including: Restricted cash and cash equivalents of the Company or subsidiaries within the Group		

Other explanations:

Applicable N/A**82. Notes to items in the statement of changes in owners' equity**

Explanation on matters such as the names and the adjustment amounts of the items included in "others" in respect of adjustments to the closing balances of the prior year:

Applicable N/A**83. Assets with restricted ownership or use right**Applicable N/A

Unit: RMB

Item	Carrying amount at 31 December 2022	Reason for restriction
Cash and bank balances	15,563,536,979.08	Refer to Note (VII) 1
Notes receivable	45,930,000.00	Refer to Note (VII) 4
Accounts receivable	1,496,651,242.13	Refer to Note (VII) 5
Financing with receivables	241,601,705.00	Refer to Note (VII) 6
Other receivables	700,000,000.00	Refer to Note (VII) 8
Inventories	754,180,636.54	Refer to Note (VII) 10
Investment properties	129,349,017.75	Refer to Note (VII) 22
Fixed assets	4,267,504,532.61	Refer to Note (VII) 23
Construction in progress	2,277,615,608.56	Refer to Note (VII) 24
Intangible assets	2,990,394,578.03	Refer to Note (VII) 28
Total	28,466,764,299.70	

84. Foreign currency monetary items**(1). Foreign currency monetary items**

√Applicable □N/A

Unit: RMB

Item	Closing balance of foreign currency	Exchange rate	Closing balance of RMB equivalent
Cash and bank balances			
Including: EUR	1,087,679,150.29	7.4229	8,073,733,564.71
USD	1,015,521,088.33	6.9646	7,072,698,171.78
GBP	271,187,732.70	8.3941	2,276,376,947.07
AUD	417,131,329.57	4.7138	1,966,273,661.34
IDR	2,101,980,888,400.00	0.0004	840,792,355.38
HKD	828,585,872.62	0.8933	740,175,760.01
THB	3,232,896,993.05	0.2014	651,105,454.40
AED	288,485,443.00	1.8966	547,141,491.19
CLP	61,025,396,483.95	0.0081	494,305,711.52
INR	4,973,542,382.54	0.0842	418,772,268.61
NOK	436,175,820.29	0.7042	307,155,012.65
HUF	15,555,438,065.05	0.0186	289,331,148.01
MYR	119,276,672.65	1.5772	188,123,168.08
ZAR	357,465,578.92	0.4113	147,025,592.61
NZD	29,392,790.49	4.4162	129,804,441.35
Others			235,787,679.15
Short-term borrowings			
Including: USD	1,014,408,326.39	6.9646	7,064,948,229.97
EUR	697,038,789.52	7.4229	5,174,049,230.73
THB	2,260,000,000.00	0.2014	455,164,000.00
Long-term borrowings			
Including: EUR	20,000,000.00	7.4229	148,458,000.00
THB	6,896,359,517.97	0.2014	1,388,926,806.92
INR	6,000,000,000.00	0.0842	505,200,000.00
PKR	2,900,000,000.00	0.0304	88,160,000.00

Other explanations:

Note: Most of the transactions of the Group are incurred domestically, and majority of the assets and liabilities are denominated in RMB. Therefore, there were no other significant foreign currency monetary items except for cash and bank balances and borrowings.

(2). Explanation on overseas operating entities, including significant overseas operating entities, of which the major operation place, functional currency and selection basis as well as changes in functional currency should be disclosed

□Applicable √N/A

85. Hedging

Applicable N/A

86. Government grants

(1). Basic information of government grants

Applicable N/A

(2). Return of government grants

Applicable N/A

Other explanations:

(1) Government grants related to assets

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Relocation compensation etc.	41,765,338.91	244,820,044.63
Subsidies for purchase of long-term assets	822,437,123.82	689,270,550.80
Technical improvement	45,566,600.00	80,161,129.80
Total	909,769,062.73	1,014,251,725.23

(2) Government grants related to income

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Project development grants	169,399,502.37	215,362,073.40
Financial subsidies	2,096,447,633.00	1,711,516,448.09
Others	23,836,094.81	46,032,663.09
Total	2,289,683,230.18	1,972,911,184.58

(3) Government grants recognized in profit or loss and deferred income

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Government grants recognized in deferred income	1,160,643,322.11	1,166,446,730.82
Increase in deferred income due to changes in the scope of consolidation		796,630,477.21
Deferred income amortized in the current year	1,620,689,134.62	2,211,590,593.42
Government grants immediately recognized in profit or loss for the period	2,038,808,970.80	1,820,716,178.99

(4) Government grants recognized in non-operating income

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Relocation compensation	60,534,444.97	209,123,365.78
Others	163,296.60	
Total	60,697,741.57	209,123,365.78

(5) Government grants recognized in other income

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Land relocation compensation	354,005,876.41	570,942,483.74
Subsidies for purchase of long-term assets	757,982,226.24	469,975,636.88
Technical improvement	17,432,808.53	131,500,510.68
Financial subsidies	2,055,438,495.62	1,977,814,796.38
Subsidies for project development	390,568,691.05	615,914,162.58
Others	23,372,266.00	57,035,816.37
Total	3,598,800,363.85	3,823,183,406.63

87. Others

Applicable N/A

VIII. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business combinations not involving enterprises under common control

Applicable N/A

(1). Business combinations not involving enterprises under common control incurred in the current period

Applicable N/A

Unit: RMB

Acquiree's name	Acquisition cost	Proportion acquired (%)	Income received by the acquiree from the acquisition date to the end of period	Net profit received by the acquiree from the acquisition date to the end of period
Shanghai Dongzheng Automotive Finance Co., Ltd.	2,020,214,346.56	89.37	13,271,408.53	-9,358,512.61
Shanghai Motor Vehicle Recycle Service Centre Co., Ltd.	27,693,000.00	51.00		
Shanghai Anji Nyk Logistics Co., Ltd.		51.00		

Other explanations:

Note 1: Shanghai Dongzheng Automotive Finance Co., Ltd. ("Dongzheng Finance") was established on 11 March 2015 and listed in Hong Kong on 3 April 2019, and 71.04% of its equity was formerly held by China Zhengtong Auto Services Holdings Limited ("Zhengtong Holdings"). On 20 October 2020, Shanghai Banking and Insurance Regulatory Bureau of China Banking and Insurance Regulatory Commission ("Shanghai Banking and Insurance Regulatory Bureau") issued the Administrative Decision Letter of Shanghai Banking and Insurance Regulatory Bureau of China Banking and Insurance Regulatory Commission (Hu Yin Bao Jian Tong [2020] No.41) and the Administrative Punishment Decision Letter of Shanghai Banking and Insurance Regulatory Bureau of China Banking and Insurance Regulatory Commission (Hu Yin Bao Jian Yin Fa Jue Zi [2020] No.21). Due to Zhengtong Holdings' serious violation of prudent operation rules, the approval, initiation and establishment of Dongzheng Finance through improper means and illegal related transactions etc., Shanghai Banking and Insurance Regulatory Bureau decided to revoke the administrative licenses of Dongzheng Finance such as opening approval, and ordered Zhengtong Holdings to liquidate its equity in Dongzheng Finance. In addition, as Zhengtong Holdings failed to perform the Administrative Decision Letter of Shanghai Banking and Insurance Regulatory Bureau of China Banking and Insurance Regulatory Commission within the statutory time limit, Shanghai Banking and Insurance Regulatory Bureau applied to Shanghai Financial Court for

mandatory execution in accordance with the law, and Shanghai Financial Court has approved the mandatory execution. On 29 January 2022, Zhengtong Holdings received the written administrative ruling and property preservation notice issued by Shanghai Financial Court, informing it to liquidate the 71.04% of equity in Dongzheng Finance held by Zhengtong Holdings through equity auction. The Company acquired the 71.04% of equity in Dongzheng Finance at the auction price of RMB 1.607 billion in the current year. As Dongzheng Finance is listed in Hong Kong, in accordance with the relevant provisions of Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong, the Company had launched a comprehensive offer to shareholders of all share classes of Dongzheng Finance (excluding Zhengtong Holdings) at a bidding price, and had acquired 392,248,601 overseas listed foreign shares of Dongzheng Finance ("H shares") at a price of HKD 1.2430 per share, accounting for 72.69% of the issued H-shares of Dongzheng Finance. After the completion of the above transactions, the total shareholding ratio of the Company in Dongzheng Finance was 89.37%. The Company obtained the control over Dongzheng Finance, and Dongzheng Finance became a subsidiary of the Company. The Company included Dongzheng Finance in the scope of consolidated financial statements.

Note 2: Motor Vehicle Recycle Service Centre was a subsidiary of Shanghai Urban Industrial Cooperative Association Co., Ltd., which held 100% of its equity. In the year, Asset Management, a subsidiary of the Group, purchased 51.00% of equity in Motor Vehicle Recycle Service Centre from Shanghai Urban Industrial Cooperative Association Co., Ltd. Upon the completion of this transaction, Asset Management obtained the control over Motor Vehicle Recycle Service Centre and included it in the consolidation scope.

Note 3: Shanghai Anji Nyk Logistics Co., Ltd. ("Anji Nyk Logistics") was a joint venture held by Anji Logistics, a subsidiary of the Company, with a shareholding ratio of 49%. In the year, Anji Logistics acquired the 51.00% of equity held by the former minority shareholder of Anji Nyk Logistics at a consideration of RMB 0. Upon the completion of the transaction, Anji Nyk Logistics became a wholly-owned subsidiary of Anji Logistics and was included in the scope of consolidated financial statements of Anji Logistics. On 2 February 2023, Anji Nyk Logistics changed its name to Shanghai Kunzhihuixing Logistics Co., Ltd.

(2). Combination cost and goodwill

√Applicable □N/A

Unit: RMB

Cost of combination	Dongzheng Finance	Motor Vehicle Recycle Service Centre	Anji Nyk
-Cash	2,020,214,346.56	27,693,000.00	
-Fair value of non-cash assets			
-Fair value of debt issued or assumed			
-Fair value of issued equity securities			
-Fair value of contingent consideration			
-Fair value of equity (held prior to the acquisition date) at the acquisition date			
-Others			
Total cost of combination	2,020,214,346.56	27,693,000.00	
Less: Share of fair value of identifiable net assets acquired	3,013,773,121.57	12,605,203.88	
Amount of goodwill/combination cost less than share of fair value of identifiable net assets	-993,558,775.01	15,087,796.12	

(3). Identifiable assets and liabilities of acquiree at the acquisition date

√Applicable □N/A

Unit: RMB

	Dongzheng Finance	
	Fair value at the acquisition date	Carrying amount at the acquisition date
Assets:	3,465,553,271.40	3,462,232,750.63
Liabilities:	93,310,772.16	93,310,772.16
Net assets	3,372,242,499.24	3,368,921,978.47
Less: Minority interests		
Net assets acquired	3,372,242,499.24	3,368,921,978.47

Other explanations:

The fair value of the identifiable net assets is determined based on the appraisal report on the purchase date.

(4). Gains or losses arising from equity held prior to the acquisition date re-measured at fair value

Whether there are any transactions where the business combination is achieved in steps and control is obtained in the reporting period

□Applicable √N/A

(5). Descriptions about the combination consideration or identifiable assets of the acquiree and fair value of liabilities cannot be determined reasonably at the acquisition date or at the end of the current period

□Applicable √N/A

(6). Other explanations:

□Applicable √N/A

2. Business combinations involving enterprise under common control

□Applicable √N/A

3. Counter purchase

□Applicable √N/A

4. Disposal of subsidiaries

Whether the entity lost control over subsidiaries through a single disposal of the investment in them:

√Applicable □N/A

Unit: RMB

Name of subsidiaries	Equity disposal method
Wuhan Zhonghaiting Data Technology Co., Ltd. (Note 1)	Increase in capital by other shareholders

Note 1: The Group formerly held 50.99% of equity in Zhonghaiting and included it in the scope of consolidated financial statements. In the current year, Advanced Manufacturing Industry Investment Fund (Hubei) Partnership Enterprise (Limited Partnership) contributed RMB250,000,000.00 to Zhonghaiting as capital increase. After the capital contribution, the proportion of equity held by the Group in Zhonghaiting decreased to 43.36% and the Group lost its control over Zhonghaiting. Thus, the Group adopted equity method for the accounting of the investment in Zhonghaiting.

