

## Supplemental Listing Document

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**Non-collateralised warrants**  
**25,000,000 European Style Cash Settled Call Warrants**  
**relating to the HKD traded ordinary shares of Geely Automobile Holdings Limited**  
**issued by**



**Macquarie Bank Limited**  
(ABN 46 008 583 542)  
(Incorporated under the laws of Australia)

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**Issue Price: SGD 0.203 per Warrant**

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This document is published for the purpose of obtaining a listing of all the above warrants (the “**Warrants**”) to be issued by Macquarie Bank Limited (the “**Issuer**”, “**Macquarie Bank**”, “**we**” or “**us**”) and is supplemental to and should be read in conjunction with a base listing document published on 14 July 2023 (the “**Base Listing Document**”) for the purpose of giving information with regard to the Issuer and the Warrants. Information relating to Geely Automobile Holdings Limited (the “**Company**”) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Warrants or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration Warrants or other securities of the Issuer. Restrictions have been imposed on offers and sales of the Warrants and on distributions of documents relating thereto in Singapore, the United States, the United Kingdom, Hong Kong and Australia (see Base Listing Document).

**Investors are warned that the price of the Warrants may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the Warrants and carefully study the risk factors set out in this document before they invest in the Warrants.**

**The Warrants constitute direct, general and unsecured contractual obligations of the Issuer and of no other person, including those in respect of deposits, but excluding any debts for the time being preferred by law and any subordinated obligations and if you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against the Company.**

**The Issuer is regulated as an authorised deposit taking institution by the Australian Prudential Regulation Authority (“APRA”). The Issuer, acting through its Singapore branch is authorised and licensed by the Monetary Authority of Singapore to carry on wholesale banking business in Singapore pursuant to the Banking Act 1970 of Singapore and therefore is subject to the supervision of the Monetary Authority of Singapore.**

28 August 2023

Application has been made to the SGX-ST for permission to deal in and for quotation of the Warrants and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Warrants. It is expected that dealings in the Warrants will commence on 29 August 2023.

Warrants are complex instruments and are not suitable for inexperienced investors. Investors should also have sufficient financial resources and liquidity to bear all of the risks of an investment in the Warrants. Prospective purchasers should not invest in Warrants which are complex financial instruments unless they have the expertise (either alone or with a financial adviser) to evaluate how the Warrants will perform under changing conditions, the resulting effects on the value of the Warrants and the impact this investment will have on the potential investor's overall investment portfolio.

Subject as set out below, the Issuer accepts full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to itself and the Warrants. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which it accepts responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and is not limited by anything likely to affect the import of such information. The information contained herein with regard to the Company consists of extracts from information released publicly. The Issuer accepts responsibility for accurately reproducing such extracts but accept no further or other responsibility in respect of such information.

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

This document does not constitute an offer or invitation by or on behalf of the Issuer to purchase or subscribe for any of the Warrants. The distribution of this document and the offering of the Warrants may, in certain jurisdictions, be restricted by law. The Issuer requires persons into whose possession this document comes to inform themselves of and observe all such restrictions.

The Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). Warrants, or interests therein, may not at any time be offered, sold, resold or delivered within the United States or to, or for the account or benefit of, U.S. persons and any offer, sale, resale or delivery made within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Warrants and distribution of this document is given in the section headed “Sales Restrictions” in the Base Listing Document.

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

The Issuer or its affiliates may repurchase Warrants at any time and any Warrant which is repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer. Investors should not therefore make any assumption as to the number of Warrants in issue at any time.

References in this document to the “**Conditions**” shall mean references to the Terms and Conditions of the European Style Cash Settled Call Warrants contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

## TERMS AND CONDITIONS OF THE WARRANTS

*The following are the terms and conditions of the Warrants and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the base listing document dated 14 July 2023 (the “**Base Listing Document**”).*