Other explanations:

√Applicable □N/A

- (1) In the current year, Yanfeng Automotive Trim Systems Co., Ltd., a subsidiary of the Group, cancelled its subsidiaries Shanghai Songjiang Chunshen Plastic Products Co., Ltd. and Yanfeng Ireland Automotive Interior Systems Unlimited Company.
- (2) In the current year, HASCO Vision Technology (Shanghai) Co., Ltd., a subsidiary of the Group, cancelled its subsidiary H.A. (Germany) GmbH.
- (3) In the current year, Yanfeng Global Automotive Interior Systems Co., Ltd. ("Yanfeng Global"), a subsidiary of the Group, increased its capital to another wholly-owned subsidiary, Yanfeng Automotive Trim Systems Ningbo Co., Ltd., with all the assets and liabilities of its subsidiary, Yanfeng Automotive Trim Systems Zhejiang Co., Ltd. ("Yanfeng Zhejiang") as the consideration. The above transaction was completed on 25 November 2022, and Yanfeng Global cancelled Yanfeng Zhejiang subsequently.
- (4) In the current year, Yanfeng International Seating System Co., Ltd. ("Yanfeng International Seating"), a subsidiary of the Group, increased its capital to another wholly-owned subsidiary, Shanghai Jiading Yanfeng Seating System Co., Ltd., with all the assets and liabilities of its subsidiary, Yanfeng Adient (Shanghai Jiading) Automotive Metal Parts Co., Ltd. ("Yanfeng Adient Metal") as the consideration. The above transaction was completed on 13 October 2022, and Yanfeng International Seating cancelled Yanfeng Adient Metal subsequently.

5. Other reasons for changes in scope of consolidation

Explanation on the changes in consolidation scope incurred by other reasons (such as incorporation of new subsidiaries, liquidation of subsidiaries and others) and other related circumstances:

Applicable N/A

- (1) In the current year, Yanfeng, a subsidiary of the Group, established subsidiaries including Yanfeng Automotive Trim Systems (Chengdu) Co., Ltd., Yanfeng Automotive Trim Xuzhou Co., Ltd., Yanfeng (Changzhou) Automotive Parts Co., Ltd., Yandian Technology Co., Ltd., Shanghai Lingang Yanfeng Automotive Parts System Co., Ltd., Yanfeng (Xi'an) Automotive Parts Co., Ltd., Yanfeng (Zhaoqing) Automotive Parts Co., Ltd., Yanfeng (Beijing) Automotive Parts Co., Ltd. and included these subsidiaries into consolidation scope of the consolidated financial statements since the establishment date.
- (2) In the current year, SNAT, a subsidiary of the Group, established subsidiaries including SAIC Hongyan (Henan) Automobile Sales Service Co., Ltd., SAIC Hongyan (Ningxia) Automobile Sales Service Co., Ltd., Sichuan SAIC Maxus Automobile Sales Service Co., Ltd., SAIC Hongyan (Yunnan) Automobile Sales Service Co., Ltd. and included these subsidiaries into consolidation scope of the consolidated financial statements since the establishment date.
- (3) In the current year, SAIC Financial Holding, a subsidiary of the Group, established subsidiaries including Jiaxing SAIC Chuangyong Equity Investment Partnership (Limited Partnership), Shengxinxiang-Huatairuitai No. FOF9 Collective Asset Management Plan and Guotaijun'an No. FOF2001 Single Asset Management Plan for private customers and included these subsidiaries into consolidation scope of the consolidated financial statements since the establishment date.

6. Others

Applicable N/A

IX. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1). Composition of the Group

√Applicable □N/A

Name of subsidiaries	Place of incorporation	Registered capital	Registered capital	Scope of business	Equity interest held (%)		Ways of acquisition
		Currency	Thousand		Directly	Indirectly	
SAIC Motor UK Co., Ltd.	Birmingham, UK	GBP	3,000	R&D of automobiles	100.00		Establishment or investment
SAIC Motor Transmission Co., Ltd.	Shanghai, China	RMB	5,819,590	Manufacturing and sales of automobile transmission and spare parts	100.00		Establishment or investment
SAIC HK Investment Co., Ltd.	Hong Kong, China	USD	296,900	International trade of auto and critical spare parts, investment, technical and service trade, training and consulting	100.00		Establishment or investment
SAIC Maxus Vehicle Co., Ltd.	Shanghai, China	RMB	10,329,110	Manufacturing of automobiles and components	100.00		Establishment or investment
SAIC Capital Company Limited	Shanghai, China	RMB	4,538,170	Equity investment, venture capital investment, industrial consulting, property management	100.00		Establishment or investment
SAIC General Motors Sales Co., Ltd.	Shanghai, China	USD	49,000	Sales of automobiles	51.00		Establishment or investment
SAIC Motor - CP Co., Ltd.	Bangkok, Thailand	THB	7,350,000	Developing, manufacturing and sales of automobiles and spare parts; Manufacturing and processing of machinery		70.00	Establishment or investment
Shanghai Shanghong Real Estate Co., Ltd.	Shanghai, China	RMB	1,900,000	Developing and operating real estate, property management	100.00		Establishment or investment
SAIC International Indonesia PT.	Indonesia	USD	118,000	Developing and operating real estate, property management		100.00	Establishment or investment
SAIC Investment Management Co., Ltd.	Shanghai, China	RMB	12,000,000	Industrial investment, asset management, investment management, storage service (except hazardous goods)	100.00		Establishment or investment
SAIC Group Financial Holding Management Co., Ltd.	Shanghai, China	RMB	10,050,000	Industrial investment, asset management, investment management, consulting services, and network technology etc.	100.00		Establishment or investment
SAIC Insurance Sales Co., Ltd.	Shanghai, China	RMB	200,000	Insurance agent service		100.00	Establishment or investment
SAIC Volkswagen Sales Co., Ltd.	Shanghai, China	USD	29,980	Sales of automobiles and spare parts	50.00	10.00	Acquired through business combinations involving enterprises under common control
SAIC GM Wuling Co., Ltd.	Guangxi, China	RMB	1,668,077	Sales and manufacturing of automobiles and spare parts	50.10		Acquired through business combinations involving enterprises under common control
China United Automotive System Co., Ltd.	Shanghai, China	RMB	600,620	Manufacturing and sales of electricity-controlled burning oil products		54.00	Acquired through business combinations involving enterprises under common control
SAIC Finance Co., Ltd.	Shanghai, China	RMB	15,380,000	Automotive Finance	99.00	1.00	Acquired through business combinations involving enterprises under common control

SAIC-GMAC Automotive Finance Co., Ltd.	Shanghai, China	RMB	8,500,000	Automotive Finance		55.00	Acquired through business combinations not involving enterprises under common control
Shanghai Pengpu Machine Building Plant Co., Ltd.	Shanghai, China	RMB	1,030,000	Manufacturing and sale of engineering machinery facilities	100.00		Acquired through business combinations involving enterprises under common control
HUAYU Automotive Systems Co., Ltd.	Shanghai, China	RMB	3,152,724	Design, manufacturing and sales of spare parts assembly	58.32		Acquired through business combinations involving enterprises under common control
Anji Automotive Logistics Co., Ltd.	Shanghai, China	RMB	600,000	Logistics service for automobiles and spare parts	98.00	2.00	Acquired through business combinations involving enterprises under common control
Shanghai Automotive Industry Sales Co., Ltd.	Shanghai, China	RMB	4,124,472	Sales and purchase of automobiles and spare parts	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Shangyuan Investment Management Co., Ltd.	Shanghai, China	RMB	354,600	Development, operation, leasing, property management and investment management (excluding equity investment management) of industrial workshops and supporting facilities	100.00		Acquired through business combinations involving enterprises under common control
China Automotive Industrial Development Co., Ltd.	Beijing, China	RMB	64,165	Sales and after-sales service of automobiles	100.00		Acquired through business combinations involving enterprises under common control
SAIC Motor North America Co., Ltd.	USA	USD	980	Import and export of spare	100.00		Acquired through business combinations involving enterprises under common control
SAIC Motor (Beijing) Co., Ltd.	Beijing, China	RMB	200,000	Marketing, warehouse and logistics of automobiles	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Automobile Asset Management Co., Ltd.	Shanghai, China	RMB	915,900	Property management and innovation services, etc.	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Hydrogen Propulsion	Shanghai, China	RMB	737,142	Technical service, technical development, technical consulting	4.62	66.19	Establishment or investment
Donghua Automotive Industrial Co., Ltd.	Jiangsu, China	RMB	1,083,208	Logistics, import and export, detail services of automobiles	75.00		Acquired through business combinations involving enterprises under common control
SAIC Activity Centre Co., Ltd.	Shanghai, China	RMB	160,000	Hospitality, beverage and catering services	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Automotive News Press Co., Ltd.	Shanghai, China	RMB	1,000	Publishing and distribution of <i>Shanghai Auto News</i>	100.00		Acquired through business combinations involving enterprises under common control
DIAS Automotive Electronic Systems Co., Ltd.	Shanghai, China	RMB	318,298	Research and development production and sales of automobile electronic systems and components		90.66	Acquired through business combinations involving enterprises under common control
Shanghai New Power Automotive Technology Company Limited	Shanghai, China	RMB	1,631,536	Manufacturing and sales of diesel engines and spare parts	47.99		Acquired through business combinations not involving enterprises under common control
Nanjing Automobile (Group) Corporation	Jiangsu, China	RMB	7,600,000	Development, manufacturing and sales of automobiles, engines and spare parts	100.00		Acquired through business combinations not involving enterprises under

							common control
Shanghai Sunwin Bus Co., Ltd.	Shanghai, China	RMB	1,371,160	Development, assembly, manufacture and sales of passenger bus and spare parts	100.00		Acquired through business combinations not involving enterprises under common control
SAIC HONGYAN Automobile Co., Ltd.	Chongqing, China	RMB	4,100,000	Development, manufacture and sales of vehicle and spare parts		100.00	Acquired through business combinations not involving enterprises under common control
SAIC New Energy Marketing Service (Shenzhen) Co., Ltd.	Shenzhen, China	RMB	50,000	Vehicle sales, hardware and electricity components, building materials, sales of electromechanical products, etc.		100.00	Establishment or investment
SAIC New Energy Vehicle Sales Service (Guangzhou) Co., Ltd.	Guangzhou, China	RMB	10,000	Sales and leasing of automobile, wholesale of hardware, building materials, etc.		100.00	Establishment or investment
Shanghai E-propulsion Auto Technology Co., Ltd.	Shanghai, China	RMB	1,450,000	R&D of automobiles		100.00	Acquired through business combinations involving enterprises under common control
Shanghai New Energy Vehicle Sales Service (Xiamen) Co., Ltd.	Xiamen, China	RMB	5,000	Wholesale of auto parts, hardware products, retail of automobiles, etc.		100.00	Establishment or investment
SAIC International Trade Co., Ltd.	Shanghai, China	RMB	3,081,749	Import and export of automobiles and spare parts		100.00	Establishment or investment
Ningbo Meishan Free Trade Port Zone Jie Chuang Equity Investment Partnership (Limited Partnership)	Ningbo, China	RMB	70,010	Equity investment and related consulting services		99.99	Establishment or investment
SAIC (Changzhou) Innovation Development Investment Fund Co., Ltd.	Changzhou, China	RMB	80,000,000	Investment management, fund management, industrial investment, venture capital investment, etc.		100.00	Establishment or investment
Shanghai Sail-Cloud Technology Co., Ltd.	Shanghai, China	RMB	33,333	Technical service, technical development, technical consulting, technical exchange, technical transfer		90.00	Establishment or investment
MG MOTOR INDIA PROVATE., LTD	India	INR	32,750,000	Developing, manufacturing and sales of automobiles and spare parts		100.00	Establishment or investment
SAIC Overseas Mobility Technology Co., Ltd.	Shanghai, China	RMB	80,000	Computer network science and technology, network technology and communication technology		100.00	Establishment or investment
Changzhou Qide Equity Investment Fund Center (Limited Partnership) (Hereinafter referred to as "Changzhou Qide")	Jiangsu, China	RMB	3,000,000	Trusteeship of private equity fund, investment management, industrial investment and venture capital investment		99.90	Acquired through business combinations not involving enterprises under common control
Shanghai Yuanjie Intelligent Technology Equity Investment Fund Partnership (Limited Partnership)	Shanghai, China	RMB	7,200,000	Equity investment, industrial investment, investment management, asset management	74.99		Establishment or investment
Jiaxing Qijun No. 1 Equity Investment Partnership (Limited Partnership)	Shanghai, China	RMB	1,001,000	Equity investment and related consulting services	99.26	0.37	Establishment or investment
Indonesia Multi Finance	Indonesia	IDR	600,000,000	Diversified financial services		62.00	Establishment or investment
SAIC Shidai Power Battery System Co., Ltd	Jiangsu, China	RMB	300,000	Development, production and sales of power battery module and system		51.00	Establishment or investment
SECCO Intelligent Technology (Shanghai) Co., Ltd	Shanghai, China	RMB	68,620	Technical development, technical transfer, technical consultation and technical service		100.00	Establishment or investment

Nanjing Iveco Automobile Co., Ltd.	Jiangsu, China	RMB	2,527,000	Development and manufacture of vehicles, passenger bus and spare parts	30.10	50.00	Acquired through business combinations not involving enterprises under common control
Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (Limited Partnership)	Qingdao, China	RMB	13,549,500	Engage in equity investment, investment management, asset management and other activities with private equity funds	99.63	0.33	Establishment or investment
Jiaxing Ruijia Equity Investment Partnership (Limited Partnership)	Jiaxing, China	RMB	8,001,000	Equity investment and related consulting services	99.99		Establishment or investment
Jiaxing Dongxi Zhihang Equity Investment Partnership (Limited partnership)	Jiaxing, China	RMB	643,000	Equity investment, industrial investment and investment consulting	84.22		Establishment or investment
Rising Auto Technology Co., Ltd.	Shanghai, China	RMB	7,000,000	Sales of new energy vehicles and electronic accessories of new energy vehicles, and R&D of automobile spare parts, etc.	100.00		Establishment or investment
Shanghai Dongzheng Automotive Finance Co., Ltd.	Shanghai, China	RMB	2,139,651.4	Time deposits, issuance of financial bonds, inter-bank borrowing, financial investment, etc.	89.37		Acquired through business combinations not involving enterprises under common control
Z-one Technology Co., Ltd.	Shanghai, China	RMB	3,700,000	Technical service, technical development, technical consulting, technical transfer and technical promotion etc.	93.24		Establishment or investment

Other explanations:

Note: The shareholding ratio of the Group in SNAT is less than 50%. However, given the fact that other shareholders hold relatively small and dispersed amount of shares, the Group has substantial control over SNAT.

(2). Significant non-wholly owned subsidiaries

Applicable N/A

Unit: RMB Thousand

Name of the subsidiary	Equity interest held by minority shareholders	Profit or loss attributable to minority shareholders during the period	Dividend declared to minority shareholders during the period	Minority interests at 31 December 2022
HASCO	41.68	3,782,926.63	2,028,984.55	17,258,770.16
SGMW	49.90	728,775.38		5,359,096.61

Explanation on situation where the shareholding proportion of minority shareholders of subsidiaries is different from the proportion of voting rights:

Applicable N/A

Other explanations:

Applicable N/A

(3). Major financial information of significant non-wholly owned subsidiaries

√Applicable □N/A

Unit: RMB Thousand

Name of the subsidiary	31 December 2022						1 January 2022					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
HASCO	104,132,253.83	58,664,685.60	162,796,939.43	95,719,024.19	10,023,196.54	105,742,220.73	94,995,006.72	58,851,756.87	153,846,763.59	88,332,154.19	11,840,077.12	100,172,231.31
SGMW	41,529,556.87	16,424,002.36	57,953,559.23	42,876,911.93	4,211,405.83	47,088,317.76	34,024,731.99	17,562,667.62	51,587,399.61	38,013,064.28	4,961,849.98	42,974,914.26

Name of the subsidiary	Year ended 31 December 2022				Year ended 31 December 2021			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
HASCO	158,267,906.80	7,203,125.20	6,980,624.03	9,989,105.25	139,944,139.63	6,468,939.92	8,561,783.47	8,848,072.61
SGMW	81,138,025.81	1,460,413.17	1,302,756.16	1,299,305.95	78,942,826.74	1,135,233.72	1,086,772.94	4,124,565.31

(4) Significant restrictions for the utilization of the Group's assets and the liquidation of the Group's liabilities

□Applicable √N/A

(5) Financial or other supports provided to structured entities included in scope of consolidated financial statements

□Applicable √N/A

Other explanations:

□Applicable √N/A

2. Transactions that cause changes in the Group's equity interest in subsidiaries but do not result in loss of control

√Applicable □N/A

(1). Explanation on changes in shares of owners' equity interest in subsidiaries

√Applicable □N/A

- 1) IM Motors was formerly a subsidiary of Shanghai Yuanjie Intelligent Technology Equity Investment Fund Partnership (Limited Partnership) (“Yuanjie Intelligent”), a subsidiary of the Group, which held 80% of equity in IM Motors. In the current year, new investors such as Bank of Communications Junhong Phase II (Suzhou) Equity Investment Partnership (Limited Partnership), National Green Development Fund Co., Ltd., Shanghai State Owned Assets and Enterprise Comprehensive Reform Pilot Private Fund Partnership (Limited Partnership), CITIC Securities Company Limited, ICBC Financial Assets Investment Co., Ltd., Zhiyou (Xiamen) Venture Capital Partnership (Limited Partnership) and Jiaxing Ruijia (another subsidiary of the Group) contributed a total of RMB 2,300,000,000.00 to IM Motors as capital increase, of which Jiaxing Ruijia contributed RMB 360,000,000.00. Upon introduction of the new investors, Yuanjie Intelligent’s shareholding ratio in IM Motors decreased from 80% to 73.08%.
- 2) Huayu Intelligent Equipment Technology Co., Ltd. (Intelligent Equipment) was formerly a subsidiary of Huayu Automotive Systems Shanghai Co., Ltd. (Huayu Shanghai), which held 100% of equity in Intelligent Equipment. In the current year, new investor ABB (China) Investment Co., Ltd. contributed a total of RMB 48,000,000.00 to Intelligent Equipment as capital increase. Upon introduction of the new investor, Huayu Shanghai’s shareholding ratio in Intelligent Equipment decreased from 100% to 60%.
- 3) Wuhu Yanfeng Yunhe Automotive Seating Co., Ltd. (“Wuhu Yunhe”, formerly known as “Wuhu Adient Yunhe Automotive Seating Co., Ltd.”) was formerly a subsidiary of Yanfeng International Seating, which held 45% of equity in Wuhu Yunhe and actually controlled Wuhu Yunhe. In the current year, Yanfeng International Seating purchased 25.00% of equity in Wuhu Yunhe from Adient Asia with RMB 18,480,000.00. Upon completion of the transaction, Yanfeng International Seating held 70% of equity in Wuhu Yunhe, and Wuhu Adient Yunhe Automotive Seating Co., Ltd. changed its name to Wuhu Yanfeng Yunhe Automotive Seating Co., Ltd.
- 4) In the current year, Anji Automotive Logistics Co., Ltd., a subsidiary of the Group, purchased 40% of equity in Anji Supply Chain Services (Chengdu) Co., Ltd. (its subsidiary) from minority shareholders. Upon completion of the transaction, its shareholding ratio in Anji Supply Chain Services (Chengdu) Co., Ltd. increased from 60% to 100%.
- 5) Shanghai Qingdu Automotive Technology Co., Ltd. (Qingdu Automotive) was formerly a subsidiary of Lianjing Automotive, a subsidiary of the Group. Lianjing Automotive and SAIC (Changzhou) Innovation Development Investment Fund Co., Ltd. (Changzhou Innovation) held 60% and 10% of equity in Qingdu Automotive respectively. In the current year, Lianjing Automotive purchased 30% of equity in Qingdu Automotive from minority shareholders with RMB 3,403,800.00. Upon completion of the transaction, the shareholding ratios of Lianjing Automotive and Changzhou Innovation were 90.00% and 10.00%, respectively.
- 6) SAIC GM Wuling Indonesia Co., Ltd. (“Wuling Indonesia”) and SAIC GM Wuling Indonesia Multi Finance Company (“Indonesia Multi Finance”) are subsidiaries of the Group. Wuling Indonesia and SAIC Hong Kong (another subsidiary of the Group) held 24.00% and 38.00% of equity in Indonesia Multi Finance, respectively. In the current year, the Group conducted restructuring and capital increase on Wuling Indonesia. Upon completion of the transaction, the Group’s share of net assets of Wuling Indonesia increased from 60.48% to 74.92%, and the Group’s share of net assets of Indonesia Multi Finance increased from 52.52% to 55.98%.

- 7) DIAS was formerly a subsidiary of SAIC Investment Management Co., Ltd (“Investment Management”), and Investment Management and SAIC Capital Company Limited (“SAIC Capital”) held 61.22% and 38.78% of equity in DIAS respectively. In the current year, Nantong Junxin Automotive Technology Partnership (Limited Partnership) and other investors contributed RMB 37,765,744.33 to DIAS as capital increase. Upon introduction of the new investors, Investment Management and SAIC Capital’s shareholding ratios of DIAS decreased to 55.50% and 35.16% respectively.

(2). Effects of transactions on minority interests and equity attributed to owners of the Company

√Applicable □N/A

Unit: RMB

	Restructuring of Wuling Indonesia	Purchase of minority interests	Increase in capital by minority shareholders	Total
Purchase cost/disposal consideration				
- Cash		43,249,318.16	-2,025,765,744.33	-1,982,516,426.17
- Fair value of non-cash assets				
Total purchase cost/disposal consideration		43,249,318.16	-2,025,765,744.33	-1,982,516,426.17
Less: Share of net assets of subsidiaries calculated according to the proportion of equity acquired/disposed	-227,348,138.13	44,985,003.12	-1,099,318,357.32	-1,281,681,492.33
Difference	227,348,138.13	-1,735,684.96	-926,447,387.01	-700,834,933.84
Including: Adjustment of capital reserve	227,348,138.13	-1,735,684.96	-926,447,387.01	-700,834,933.84
Adjustment of surplus reserve				
Adjustment of retained earnings				
Effects on minority interests	227,348,138.13	-44,985,003.12	1,099,318,357.32	1,281,681,492.33

Other explanations

□Applicable √N/A

3. Interests in joint ventures and associates

√Applicable □N/A

(1). Significant joint ventures and associates

√Applicable □N/A

Unit: RMB

Name of joint venture or associate	Principal place of business	Place of registration	Nature of business	Shareholding ratio (%)		Accounting method
				Directly	Indirectly	
SAIC Volkswagen Automotive Co., Ltd. ("SAIC Volkswagen")		Shanghai, China	Manufacturing and sales of automobiles and components	50.00		Equity method
SAIC General Motors Co., Ltd. ("SAIC GM")		Shanghai, China	Manufacturing and sales of automobiles and components	50.00		Equity method

(2). Major financial information of significant joint ventures

√Applicable □N/A

Unit: RMB Thousand

	Year ended 31 December 2022		Year ended 31 December 2021	
	SAIC Volkswagen	SAIC GM	SAIC Volkswagen	SAIC GM
Current assets	31,899,642.37	37,594,633.00	40,495,409.02	43,558,757.07
Non-current assets	73,003,235.24	62,161,971.78	77,795,305.77	62,977,802.09
Total assets	104,902,877.61	99,756,604.78	118,290,714.79	106,536,559.16
Current liabilities	72,328,135.92	70,560,426.14	84,655,262.85	75,941,640.90
Non-current liabilities	6,461,080.89	1,899,142.61	6,248,659.88	2,184,814.91
Total liabilities	78,789,216.81	72,459,568.75	90,903,922.73	78,126,455.81
Minority interests		6,161,798.67		5,741,871.71
Shareholders' equity attributable to equity holders of the Company	26,113,660.80	21,135,237.36	27,386,792.06	22,668,231.64
Share of net assets calculated based on shareholding ratio	13,056,830.40	10,567,618.68	13,693,396.03	11,334,115.82
Adjusting events				
-Goodwill		227,973.19		227,973.19
Carrying amount of equity investment in joint ventures	13,056,830.40	10,795,591.87	13,693,396.03	11,562,089.01
Fair value of equity investment in joint ventures with public quotation				
Operating income	164,714,551.30	162,792,694.98	159,238,191.63	182,264,236.64
Net profit attributable to owners of the Company	8,728,946.44	5,579,193.83	10,186,007.64	7,261,136.13
Minority interests		2,334,526.29		1,608,416.69
Other comprehensive income	183,929.94		-61,308.47	
Total comprehensive income	8,912,876.38	7,913,720.12	10,124,699.17	8,869,552.82