The Conditions are set out in the section headed “Terms and Conditions of the European Style Cash Settled Call Warrants” in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Warrants:	25,000,000 European Style Cash Settled Call Warrants relating to the HKD traded ordinary shares (“ <b>Shares</b> ”) of the Company
Company:	Geely Automobile Holdings Limited (Reuters Instrument Code: 0175.HK)
Conversion Ratio (number of Shares per Warrant):	0.250000 (i.e. every 4 Warrants initially relate to 1 Share)
Underlying Price <sup>1</sup> and Source:	HKD 9.220 (out of the money) (Reuters/Bloomberg)
Exercise Price:	HKD 11.000
Gearing <sup>1</sup> :	2x
Premium <sup>1</sup> :	70.2%
Volatility <sup>1</sup> :	Implied: 180% Historical: 43%
Launch Date:	23 August 2023
Closing Date:	28 August 2023
Dealing Commencement Date:	29 August 2023
Last Trading Date:	The 5th Business Day immediately preceding the Expiry Date, provided that if such day is not a day on which The Stock Exchange of Hong Kong Limited (“ <b>HKEX</b> ”) is open for dealings during its normal trading hours (“HK Business Day”), the Business Day immediately preceding such day which is also a HK Business Day, currently being 25 April 2024
Expiry Date:	03 May 2024
Board Lot:	100 Warrants

<sup>1</sup> These figures are calculated as at, and based on information available to the Issuer on or about, the date of the termsheet in respect of the Warrants. The Issuer is not obliged, and undertakes no responsibility to any person, to update or inform any person of any changes to the figures after the date of the termsheet in respect of the Warrants.

Valuation Date:	Each of the five Exchange Business Days immediately preceding the Expiry Date (subject to Market Disruption Events as set out in the Conditions of the Warrants)
Exercise:	<p>Warrantholders shall not be required to deliver an exercise notice. Exercise of Warrants shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants shall be deemed to have been automatically exercised at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day). The Cash Settlement Amount less the Exercise Expenses in respect of the Warrants shall be paid in the manner set out in Condition 4(c) of the Warrants. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants shall be deemed to have expired at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) and Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Warrants.</p>
Cash Settlement Amount:	<p>In respect of each Warrant, shall be an amount (if positive) payable in the Settlement Currency equal to the Exchange Rate multiplied by:</p> <p>(A) (i) the arithmetic mean of the closing prices of one Share (as derived from the daily publications of the Relevant Stock Exchange, subject to any adjustments to such closing prices determined by the Issuer to be necessary to reflect any capitalisation, rights issue, distribution or the like) for each Valuation Date LESS (ii) the Exercise Price MULTIPLIED by (B) the Conversion Ratio</p> <p>In certain circumstances, the Conversion Ratio and the Exercise Price will be adjusted as set out in Condition 6 of the Warrants.</p>
Exchange Rate:	The rate of exchange for the conversion of the Reference Currency to the Settlement Currency as at 5:00 p.m. (Singapore time) on the Expiry Date as shown on Bloomberg provided that if the Bloomberg service ceases to display such information, such page as displays such information on such other services as may be selected by the Issuer.
Reference Currency:	Hong Kong dollars
Settlement Currency:	Singapore dollars
	The Shares are traded in Hong Kong dollars on HKEX. However, the Warrants will be issued and traded in Singapore dollars on the Singapore Exchange Securities Trading Limited (" <b>SGX-ST</b> ").

Exercise Expenses:	Warrantholders will be required to pay all charges (including any taxes if applicable) which are incurred in respect of the exercise of the Warrants.
Relevant Stock Exchange:	HKEX
Clearing System:	The Central Depository (Pte) Limited (“ <b>CDP</b> ”)
Fees and Charges:	Normal transaction and brokerage fees shall apply to the trading of the Warrants on the SGX-ST.

In addition, the Conditions have been modified as follows:

Reference to “Business Day” in Condition 2 shall be replaced by “Exchange Business Day”.

“**Exchange Business Day**” shall be a day on which the HKEX is open for dealings in Hong Kong during its normal trading hours.

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

## TERMS AND CONDITIONS OF THE EUROPEAN STYLE CASH SETTLED CALL WARRANTS

### 1. Form, Status, Transfer and Title

- (a) *Form.* The Warrants (which expression shall, unless the context otherwise requires, include any further warrants issued pursuant to Condition 11) are issued subject to and with the benefit of:
- (i) a master instrument by way of deed poll (the “**Master Instrument**”) dated 15 July 2022, made by Macquarie Bank Limited (the “**Issuer**”); and
  - (ii) a master warrant agent agreement (the “**Warrant Agent Agreement**”) dated 26 November 2004 and such other Warrant Agent Agreement as may be in force from time to time, made between the Issuer and the Warrant Agent for the Warrants.