(3). Major financial information of significant associates

□Applicable √N/A

(4). Summarized financial information of insignificant joint ventures and associates

√Applicable □N/A

Unit: RMB Thousand

	Year ended 31 December 2022	Year ended 31 December 2021
Joint ventures:		
Total carrying amount of investments		
Total amounts calculated based on shareholding ratio		
- Net profit	5,010,617.74	4,273,349.94
- Other comprehensive income	9,458.20	193.19
- Total comprehensive income	5,020,075.94	4,273,543.13
Associates:		

Total carrying amount of investments		
Total amounts calculated based on shareholding ratio		
- Net profit	2,353,273.89	1,248,770.61
- Other comprehensive income	36,995.71	-18,067.06
- Total comprehensive income	2,390,269.60	1,230,703.55

(5). Explanation on significant restrictions on the capability of joint ventures or associates to transfer funds to the Company

Applicable N/A

(6). Excess loss of joint ventures or associates

Applicable N/A

(7). Unrecognized commitment relating to investments in joint ventures

Applicable N/A

(8). Contingent liabilities relating to investments in joint ventures or associates

Applicable N/A

4. Significant joint operations

Applicable N/A

5. Interests in structured entities that are not included in the scope of the consolidated financial statements

Applicable N/A

Interests in structured entities that are not included in the scope of the consolidated financial statements are those invested by the Group through other institutions, including fund investment and wealth management products. The Group only holds the shares of investment without control, so these structured entities are not included in the scope of the consolidated financial statements. During the year 2021, the Group did not provide any liquidity support to any of these structured entities.

Apart from unconsolidated structured entities that were accounted for in long-term equity investments (refer to Note (VII) 19), the table below illustrates the carrying amount and risk exposure of the interests in structured entities that are not included in the scope of the consolidated financial statements at 31 December 2022.

Unit: RMB Thousand

Item	31 December 2022		
	Carrying amount	Maximum risk exposure	Account
Funds	20,950,624.86	20,950,624.86	Held-for-trading financial assets
Asset management and trust plan	6,695,883.43	6,695,883.43	Held-for-trading financial assets /Other non-current financial assets
Wealth management products	186,305.32	186,305.32	Held-for-trading financial assets

6. Others

Applicable N/A

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

√Applicable □N/A

The Group's major financial instruments include cash and bank balances, held-for-trading financial assets, notes receivable, accounts receivable, financing with receivables, other receivables, financial assets purchased under resale agreements, short-term loans issued under other current assets, interbank depository receipts, short-term entrusted loans, discount, time deposits, asset-backed securities and assets with continuous involvement under other non-current assets, loans and advances, debt investments, other debt investments, investments in other equity instruments, other non-current financial assets, long-term receivables, borrowings, taking from banks and other financial institutions, held-for-trading financial liabilities, notes payable, accounts payable, customer deposits and deposits from banks and other financial institutions, other payables, short-term bonds payable, asset-backed commercial notes, bonds payable and other non-current liabilities, etc. Details of these financial instruments are disclosed in Note (VII). The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure the risks are monitored at a certain level.

The Group conducted sensitivity analysis to analyze the impact of reasonable and possible changes of risk variables on profit or loss and equity of the current period. The following is based on the assumption that the change in each risk variable is on a stand-alone basis, but it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable.

1. Risk management objectives and policies

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts of risks on the Group's operation performance, and maximize the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyze the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implements risk management, and monitors regularly and effectively these exposures to ensure the risks are monitored at a certain level.

1.1 Market risk

1.1.1 Currency risk

Currency risk is the risk that losses will occur because of changes in foreign exchange rates. For the detailed items of currency risk, see Note (VII) 84. The Group is closely monitoring the effects that might have on currency risk due to change in exchange rate.

1.1.2. Interest rate risk

The Group is exposed to cash flow risk because the Group borrows funds at floating interest rates. At the year-end, Group had floating rate borrowings of RMB 11,311,571,580.00 (31 December 2021: RMB 10,766,052,180.00). For floating rate borrowings, provided that none of the outstanding liabilities at the balance sheet date is repaid throughout the year, if the interest rates had been 25 base points higher/lower and other variables were held constant, the pre-tax profit would decrease/increase by RMB 28,278,930.00 (31 December 2021: RMB 26,915,130.00).

1.1.3. Other price risk

The stocks held by the Group that included in held-for-trading financial assets, other non-current financial assets and investments in other equity instruments are measured at fair value at the balance sheet date, exposing the Group to price risk. If the fair value of the stocks held by the Group at the end of the year had increased or decreased by 10% while all other variables remained constant, irrespective of deferred income tax effects, the

shareholders' equity of the Group at the end of the year would have increased or decreased by RMB 2,121,525,050.00 (31 December 2021: RMB 2,754,407,560.00).

1.2 Credit risk

As at the end of the year, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees issued by the Group is arising from the carrying amounts of financial assets recognized in the consolidated balance sheet and finance lease receivables, and the amounts of the financial guarantee contracts disclosed in note (XIV). The carrying amount of the Group's financial assets at the balance sheet date represents its maximum credit risk exposure.

In order to minimize the credit risk, the Company and its subsidiaries have specially-assigned persons to take charge of determining credit limits, conducting credit approvals, and implementing other monitoring procedures to ensure that necessary measures are taken to recover past due claims. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because they are deposited with banks with high credit ratings.

Except for the amount of accounts receivable due from certain joint ventures and associates of the Group (refer to Note (VII) 5) and part of other receivables (refer to Note (VII) 8) that is significant, the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

1.3 Liquidity risk

In the management of liquidity risk, the management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations of cash flows.

2. Transfer of financial assets

2.1 Assets securitization

In the transaction of credit assets securitization, the Group derecognized this kind of financial assets wholly or partly based on the extent of retained risks and rewards of ownership in the transferred financial assets.

The following table sets forth the details of securitized credit assets of the Group's subsidiaries SAIC Financial Holding, SFC and SAIC-GMAC due to continuous involvement as at the end of the year:

	RMB 100 million
	Amount
Carrying amount of securitized credit assets transferred before the transfer (Note)	534.10
Carrying amount of asset-backed securities recognized by SAIC Financial Holding, SFC and SAIC-GMAC	64.89
Carrying amount of financial assets and liabilities involved continuously recognized by SAIC Financial Holding, SFC and SAIC-GMAC (Note)	64.89

Note: The Group's subsidiaries SAIC Financial Holding, SFC and SAIC GMAC, continued to provide management services for the above transferred securitized credit assets. SAIC Financial Holding, SFC and SAIC GMAC have neither transferred nor retained almost all of the risks and rewards of ownership of the relevant finance lease payments receivable and loan portfolios, and SAIC Financial Holding, SFC and SAIC GMAC had not completely relinquished control over the above credit assets. Therefore, SAIC Financial Holding, SFC and

SAIC GM Financial recognized the related financial assets and financial liabilities involved continuously to the extent of their continuous involvement in the transferred credit assets.

In addition, at the end of the year, SAIC Financial Holding and SAIC-GMAC retained almost all the risks and rewards on the ownership of the transferred credit assets in some credit asset securitization transactions. Therefore, SAIC Financial Holding and SAIC-GMAC did not derecognize the transferred credit assets but recognized the receipts from the transfer of the related credit assets as bonds payable. At the end of the year, the book balance of these bonds payable amounted to RMB 6,026,262,030.14 (31 December 2021: RMB 5,430,554,956.68). Please refer to Note (VII) 48.

3. Capital management

The Group manages its capital by optimizing its structure of liabilities and shareholders' equity to ensure that the entities within the Group could continue as a going concern and to maximize returns for shareholders.

The capital structure of the Group is made up of the Group's net liabilities and shareholders' equity.

The Group is not restrained to external mandatory requirements of capital management. The Group's management regularly reviews the capital structure of the Group.

XI. DISCLOSURE OF FAIR VALUE

1. Closing fair value of assets and liabilities measured at fair value

√Applicable □N/A

Unit: RMB

Item	Fair value at 31 December 2022			
	Level 1	Level 2	Level 3	Total
I. Measured at fair value on a recurring basis				
1. Held-for-trading financial assets	6,694,575,668.17	29,155,476,902.90	26,004,574,031.10	61,854,626,602.17
(I) Financial assets at fair value through profit or loss	6,694,575,668.17	29,155,476,902.90	26,004,574,031.10	61,854,626,602.17
(1) Investments in debt instruments	367,357,718.59	2,910,252,236.91	9,000,000.00	3,286,609,955.50
(2) Investments in equity instruments	6,327,217,949.58	19,436,707,922.49	23,099,079,478.40	48,863,005,350.47
(3) Bank acceptances		6,801,295,781.79	2,896,494,552.70	9,697,790,334.49
(4) Derivative financial assets		7,220,961.71		7,220,961.71
2. Designated as financial assets at fair value through profit or loss				
(1) Investments in debt instruments				
(2) Investments in equity instruments				
(II) Other debt investments		843,316,530.00		843,316,530.00
(III) Investments in other equity instruments	16,977,712,330.55		216,877,665.08	17,194,589,995.63
(IV) Investment properties				
1. Leasehold land use right				
2. Leasehold buildings				
3. Land use right held for transfer upon appreciation				
(V) Biological assets				
1. Consumable biological assets				
2. Bearer biological assets				
(VI) Financing with receivables		4,290,940,178.04	7,259,751,469.01	11,550,691,647.05

(VII) Other current assets - Interbank depository receipts		26,138,075,534.51		26,138,075,534.51
Total assets measured at fair value on a recurring basis	23,672,287,998.72	60,427,809,145.45	33,481,203,165.19	117,581,300,309.36
(VIII) Held-for-trading financial liabilities		19,603,576.07	131,896,882.53	151,500,458.60
1. Financial liabilities at fair value through profit or loss		19,603,576.07	100,000,000.00	119,603,576.07
Including: Issued held-for-trading bonds				
Derivative financial liabilities		19,603,576.07		19,603,576.07
Others			100,000,000.00	100,000,000.00
2. Designated as financial liabilities at fair value through profit or loss			31,896,882.53	31,896,882.53
Total liabilities measured at fair value on a recurring basis		19,603,576.07	131,896,882.53	151,500,458.60
II. Measured at fair value on a non-recurring basis				
(I) Held-for-sale assets				
Total assets measured at fair value on a non-recurring basis				
Total liabilities measured at fair value on a non-recurring basis				

2. Determination basis of the market value for fair value measurements in Level 1 on recurring and non-recurring basis

Applicable N/A

Financial assets categorized as Level 1 are mainly stocks, funds and bonds publicly listed at Shanghai Stock Exchange, Shenzhen Stock Exchange and the Stock Exchange of Hong Kong. The fair value of these assets is determined according to unadjusted quotes in active markets.

3. Valuation techniques and qualitative and quantitative information of key parameters adopted for Level 2 fair value measurements on recurring and non-recurring basis

Applicable N/A

Financial assets categorized as Level 2 include bonds, interbank depository receipts, currency swap contracts, forward exchange contracts, assets backed securities, bank acceptances and currency funds traded in the interbank bond market, asset management plan, financial management plan and trust plan. The fair value of bonds and interbank depository receipts traded in the interbank bond market is determined using valuation prices published by the bond registry custodian at the balance sheet date; the fair value of currency swap contracts is determined from counterparty quotations; the fair value of assets backed securities is determined using discounted cash flow prices based on bond yields; and the fair value of bank acceptances is determined using discounted cash flow prices based on market discount rates. The fair value of the currency funds is determined based on the net product value approach, based on the valuation results of the underlying portfolio. The fair value of management plan, financial management plan and trust plan with open market quotation for the underlying assets is determined based on the net product value approach, based on the valuation results of the underlying portfolio. Financial liabilities categorized as Level 2 consist primarily of currency swap contracts.

4. Valuation techniques and qualitative and quantitative information of key parameters adopted for Level 3 fair value measurements on recurring and non-recurring basis

Applicable N/A

Financial assets categorized as Level 3 mainly include unlisted equity (private equity), stock investment under restricted conditions, bank acceptances, financial management plan and trust plan. The Group adopts a series of valuation techniques to assess the fair values of Level 3 financial instruments, using valuation models that include unobservable parameters such as discount rates that lack market liquidity. If one or more unobservable parameters are changed based on a reasonable alternative hypothesis, the fair value of these financial instruments will change accordingly. The fair value of stocks under restricted conditions held by the Group is determined under market price discount method according to unadjusted quotes in active market and liquidity discount; the fair value of unlisted equity (private equity) is determined under comparison method according to the price of similar securities and liquidity discount or under recent transaction price method; the fair value of bank acceptances is determined using discounted cash flow prices based on discount rates on inquiry to the bank. The fair value of asset management plans, financial management plans and trust plans of investment object with restricted characteristics is determined under net worth method according to valuation result of relevant investment portfolios. The fair value of financial liabilities categorized as Level 3 is determined according to the fair value of financial assets invested by corresponding structured entity and based on the relevant contract terms of such structured entity.

5. Reconciliation between opening and closing carrying amount and sensitivity analysis of unobservable parameters for Level 3 fair value measurements on recurring basis

Applicable N/A

6. Reasons for the transfers and policies to determine the transfer timing if there are transfers between different fair value levels in respect of fair value measurements on recurring basis

Applicable N/A

7. Changes in valuation techniques in the current period and the corresponding reasons

Applicable N/A

8. Fair value of financial assets and liabilities not measured at fair value

Applicable N/A

9. Others

Applicable N/A

XII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Details of the parent of the Company

Applicable N/A

Unit: RMB					
Name of the parent company	Place of incorporation	Nature of operations	Registered capital	Proportion of the Company's ownership interest held by the parent company (%)	Proportion of the Company's voting rights held by the parent company (%)
SAIC (Group)	Shanghai, China	Manufacturing, sales, domestic trading (except for those under special regulations) and advisory service of moto vehicles such as automobiles, motorcycles and tractors, and machinery equipment, powertrains and components and parts.	21,749,175,737.24	62.69	62.69

2. Details of the subsidiaries of the Company

√Applicable □N/A

For the details, refer to Note (IX) 1.

3. Details of joint ventures and associates of the Company

For the details of significant joint ventures and associates of the Company, refer to the notes.

√Applicable □N/A

For the details, refer to Note (VII) 19 and Note (IX) 3.

Details of other joint ventures or associates having related party transactions and balances with the Company in the period or in prior periods:

□Applicable √N/A

Other explanations:

□Applicable √N/A

4. Details of other related parties

√Applicable □N/A

Name of other related parties	Relationship with the Group
Shanghai Automotive Industry Development Co., Ltd.	Subsidiary of SAIC (Group)
SAIC Property Development Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Shangkai Real Estate Development Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Automotive Electronics Factory	Subsidiary of SAIC (Group)
Shanghai Internal Combustion Engine Research Institute	Subsidiary of SAIC (Group)
Shanghai Qiyuan Human Resources Consulting Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Automotive Industry Real Estate Development Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Saike Mobility Technology Service Co., Ltd.	Subsidiary of SAIC (Group)
Suzhou Wanlong Huayu Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Huazhen Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Guangzhou Wanlong Huajiang Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Shenzhen SAIC South Automobile Sales Service Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Huazhen Transportation Co., Ltd.	Subsidiary of SAIC (Group)
Wuhan Sanjiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Zhejiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC (Group)
Anji Car Rental & Leasing Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Rui Chuang Automobile Sales Co., Ltd.	Subsidiary of SAIC (Group)
Changzhou Saike Mobile Travel Investment Partnership (Limited Partnership)	Subsidiary of SAIC (Group)
RV Life Home (Hainan) Travel Technology Co., Ltd.	Subsidiary of SAIC (Group)
Global Car Sharing and Rental Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Love Way Car Rental Service Co. Ltd.	Subsidiary of SAIC (Group)
Shanghai International Automobile City New Energy Automobile Operation Service Co., Ltd.	Subsidiary of SAIC (Group)

Shanghai Automotive Industry Co., Ltd.	Subsidiary of SAIC (Group)
Suzhou Xiangdao Car Rental Co., LTD. Shanghai Branch	Subsidiary of SAIC (Group)
Zhengzhou SAIC New Energy Leasing Automotive Co., Ltd.	Subsidiary of SAIC (Group)
RV Life Home Technology Co., Ltd.	Subsidiary of SAIC (Group)
Anji Huayu Logistics Technology (Shanghai) Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai Secco Intelligent Transportation Technology Co., Ltd.	Subsidiary of SAIC (Group)
RV Life Home (Shanghai) International Travel Agency Co., Ltd.	Subsidiary of SAIC (Group)
RV Life Home (Fujian) Travel Service Co., Ltd.	Subsidiary of SAIC (Group)
Shanghai International Automobile City Development Co., Ltd.	Associate of SAIC (Group)
Shanghai Dazhong Automotive Gift Co., Ltd.	Associate of SAIC (Group)
Shanghai ADT Facilities Management Co., Ltd.	Associate of SAIC (Group)
Anchi Enterprise Management Co., Ltd.	Associate of SAIC (Group)
Shanghai Auto Museum Co., Ltd.	Associate of SAIC (Group)
Shanghai Autocity Property Management Co., Ltd.	Associate of SAIC (Group)
Shanghai SAIC Sodexo Service Co., Ltd.	Associate of SAIC (Group)
Shanghai Motor Vehicle Testing and Certification Technology Research Center Co., Ltd.	Other related party (Note)
REPT BATTERO Energy Co., Ltd.	Other related party (Note)
Executive directors and other senior management of the Company	Key management personnel

Other explanations:

Note: These companies are companies where key management personnel of SAIC Motor are employed.

5. Related party transactions

(1). Sales and purchase of goods/rendering and receipts of services

Purchase of goods/receipts of services

√Applicable □N/A

Related party	Details of related party transaction	Unit: RMB	
		Year ended 31 December 2022	Year ended 31 December 2021
Joint ventures	Purchase of goods and materials	330,970,171,616.13	350,959,195,327.74
Associates	Purchase of goods and materials	17,774,881,210.71	10,298,607,096.68
Subsidiary of SAIC (Group)	Purchase of goods and materials	62,437,242.55	122,097,458.83
Associate of SAIC (Group)	Purchase of goods and materials	24,049,127.76	66,334,270.06
Other related parties	Purchase of goods and materials	41,361,925.94	
Joint ventures	Purchase of long-term assets	156,436,146.95	129,366,156.47
Associates	Purchase of long-term assets	33,350,655.38	15,138,853.58
SAIC (Group)	Purchase of long-term assets	41,719,458.00	288,544,660.50
Subsidiary of SAIC (Group)	Purchase of long-term assets	19,899,036.42	
Associate of SAIC (Group)	Purchase of long-term assets		1,454,725.33
SAIC (Group)	Addition of right-of-use assets	94,249,637.64	2,191,737.85
Subsidiary of SAIC (Group)	Addition of right-of-use assets		53,010,456.13
Associate of SAIC (Group)	Addition of right-of-use assets	147,870,480.93	

Joint ventures	Receipts of services-R&D expenditure	259,912,645.50	353,058,895.03
Associates	Receipts of services-R&D expenditure	576,387,515.73	306,357,595.02
Subsidiary of SAIC (Group)	Receipts of services-R&D expenditure	17,421,431.47	26,529,554.40
Associate of SAIC (Group)	Receipts of services-R&D expenditure	3,577,703.39	5,533,826.70
Other related parties	Receipts of services-R&D expenditure	94,086,758.45	
Joint ventures	Payment of logistics service expenses, royalties and others	339,008,411.42	221,860,792.54
Associates	Payment of logistics service expenses, royalties and others	230,476,078.67	230,951,402.71
SAIC (Group)	Payment of logistics service expenses, royalties and others	53,900.00	1,601,794.10
Subsidiary of SAIC (Group)	Payment of logistics service expenses, royalties and others	754,953,742.00	765,554,197.87
Associate of SAIC (Group)	Payment of logistics service expenses, royalties and others	35,851,024.47	2,367,201.17
Joint ventures	Payment of lease expenses	12,052,691.92	46,666,181.54
SAIC (Group)	Payment of lease expenses	1,174,542.86	3,533,533.37
Subsidiary of SAIC (Group)	Payment of lease expenses	8,045,901.18	6,010,477.81
Associate of SAIC (Group)	Payment of lease expenses	10,037,656.47	36,913,545.53

Please refer to Note (VII) 19 for the purchase of associates' equity from related parties by the Group.

Statement of sales of goods/rendering of services:

√Applicable □N/A

Unit: RMB

Related party	Details of related party transaction	Year ended 31 December 2022	Year ended 31 December 2021
Joint ventures	Sales of goods	63,934,592,374.02	57,253,188,152.09
Associates	Sales of goods	5,618,305,542.27	6,147,383,216.74
Subsidiary of SAIC (Group)	Sales of goods	4,136,972,617.23	1,738,862,912.01
Associate of SAIC (Group)	Sales of goods	1,063,064,133.66	419,488,502.37
Joint ventures	Sales of materials	615,041,426.52	338,573,706.89
Associates	Sales of materials	150,986,937.45	118,005,948.88
Joint ventures	Trade income	2,842,412,070.78	2,889,860,274.12
Associates	Trade income	772,787.26	3,144,428.20
Subsidiary of SAIC (Group)	Trade income		405,160.80
Joint ventures	Rendering of services	4,916,023,865.62	4,564,514,287.45
Associates	Rendering of services	402,544,666.04	345,391,012.71
SAIC (Group)	Rendering of services	3,086,394,678.29	1,846,684,475.41
Subsidiary of SAIC (Group)	Rendering of services	229,491,383.12	130,575,166.43
Associate of SAIC (Group)	Rendering of services	1,701,185.35	2,606,474.57
Joint ventures	Rental income	133,604,125.34	232,687,227.33

Associates	Rental income	28,383,131.00	20,676,841.06
Subsidiary of SAIC (Group)	Rental income	61,027,491.40	3,580,144.52
Joint ventures	Royalties for technology and transfer fee	50,356,656.27	155,443,485.38
SAIC (Group)	Transfer of royalties	1,864,583,919.16	

Explanation on purchase and sales of goods, rendering and receipt of services:

Applicable N/A

(2)Details of trust with related parties/subcontracting and trust management/ contract-issuing

Details of trust / contracting where the Company is the trustee / subcontractor

Applicable N/A

Explanation on trust/subcontracting with related parties

Applicable N/A

Details of trust / contracting where the Company is the trustor / contractor

Applicable N/A

Explanation on trust/contracting with related parties

Applicable N/A

(3). Leases with related parties

The Company as a lessor

Applicable N/A

The Company as a lessee:

Applicable N/A

Explanation on leases with related parties

Applicable N/A

(4). Guarantees with related parties

The Company as a guarantor

Applicable N/A

The Company as a guarantee

Applicable N/A

Explanation on guarantees with related parties

Applicable N/A

(5). Borrowings/loans with related parties

□Applicable √N/A

(6). Assets transfer/debt restructuring with related parties

□Applicable √N/A

(7). Remuneration of key management personnel

√Applicable □N/A

Unit: RMB 10 Thousand

Item	Year ended 31 December 2022	Year ended 31 December 2021
Remuneration of key management personnel	3,530.72	2,808.22

(8). Other related party transactions

√Applicable □N/A

The financing between the Group and its related parties is as follows:

(a) Loans offered by SFC and SAIC-GMAC to related parties

(i) Movements of loans offered by SFC and SAIC-GMAC to related parties are as follows:

Unit: RMB

	Joint ventures	Associates	Subsidiary of SAIC (Group)	Total
31 December 2021	475,000,000.00	52,626,863.94	647,127,066.87	1,174,753,930.81
Loans offered	768,830,000.00	8,200,000.00		777,030,000.00
Loans recovered	-675,081,204.66	-57,626,863.94	-483,542,049.05	-1,216,250,117.65
31 December 2022	568,748,795.34	3,200,000.00	163,585,017.82	735,533,813.16

(ii) Balances of loans offered by SFC and SAIC-GMAC to related parties are as follows:

Unit: RMB

	31 December 2022	31 December 2021
Joint ventures- Short-term loans and discounts	568,748,795.34	475,000,000.00
Associates- Short-term loans and discounts	3,200,000.00	52,626,863.94
Subsidiaries of SAIC (Group)- Short-term loans		469,237,434.87
Subsidiaries of SAIC (Group)- Long-term loans	163,585,017.82	177,889,632.00
Total	735,533,813.16	1,174,753,930.81

(iii) Interest income received by SFC and SAIC-GMAC from related parties is as follows:

Unit: RMB

Related party	Year ended 31 December 2022	Year ended 31 December 2021
Joint ventures	21,975,646.02	33,223,067.05
Associates	491,534.85	1,546,717.69
Subsidiary of SAIC (Group)	23,268,862.24	6,336,368.18
Total	45,736,043.11	41,106,152.92

Interest rates for loans offered by SFC and SAIC-GMAC to related parties are calculated according to interest rates of financial institutions as specified by the People's Bank of China.