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

The Warrantholders (as defined below) are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Warrant Agent Agreement.

- (b) *Status.* The Warrants constitute direct, general and unsecured contractual obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Warrants provide for cash settlement on exercise.
- (c) *Transfer.* The Warrants are represented by a global warrant certificate (“**Global Warrant**”) which will be deposited with The Central Depository (Pte) Limited (“**CDP**”). Warrants in definitive form will not be issued. Transfers of Warrants may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Warrants, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.
- (d) *Title.* Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Warrants shall be treated by the Issuer and the Warrant Agent as the holder and absolute owner of such number of Warrants, notwithstanding any notice to the contrary. The expression “**Warrantholder**” shall be construed accordingly.

### 2. Warrant Rights and Exercise Expenses

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

The "**Cash Settlement Amount**", in respect of each Warrant, shall be an amount (if positive) payable in the Settlement Currency equal to:

(A) (i) the arithmetic mean of the closing prices of one Share (as derived from the daily publications of the relevant stock exchange on which the Shares related to the Warrants are traded ("**Relevant Stock Exchange**") (as specified in the relevant Supplemental Listing Document), subject to any adjustments to such closing prices determined by the Issuer to be necessary to reflect any capitalisation, rights issue, distribution or the like) for each Valuation Date (as defined below) LESS (ii) the Exercise Price for the time being MULTIPLIED by (B) the Conversion Ratio,

and multiplied by the applicable exchange rate if the Reference Currency is different from the Settlement Currency.

If the Issuer determines, in its sole discretion, that on any Valuation Date a Market Disruption Event (as defined below) has occurred, then that Valuation Date shall be postponed until the first succeeding Business Day (as defined below) on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the two Business Days immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date. In that case:

- (A) that second Business Day shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event; and
- (B) the Issuer shall determine the closing price on the basis of its good faith estimate of the bid price that would have prevailed on that second Business Day but for the Market Disruption Event.

If the postponement of a Valuation Date as aforesaid would result in a Valuation Date falling on or after the Expiry Date, then (1) the Business Day immediately preceding the Expiry Date (the "**Last Valuation Date**") shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event and (2) the Issuer shall determine the closing price on the basis of its good faith estimate of the bid price that would have prevailed on the Last Valuation Date but for the Market Disruption Event.

"**Conversion Ratio**" means the ratio (expressed as the number of Shares to which one Warrant relates) specified by the Issuer, subject to adjustments in accordance with these Conditions.

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

trading on the Relevant Stock Exchange if that disruption, is in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion, terrorism or otherwise.

**“Valuation Date”** means, with respect to the exercise of Warrants, and subject as provided above in relation to a Market Disruption Event, each of the five Business Days immediately preceding the Expiry Date relating to such exercise.

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

### 3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Warrants shall be deemed to expire at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day).

### 4. Exercise of Warrants

- (a) *Exercise.* Warrants may only be exercised on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) in accordance with Condition 4(b).
- (b) *Automatic Exercise.* Warrantholders shall not be required to deliver an exercise notice. Exercise of Warrants shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants shall be deemed to have been automatically exercised at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day). The Cash Settlement Amount less the Exercise Expenses in respect of the Warrants shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants shall be deemed to have expired at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) and Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Warrants.
- (c) *Settlement.* In respect of Warrants which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Warrantholder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Business Days following the Last Valuation Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Warrantholder only (or, in the case of joint Warrantholders, the first-named Warrantholder) appearing in the records maintained by CDP. Any payment



made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Warrantholder and posted to the Warrantholder's address appearing in the records maintained by CDP (or, in the case of joint Warrantholders, to the address of the first-named Warrantholder appearing in the records maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

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

## 5. Warrant Agent

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

## 6. Adjustments

- (a) *Potential Adjustment Event.* Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Shares are traded.
- (b) *Definitions.* “**Potential Adjustment Event**” means any of the following:
  - (i) a subdivision, consolidation or reclassification of the Shares (excluding a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;