(b) Related parties' deposits at SFC and SAIC-GMAC

(i) Movements of related parties' deposits at SFC and SAIC-GMAC are as follows:

Unit: RMB

	Joint ventures	Associates	SAIC (Group)	Subsidiary of SAIC (Group)	Associate of SAIC (Group)	Total
31 December 2021	23,365,206,342.05	2,250,155,204.96	18,404,326,159.19	2,365,725,068.68	567,477.89	46,385,980,252.77
Increase due to changes in scope of consolidation		15,448,209.43				15,448,209.43
Deposit taking (repayment)	-5,852,535,976.46	-547,106,285.30	-8,041,855,926.68	-289,251,003.70	60,990,736.86	-14,669,758,455.28
31 December 2022	17,512,670,365.59	1,718,497,129.09	10,362,470,232.51	2,076,474,064.98	61,558,214.75	31,731,670,006.92

(ii) Interest paid by SFC and SAIC-GMAC to related parties is as follows:

Unit: RMB

Related party	Year ended 31 December 2022	Year ended 31 December 2021
Joint ventures	416,632,493.58	420,283,846.87
Associates	45,446,897.58	44,635,627.13
SAIC (Group)	275,623,492.11	278,584,673.54
Subsidiary of SAIC (Group)	38,692,111.31	45,169,460.68
Associate of SAIC (Group)	3,090.77	3,047.88
Total	776,398,085.35	788,676,656.10

Interest rates for deposits from related parties at SFC and SAIC-GMAC are calculated according to interest rates of financial institutions as specified by the People's Bank of China.

(c) Loans offered by the Group (except SFC and SAIC-GMAC) to related parties

(i) Movements of entrusted loans offered by the Group to related parties are as follows:

Unit: RMB

	Joint ventures	Associates	Total
31 December 2021	751,394,000.00	90,000,000.00	841,394,000.00
Loans offered	329,500,000.00		329,500,000.00
Loans recovered	-372,000,000.00		-372,000,000.00
Increase due to the change of exchange rate	4,064,000.00		4,064,000.00
31 December 2022	712,958,000.00	90,000,000.00	802,958,000.00

(ii) Balance of entrusted loans offered by the Group to related parties is as follows:

Unit: RMB

Related party	31 December 2022	31 December 2021
Joint ventures - short-term loans	59,500,000.00	352,000,000.00
Associates - short-term loans	90,000,000.00	90,000,000.00
Joint venture - long-term loans	653,458,000.00	399,394,000.00
Total	802,958,000.00	841,394,000.00

(iii) Interest received by the Group from related parties is as follows:

Unit: RMB

Related party	Year ended 31 December 2022	Year ended 31 December 2021
Joint ventures	20,671,111.39	26,247,191.60
Associates		4,675,094.72

Total	20,671,111.39	30,922,286.32
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(d) Loans received by the Group from related parties

At the end and beginning of the year, the Group's balance of loans from related parties was nil, and the interest expenses paid by the Group to related parties are as follows:

Unit: RMB

Related party	Year ended 31 December 2022	Year ended 31 December 2021
SAIC (Group)		5,067,242.88

Interest rates for entrusted loans received by the Group from related parties are determined according to contract agreements.

(e) Entrusted business of SFC

(i) Entrusted business between SFC and related parties is disclosed off balance sheet. SFC received bank charges based on agreements. The bank charges received by SFC from related parties are as follows:

Unit: RMB

Related parties	Year ended 31 December 2022	Year ended 31 December 2021
Joint venture	338,544.76	652,102.38
Associates		383,075.00
SAIC (Group)	111,218.87	
Subsidiary of SAIC (Group)	35,165.98	244,931.57
Total	484,929.61	1,280,108.95

(ii) At the end of current year and prior year, entrusted business between SFC and related parties is as follows:

Unit: RMB

Entrusting parties	Entrusted deposit at 31 December 2022	Targets	Entrusted loans at 31 December 2022
Joint ventures	935,000,000.00	Joint venture	335,000,000.00
Associates		Associates	606,000,000.00
SAIC (Group)	2,418,700,000.00	Non-related party	20,000,000.00
Subsidiary of SAIC (Group)	369,000,000.00	Subsidiary of SAIC (Group)	2,761,700,000.00
Total	3,722,700,000.00	Total	3,722,700,000.00

Unit: RMB

Entrusting parties	Entrusted deposit at 31 December 2021	Targets	Entrusted loans at 31 December 2021
Joint ventures	810,000,000.00	Joint ventures	210,000,000.00
Associates		Associates	606,000,000.00
SAIC (Group)	1,393,000,000.00	Non-related party	20,000,000.00
Subsidiary of SAIC (Group)	439,000,000.00	Subsidiary of SAIC (Group)	1,806,000,000.00
Total	2,642,000,000.00	Total	2,642,000,000.00

(f) Lease liabilities

The Group's lease liabilities (including those due within one year) arising from lease of right-of-use assets from related parties are as follows:

Unit: RMB

Related party	31 December 2022	31 December 2021
SAIC (Group)	164,315,027.52	111,669,136.20
Subsidiary of SAIC (Group)	156,511,905.59	183,865,926.04
Associate of SAIC (Group)	108,555,283.80	
Total	429,382,216.91	295,535,062.24

The Group's interest expenses for current year due to the above lease liabilities are as follows:

Unit: RMB

Related party	Year ended 31 December 2022	Year ended 31 December 2021
SAIC (Group)	7,101,138.24	4,858,082.50
Subsidiary of SAIC (Group)	7,125,752.14	8,468,069.38
Associate of SAIC (Group)	3,014,399.96	
Total	17,241,290.34	13,326,151.88

6. Amounts due from/to related parties

(1). Receivables

√Applicable □N/A

Unit: RMB

Item	Related party	31 December 2022		1 January 2022	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Held-for-trading financial assets	Joint ventures	60,541,000.00			
Held-for-trading financial assets	Subsidiary of SAIC (Group)			31,710,258.08	
Notes receivable	Joint ventures	322,290,000.00		76,421,463.77	
Notes receivable	Associates	5,784,119.86			
Notes receivable	Subsidiary of SAIC (Group)	352,670,800.79		1,374,569,711.00	
Notes receivable	Associate of SAIC (Group)	104,627,339.15			
Financing with receivables	Joint ventures	973,793,625.49		2,052,086,717.05	
Financing with receivables	Associates	10,550,809.00		30,503,074.00	
Accounts receivable	Joint ventures	11,466,305,074.63		11,195,772,010.81	
Accounts receivable	Associates	1,960,378,500.69		1,837,174,163.68	
Accounts receivable	SAIC (Group)	871,750,046.53		531,324,244.94	
Accounts receivable	Subsidiary of SAIC (Group)	629,214,783.15		267,198,988.63	
Accounts receivable	Associate of SAIC (Group)	506,264.11		811,674.26	
Prepayments	Joint ventures	11,510,870,144.54		15,462,473,368.67	
Prepayments	Associates	39,072,731.67		50,561,814.53	
Prepayments	Associate of SAIC (Group)			5,400.00	
Dividends receivable	Joint ventures	1,039,670,621.49		1,007,903,720.35	

Dividends receivable	Associates	152,875,695.00		423,753,604.88	
Other receivables	Joint ventures	172,265,896.76		153,714,573.63	
Other receivables	Associates	177,289,631.58		212,275,910.20	
Other receivables	Subsidiary of SAIC (Group)	3,220,937.85		1,832,337.85	
Other receivables	Associate of SAIC (Group)	4,649,539.48		6,825,651.14	
Interest receivable	Joint ventures	508,768.36		293,319.13	
Interest receivable	Associates	130,783.15		166,451.28	
Long-term receivables	Subsidiary of SAIC (Group)	30,849,688.02			

(2). Payables

√Applicable □N/A

Unit: RMB

Item	Related party	Book balance at 31 December 2022	Book balance at 1 January 2022
Notes payable	Joint ventures	3,184,732,673.18	2,613,019,642.33
Notes payable	Associates	381,459,337.53	90,274,825.29
Notes payable	Subsidiary of SAIC (Group)		31,500,000.00
Accounts payable	Joint ventures	6,099,487,177.64	14,300,463,598.55
Accounts payable	Associates	6,639,604,031.09	2,890,185,921.16
Accounts payable	SAIC (Group)	56,545,121.06	31,630,620.00
Accounts payable	Subsidiary of SAIC (Group)	551,869,332.17	813,415,736.78
Accounts payable	Associate of SAIC (Group)	8,748,173.98	22,025,913.18
Accounts payable	Other related party	30,859,061.75	
Contract liabilities	Joint ventures	2,368,897,791.18	3,823,663,456.84
Contract liabilities	Associates	33,720,825.05	22,715,605.86
Contract liabilities	SAIC (Group)	1,398,653,043.56	211,566,839.78
Contract liabilities	Subsidiary of SAIC (Group)	102,646,907.77	215,557,515.78
Contract liabilities	Associate of SAIC (Group)	519,600.00	14,121,570.00
Other payables	Joint ventures	73,133,439.98	82,388,777.00
Other payables	Associates	29,986,255.75	108,152,003.45
Other payables	SAIC (Group)	26,956,164.67	3,036,533.21
Other payables	Subsidiary of SAIC (Group)	32,683,670.80	1,396,294.53
Other payables	Associate of SAIC (Group)	145,685.58	502,215.32

7. Commitments of related parties

□Applicable √N/A

8. Others

□Applicable √N/A

XIII. SHARE-BASED PAYMENTS**1. Summary of share-based payments**□Applicable N/A**2. Equity-settled share-based payments**□Applicable N/A**3. Cash-settled share-based payments**□Applicable N/A**4. Amendment and termination of share-based payments**□Applicable N/A**5. Others**□Applicable N/A**XIV. COMMITMENTS AND CONTINGENCIES****1. Significant commitments**Applicable N/A

Significant external commitments and their nature and amounts as at the balance sheet date

(1). Capital commitments

Unit: RMB Thousand

	Consolidated	
	31 December 2022	31 December 2021
Capital commitments that have been entered into but have not been recognized in the financial statements		
- Commitment for acquisition and construction of long-term assets	10,456,867	9,638,492
- External investment commitment	78,330	2,940
Total	10,535,197	9,641,432

2. Contingencies**(1). Significant contingencies at the balance sheet date**Applicable N/A

Guarantor	Guarantee	Relationship between the Guarantee and the Group	Category	Currency	Ceiling amount
Anji Logistics	Guangzhou Harbour Haijia Vehicle Dock Co., Ltd.	Joint venture	Liability guarantee	RMB	60,000,000.00 (Note)

Note: According to the relevant guarantee contract, Anji Logistics assumes the guarantee liability based on 50.00% of the actual guarantee loan balance amounting to RMB 120,000,000.00 at the end of the year.

Item	Maximum guarantee amount	Unit: RMB Thousand
		Guarantee balance at 31 December 2022
Exposure risk related to mortgage sales (Note)		
CHINA CITIC BANK	216,400	98,924
PingAn Bank Co., Ltd.	56,000	26,954
Fiat Automotive Finance Co., Ltd.	348,500	137,234
Total	620,900	263,112

Note: The Group has entered into tripartite agreements with financial institutions and dealers. When the Group sells products to dealers (or users), the financial institutions collect certain proportion of deposits from dealers (or users) and issue bank acceptances (or make full cash payments) for the dealers (or users) to the Group. If the dealers (or users) fail to repay the exposure limit between the deposits and the bank acceptances (or full cash payments) on time, the Group shall make the payment in advance. The Group has accrued corresponding provisions for this matter.

(2). Explanation on contingencies should be presented even if no significant contingency needs to be disclosed in the Company:

Applicable N/A

3. Others

Applicable N/A

XV. EVENTS AFTER THE BALANCE SHEET DATE

1. Significant non-adjusting events

Applicable N/A

2. Profits appropriation

Applicable N/A

	Unit: RMB
Proposed distribution of profits or dividends	3,873,908,518.85
Distribution of profits or dividends authorized and declared	

3. Sales return

Applicable N/A

4. Other events after the balance sheet date

Applicable N/A

SNAT, a subsidiary of the Company, held a shareholders' meeting on 21 April 2023 and approved the "Proposal on Performance Compensation Plan and Proposed Repurchase and Cancellation of Shares", pursuant to which SNAT will repurchase 243,713,948 shares of SNAT held by the Company at a total price of RMB 1.00 and then

cancel the shares. Meanwhile, it is proposed to recover the distributed cash dividends of RMB 31,073,528.37 of corresponding shares in 2022 from the Company.

XVI. OTHER SIGNIFICANT EVENTS

1. Corrections of prior period errors

(1). Retrospective restatement

Applicable N/A

(2). Prospective application

Applicable N/A

2. Debt restructuring

Applicable N/A

3. Exchange of assets

(1). Exchange of non-monetary assets

Applicable N/A

(2). Other exchange of assets

Applicable N/A

4. Annuity plan

Applicable N/A

5. Discontinued operations

Applicable N/A

6. Segment information

(1). Determining basis and accounting policies of reporting segments

Applicable N/A

Based on the Group's internal organization structure, management requirements and internal reporting system, the operations of the Group are classified into two reporting segments, which are "vehicles and parts" and "financing". The reporting segments are determined based on the Group's operating structure. The Group's management periodically evaluates the operating results of these reporting segments to make decisions about resources to be allocated to the segments and assess their performance. Major products and services delivered or provided by each of the reporting segments are vehicles and parts and financing services. The Group carried out internal management on SFC, Dongzheng Finance, Equity Investment, SAIC Insurance, SAIC Financial Holding Changzhou Qide, and Multi-finance Indonesia other investees managed by the Financial Business Division, SAIC HK Investment Co., Ltd. and SAIC Motor North America Co., Ltd. of the Group as financial transactions.

Segment information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management.

(2). Segmental reporting information

√Applicable □N/A

Unit: RMB

Item	Vehicles and parts	Finance	Elimination	Total
Total operating income				
External revenue	719,270,274,723.84	24,792,608,560.20		744,062,883,284.04
Inter-segment revenue		53,049,299.33	-53,049,299.33	
Total segment operating income	719,270,274,723.84	24,845,657,859.53	-53,049,299.33	744,062,883,284.04
Total operating costs	720,596,590,258.86	14,172,597,325.02	-88,379,099.96	734,680,808,483.92
Add: Other income	3,382,676,811.46	216,123,552.39		3,598,800,363.85
Gain on changes in fair value	-24,750,821.83	-52,094,003.94		-76,844,825.77
Investment income	11,712,713,853.65	3,369,435,308.46	-379,388,593.00	14,702,760,569.11
Exchange gain		49,187,747.21		49,187,747.21
Credit impairment gains (losses)	-758,161,530.07	-1,203,654,579.65	-121,299,132.20	-2,083,115,241.92
Assets impairment gains (losses)	-1,457,907,183.21			-1,457,907,183.21
Gains on disposal of assets	1,936,630,608.68	-29,360,479.26		1,907,270,129.42
Operating profit	13,464,886,203.66	13,022,698,079.72	-465,357,924.57	26,022,226,358.81
Add: Non-operating income	2,146,691,253.94	15,834,196.36		2,162,525,450.30
Less: Non-operating expenses	110,542,658.19	3,128,686.78		113,671,344.97
Total profit	15,501,034,799.41	13,035,403,589.30	-465,357,924.57	28,071,080,464.14
Less: Income tax expenses	2,984,498,842.30	2,243,928,797.73		5,228,427,640.03
Net profit	12,516,535,957.11	10,791,474,791.57	-465,357,924.57	22,842,652,824.11
Total assets of segments	706,985,055,053.31	417,287,649,715.29	-134,165,323,598.84	990,107,381,169.76
Total liabilities of segments	499,413,304,959.89	290,798,853,322.15	-136,405,014,056.96	653,807,144,225.08
Supplementary information:				
Depreciation and amortization expenses	18,037,848,455.75	191,397,347.93		18,229,245,803.68
Impairment gain or loss recognized in the current period	2,216,068,713.28	1,203,654,579.65	121,299,132.20	3,541,022,425.13
Capital expenditure	22,864,565,716.09	70,153,428.12		22,934,719,144.21
Including: Construction in progress and prepayments for equipment	16,772,910,910.49			16,772,910,910.49
Expenditure used for purchase of fixed assets	1,131,222,378.34	22,714,188.94		1,153,936,567.28
Expenditure used for purchase of intangible assets	1,701,991,112.16	47,439,239.18		1,749,430,351.34
Expenditure in long-term deferred expenses	578,824,359.85			578,824,359.85
Development expenditure	2,679,616,955.25			2,679,616,955.25

(3). If the Company has no reporting segments, or cannot disclose the total assets and liabilities of reporting segments, specify the reasons.

□Applicable √N/A

(4). Other explanations

□Applicable √N/A

7. Other significant transactions and matters having an impact on the decisions of investors

Applicable N/A

8. Others

Applicable N/A

XVII. NOTES TO THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

(1). Disclosure of accounts receivable by aging

Applicable N/A

Unit: RMB

Aging	31 December 2022
Within 1 year	17,211,062,668.88
1-2 years	464,875,499.43
2-3 years	319,969,666.44
Over 3 years	32,831,014.61
Total	18,028,738,849.36

(2). Disclosure by categories under bad debt provision methods

Applicable N/A

Unit: RMB

Category	31 December 2022					1 January 2022				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	(%)	Amount	(%)		Amount	(%)	Amount	(%)	
Bad debt provision on an individual basis	32,269,560.90	0.18	24,669,560.90	76.45	7,600,000.00					
Bad debt provision on a portfolio basis	17,996,469,288.46	99.82	124,310,369.30	0.69	17,872,158,919.16	4,595,743,402.90	100.00	5,479,572.32	0.12	4,590,263,830.58
Total	18,028,738,849.36	100.00	148,979,930.20	0.83	17,879,758,919.16	4,595,743,402.90	100.00	5,479,572.32	0.12	4,590,263,830.58

Bad debt provision on an individual basis

Applicable N/A

Unit: RMB

Name	31 December 2022			
	Book balance	Bad debt provision	(%)	Reasons
High-risk receivables	32,269,560.90	24,669,560.90	76.45	
Total	32,269,560.90	24,669,560.90	76.45	/

Bad debt provision on an individual basis:

Applicable N/A

Bad debt provision on a portfolio basis:

Applicable N/A

Provision item on a portfolio basis:

Unit: RMB

Item	31 December 2022		
	Accounts receivable	Bad debt provision	(%)
Within 1 year	17,211,062,668.88	68,845,589.35	0.40
1-2 years	464,875,499.43	19,756,479.37	4.25
2-3 years	319,969,666.44	35,708,300.58	11.16
Over 3 years	561,453.71		
Total	17,996,469,288.46	124,310,369.30	0.69

Recognition standards of bad debt provision on a portfolio basis and the explanations thereon:

Applicable N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable N/A

(3). Details of bad debt provision

Applicable N/A

Unit: RMB

Type	1 January 2022	Changes for the period				31 December 2022
		Provision	Recovery or reversal	Write-off or charge-off	Others	
Bad debt provision	5,479,572.32	146,463,222.85	-2,962,864.97			148,979,930.20
Total	5,479,572.32	146,463,222.85	-2,962,864.97			148,979,930.20

Recovery or reversal of bad debt provision that is significant:

Applicable N/A

(4). Accounts receivable actually written off in the current period

Applicable N/A

Write-off of significant accounts receivable:

Applicable N/A

(5). Top five accounts receivable categorized by debtors:

Applicable N/A

(6). Accounts receivable derecognized due to transfer of financial assets

Applicable N/A

(7). Assets and liabilities arising from transfer of accounts receivable and continuous involvement:

Applicable N/A

Other explanations:

Applicable N/A

2. Other receivables

Presentation by items

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Interest receivable	1,822,803,848.97	954,864,657.87
Dividends receivable	824,979,501.65	701,073,371.50
Other receivables	3,645,969,046.95	4,609,459,838.50
Total	6,293,752,397.57	6,265,397,867.87

Other explanations:

Applicable N/A

Interest receivable

(1). Classification of interest receivable

Applicable N/A

Unit: RMB

Item	31 December 2022	1 January 2022
Time deposits	1,641,871,223.11	762,866,563.02
Entrusted loans	180,932,625.86	191,998,094.85
Total	1,822,803,848.97	954,864,657.87

(2). Significant overdue interest

Applicable N/A

(3). Details of bad debt provision

Applicable N/A

Other explanations:

Applicable N/A

(4). Dividends receivable

Applicable N/A

(5). Significant dividends receivable aged more than one year

Applicable N/A

(6). Details of bad debt provision

Applicable N/A

Other explanations:

Applicable N/A

Other receivables

(1). Disclosure of other receivables by aging

Applicable N/A

Unit: RMB

Aging	31 December 2022
Within 1 year	1,582,234,623.04
Sub-total of other receivables within 1 year	1,582,234,623.04
1-2 years	1,266,871,162.32
2-3 years	221,514,677.24
Over 3 years	648,540,511.61
Total	3,719,160,974.21

(2). Classification of other receivables by nature

Applicable N/A

(3). Details of bad debt provision

Applicable N/A

Bad debt provision made in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

Applicable N/A

(4). Details of bad debt provision

Applicable N/A

Unit: RMB

Type	1 January 2022	Changes for the period				31 December 2022
		Provision	Recovery or reversal	Write-off or charge-off	Others	
Bad debt provision	154,352,741.59	16,445,631.21	-97,606,445.54			73,191,927.26
Total	154,352,741.59	16,445,631.21	-97,606,445.54			73,191,927.26

Significant reversal or recovery of bad debt provision for the period:

Applicable N/A

(5). Other receivables actually written off in the current period

Applicable N/A

(6). Top five other receivables categorized by debtors

Applicable N/A

(7). Other receivables related to government grants

Applicable N/A

(8). Other receivables derecognized due to transfer of financial assets

□Applicable √N/A

(9). Assets and liabilities arising from transfer of other receivables and continuous involvement:

□Applicable √N/A

Other explanations:

□Applicable √N/A

3. Long-term equity investments

√Applicable □N/A

Unit: RMB

Item	31 December 2022			1 January 2022		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Investments in subsidiaries	115,977,853,216.44	-679,964,699.33	115,297,888,517.11	101,278,274,197.89		101,278,274,197.89
Investments in joint ventures and associates	28,358,861,553.64		28,358,861,553.64	29,844,538,185.14		29,844,538,185.14
Total	144,336,714,770.08	-679,964,699.33	143,656,750,070.75	131,122,812,383.03		131,122,812,383.03

(1). Investments in subsidiaries

√Applicable □N/A

Unit: RMB

Investee	1 January 2022	Increase	Decrease	31 December 2022	Impairment provision for the period	Impairment provision as at 31 December 2022
SAIC GM Wuling Co., Ltd.	1,126,669,400.01			1,126,669,400.01		
SAIC Maxus Vehicle Co., Ltd. (Note 1)	9,966,110,000.00	363,000,000.00		10,329,110,000.00		
SAIC Finance Co., Ltd.	11,534,123,733.09			11,534,123,733.09		
SAIC Volkswagen Sales Co., Ltd.	225,339,303.84			225,339,303.84		
Shanghai Pengpu Machine Building Plant Co., Ltd.	925,582,955.01			925,582,955.01		
SAIC Motor Transmission Co., Ltd. (Note 2)	5,359,590,000.00	460,000,000.00		5,819,590,000.00		
Nanjing Automobile (Group) Corporation	3,423,861,978.39			3,423,861,978.39		
Shanghai New Power Automotive Technology Company Limited	4,135,502,059.27			4,135,502,059.27	679,964,699.33	679,964,699.33
SAIC HK Investment Co., Ltd.	2,046,066,390.00			2,046,066,390.00		
SAIC Motor UK Co., Ltd.	46,468,800.00			46,468,800.00		
SAIC Capital Company Limited	4,058,170,000.00			4,058,170,000.00		
SAIC General Motors Sales Co., Ltd.	158,319,147.00			158,319,147.00		
HUAYU Automotive Systems Co., Ltd.	12,878,718,472.88			12,878,718,472.88		
SAIC Motor (Beijing) Co., Ltd.	316,317,252.11			316,317,252.11		
Shanghai Automobile Asset Management Co., Ltd.	970,325,316.32			970,325,316.32		
Shanghai Automotive Industry Sales Co., Ltd.	4,825,048,435.94			4,825,048,435.94		
SAIC Motor North America Co., Ltd.	172,336,204.50			172,336,204.50		
Anji Automotive Logistics Co., Ltd.	2,118,090,251.55			2,118,090,251.55		
Donghua Automotive Industrial Co., Ltd.	654,940,453.36			654,940,453.36		
Shanghai Shangyuan Investment Management Co., Ltd.	349,767,221.39			349,767,221.39		
China Automotive Industrial Development Co., Ltd.	274,872,910.12			274,872,910.12		
SAIC Activity Centre Co., Ltd.	163,314,188.68			163,314,188.68		
Shanghai Automotive News Press Co., Ltd.	9,891,593.78			9,891,593.78		
SAIC Investment Management Co., Ltd. (Note 3)	8,720,279,113.62	1,430,745,616.99		10,151,024,730.61		
Shanghai Shanghong Real Estate Co., Ltd.	2,071,880,000.00			2,071,880,000.00		
Shanghai Sunwin Bus Co., Ltd.	922,209,374.40			922,209,374.40		

SAIC Group Financial Holding Management Co., Ltd.	10,050,000,000.00			10,050,000,000.00		
Shanghai Yuanjie Intelligent Technology Equity Investment Fund Partnership (Limited Partnership) (hereinafter referred to as "Yuanjie Intelligent")	5,399,000,000.00			5,399,000,000.00		
Jiaxing Qijun No. 1 Equity Investment Partnership (Limited Partnership) (Note 4)	136,722,100.00	130,000,000.00		266,722,100.00		
SAIC Qizhen New Energy No. 1 Private Equity Securities Investment Fund	499,990,889.00			499,990,889.00		
Shanghai Hydrogen Propulsion Technology Co., Ltd.	34,064,560.00			34,064,560.00		
Jiaxing Ruijia Equity Investment Partnership (Limited Partnership) (Note5)	2,369,342,093.63	707,159,055.00		3,076,501,148.63		
Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (Limited Partnership) (Note 6)	4,914,000,000.00	4,868,960,000.00		9,782,960,000.00		
Jiaxing Dongxi Zhihang Equity Investment Partnership (Limited partnership) (Note 7)	272,030,000.00	269,500,000.00		541,530,000.00		
Rising Auto Technology Co., Ltd.(Note 8)	50,000,000.00	2,950,000,000.00		3,000,000,000.00		
Nanjing Iveco Automobile Co., Ltd.	99,330,000.00			99,330,000.00		
Z-one Technology Co., Ltd.(Note 9)		1,500,000,000.00		1,500,000,000.00		
Shanghai Dongzheng Automotive Finance Co., Ltd.(Note 10)		2,020,214,346.56		2,020,214,346.56		
Total	101,278,274,197.89	14,699,579,018.55		115,977,853,216.44	679,964,699.33	679,964,699.33

Note 1: In the current year, the Company made additional capital contributions of RMB 363,000,000.00 by monetary funds to SAIC Maxus.

Note 2: In the current year, the Company made additional capital contributions of RMB 460,000,000.00 by monetary funds to SAIC Transmission.

Note 3: In the current year, the Company made additional capital contributions of RMB 1,430,745,616.99 by monetary funds to Investment Management.

Note 4: In the current year, the Company made additional capital contributions of RMB 130,000,000.00 by monetary funds to Jiaxing Qijun No. 1 Equity Investment Partnership.

Note 5: In the current year, the Company made additional capital contributions of RMB 707,159,055.00 by monetary funds to Jiaxing Ruijia Equity Investment Partnership (Limited Partnership).

Note 6: In the current year, the Company made additional capital contributions of RMB 4,868,960,000.00 by monetary funds to Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (Limited Partnership).

Note 7: In the current year, the Company made additional capital contributions of RMB 269,500,000.00 by monetary funds to Jiaxing Dongxi Zhihang Equity Investment Partnership (Limited partnership).

Note 8: In the current year, the Company made additional capital contributions of RMB 2,950,000,000.00 by monetary funds to Rising Auto Technology Co., Ltd.

Note 9: In the current year, the Company made additional capital contributions of RMB 1,500,000,000.00 by monetary funds to Z-one Technology Co., Ltd.

Note 10: Please refer to Note (VIII) 1 and (1).

(2). Investments in joint ventures and associates

√Applicable □N/A

Unit: RMB

Investee	1 January 2022	Increase (decrease) during the period	31 December 2022	Impairment provision as at 31 December 2022
		Others		
I. Joint ventures				
SAIC Volkswagen Automotive Co., Ltd.	13,693,396,028.16	-636,565,627.70	13,056,830,400.46	
SAIC General Motors Co., Ltd.	11,334,115,823.08	-766,497,144.28	10,567,618,678.80	
SAIC GM Dong Yue Motors Co., Ltd.	619,960,677.26	34,256,317.69	654,216,994.95	
Shanghai GM Dong Yue Powertrain Co., Ltd.	1,598,873,687.12	-29,993,298.64	1,568,880,388.48	
Shanghai GM (Shenyang) Norsom Motors Co., Ltd.	666,990,720.38	197,359,164.20	864,349,884.58	
Pan Asia Technical Automotive Center Co., Ltd.	401,026,813.59	60,224,533.11	461,251,346.70	

Sub-total	28,314,363,749.59	-1,141,216,055.62	27,173,147,693.97	
II. Associates				
Shanghai Volkswagen Powertrain Co., Ltd.	1,385,061,315.30	-301,939,029.98	1,083,122,285.32	
Volkswagen Transmission (Shanghai) Co., Ltd.	145,113,120.25	-42,521,545.90	102,591,574.35	
Sub-total	1,530,174,435.55	-344,460,575.88	1,185,713,859.67	
Total	29,844,538,185.14	-1,485,676,631.50	28,358,861,553.64	

4. Operating income/costs

(1). Details of operating income/costs

Applicable N/A

Unit: RMB

Item	Year ended 31 December 2022		Year ended 31 December 2021	
	Income	Costs	Income	Costs
Primary operations	71,469,881,653.24	70,785,784,374.77	64,132,246,826.81	61,739,028,310.12
Other operations	9,430,280,678.94	8,152,081,650.08	6,259,357,068.34	5,292,927,953.04
Total	80,900,162,332.18	78,937,866,024.85	70,391,603,895.15	67,031,956,263.16

(2). Details of income from contracts

Applicable N/A

(3). Explanation on performance obligations

Applicable N/A

The Group is mainly engaged in the research and development, production and sales of automobiles and parts and components. For goods sold to customers, the Group recognizes revenue when the control of the goods is transferred, namely, when the goods are delivered to the counterparty's designated location, delivered to the counterparty's designated carrier, or completes sales of goods otherwise agreed.

(4). Explanation on allocation to remaining performance obligations

Applicable N/A

Other explanations:
Primary operations

Unit: RMB

Item	Year ended 31 December 2022		Year ended 31 December 2021	
	Income	Costs	Income	Costs
Sales of vehicles	68,549,443,641.67	68,497,922,293.72	61,185,025,613.64	59,655,383,483.97
Sales of parts and components	2,920,438,011.57	2,287,862,081.05	2,947,221,213.17	2,083,644,826.15
Total	71,469,881,653.24	70,785,784,374.77	64,132,246,826.81	61,739,028,310.12

Other operations

Unit: RMB

Item	Year ended 31 December 2022		Year ended 31 December 2021	
	Income	Costs	Income	Costs
Rendering of services	4,879,483,256.30	4,735,518,579.79	2,379,289,061.90	2,186,692,756.69

Sales of raw materials and waste	3,537,327,312.85	3,352,308,943.23	2,980,400,032.46	2,915,740,346.97
Commission and royalties of technology	746,420,640.90	14,253,221.59	593,389,859.25	34,025,452.61
Rental	61,299,589.83	19,281,743.20	67,854,321.62	18,234,499.90
Others	205,749,879.06	30,719,162.27	238,423,793.11	138,234,896.87
Total	9,430,280,678.94	8,152,081,650.08	6,259,357,068.34	5,292,927,953.04

5. Investment income

√Applicable □N/A

Unit: RMB

Item	Year ended 31 December 2022	Year ended 31 December 2021
Dividends declared by subsidiaries	7,847,389,601.82	13,633,205,154.55
Income from long-term equity investments under equity method	8,500,320,284.29	9,867,561,273.70
Investment income from disposal of long-term equity investments		1,381,384,308.29
Investment income from held-for trading financial assets	28,057,636.00	1,549,810.84
Dividends income from investments in other equity instruments in holding period	472,011,501.08	388,587,654.97
Investment income from entrusted loans	129,950,316.14	140,669,789.74
Interest income from time deposits	1,104,457,638.91	
Others	-31,073,528.37	
Total	18,051,113,449.87	25,412,957,992.09

6. Others

□Applicable √N/A

XVIII. SUPPLEMENTARY INFORMATION

1. Statement of non-recurring profit or loss

√Applicable □N/A

Unit: RMB

Item	Amount	Explanation
Profit or loss on disposal of non-current assets	2,861,927,027.00	
Government grants recognized in profit or loss (other than grants which are closely related to the Company's business and are either in fixed amounts or determined under quantitative methods in accordance with the national standard)	3,659,334,808.82	
The excess of attributable fair value of identifiable net assets over the consideration paid for the acquisition of subsidiaries, associates and joint ventures	993,558,775.01	
Profit or loss on debt restructuring	-751,177.33	

Profit or loss on changes in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, other than those used in the effective hedging activities relating to normal operating business	-50,208,898.51	
Income from investments in other equity instruments	8,479,952.60	
Reversal of impairment provision for receivables and contract assets that are tested for impairment losses individually	31,340,053.18	
Profit or loss on offering entrusted loans	22,724,343.34	
Other non-operating income and expenses other than the above	995,512,062.69	
Less: Tax effects of income tax	639,137,781.42	
Effects of minority interests	756,754,378.69	
Total	7,126,024,786.69	

The Company shall explain about the non-recurring profit or loss defined in accordance with *Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 - Non-recurring Profit or Loss* and the recurring profit or loss that was defined from non-recurring profit or loss listed in *Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 - Non-recurring Profit or Loss*.

Applicable N/A

2. Return on net assets and earnings per share

Applicable N/A

Profit for the reporting period	Weighted average return on net assets (%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to common stock holders of the Company	5.84	1.400	1.400
Net profit attributable to common stock holders of the Company after deducting non-recurring profit or loss	3.26	0.781	0.781

3. Difference between amounts prepared under foreign accounting standards and China Accounting Standards

Applicable N/A

4. Others

Applicable N/A

President: Chen Hong

Date of Approval by the Board: 29 April 2023

Revised information

Applicable N/A