- (ii) a distribution or dividend to existing holders of the Shares of (1) such Shares, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Shares, or (3) share capital or other securities of another issuer acquired by the Company as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;
  - (iii) an extraordinary dividend;
  - (iv) a call by the Company in respect of the Shares that are not fully paid;
  - (v) a repurchase by the Company of the Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
  - (vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
  - (vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Shares.
- (c) *Merger Event, Tender Offer, Nationalisation and Insolvency.* If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Shares, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Shares traded on that options exchange;
  - (ii) cancel the Warrants by giving notice to the Warrantholders in accordance with Condition 9. If the Warrants are so cancelled, the Issuer will pay an amount to each Warrantholder in respect of each Warrant held by such Warrantholder which amount shall be the fair market value of a Warrant taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 9; or

- (iii) following any adjustment to the settlement terms of options on the Shares on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the “**Option Reference Source**”) make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Shares are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

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

- (d) *Definitions.* “**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Shares of that Company are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Shares of that Company become legally prohibited from transferring them. “**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. “**Merger Event**” means, in respect of the Shares, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Shares outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the Last Valuation Date. “**Nationalisation**” means that all the Shares or all or substantially all of the assets of a Company are

nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. **"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

- (e) *Other Adjustments.* Except as provided in this Condition 6 and Condition 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Warrants and the obligations of the Issuer, give rise to such adjustment provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantholders generally (without considering the circumstances of any individual Warrantholder or the tax or other consequences of such adjustment in any particular jurisdiction).
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

## **7. Purchases**

The Issuer or its related corporations may at any time purchase Warrants at any price in the open market or by tender or by private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation.

## **8. Meetings of Warrantholders; Modification**

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

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Warrantholders. Such a meeting may be convened by the Issuer or by Warrantholders holding not less than ten per cent. of the Warrants for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Warrants for the time being remaining unexercised, or at any adjourned meeting two or more persons being or representing Warrantholders whatever the number of Warrants so held or represented.

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

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

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

## **9. Notices**

- (a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Warrantholder or to which a Warrantholder is entitled or which the Issuer shall have agreed to deliver to a Warrantholder may be delivered by hand or sent by post addressed to the Warrantholder at his address appearing in the records maintained by CDP or, in the case of joint Warrantholders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Warrantholder.
- (b) *Notices.* All notices to Warrantholders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Warrant, give notice of the date of expiry of such Warrant in the manner prescribed above, provided that if the tenure of the Warrant is less than one month, the Issuer shall publish the expiry notice as soon as practicable after the listing of the Warrant.

## 10. Liquidation

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

## 11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Warrantholders, to create and issue further warrants so as to form a single series with the Warrants.

## 12. De-Listing

- (a) *De-Listing.* If at any time, any Shares cease to be listed, traded or publicly quoted on the Relevant Stock Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Issuer ("**De-Listing**"), the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Warrants (including terminating the Warrants early) as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Warrantholders generally are not materially prejudiced as a consequence of such De-Listing (without considering the individual circumstances of any Warrantholder or the tax or other consequences that may result in any particular jurisdiction).
- (b) *Adjustments.* Without prejudice to the generality of Condition 12(a), where the Shares are, or, upon the De-Listing, become, listed on any other stock exchange, these Conditions may, in the absolute discretion of the Issuer, be amended to the extent necessary to allow for the substitution of that other stock exchange in place of the Relevant Stock Exchange and the Issuer may, without the consent of the Warrantholders, make such adjustments to the entitlements of Warrantholders on exercise (including, if appropriate, by converting foreign currency amounts at prevailing market rates into the Settlement Currency) as may be appropriate in the circumstances.
- (c) *Issuer's Determination.* The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Warrantholders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Warrantholders in accordance with Condition 9 as soon as practicable after they are determined.

### **13. Early Termination for Illegality and Force Majeure, etc.**

- (a) *Illegality and Force Majeure, etc.* If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Warrants for any reason, the Issuer may at its discretion and without obligation terminate the Warrants early by giving notice to the Warrantheolders in accordance with Condition 9.

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

- (b) *Termination.* If the Issuer terminates the Warrants early, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantheolder in respect of each Warrant held by such holder equal to the fair market value of a Warrant notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantheolders in accordance with Condition 9.

### **14. Governing Law**

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

### **15. Prescription**

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

### **16. Contracts (Rights of Third Parties) Act 2001 of Singapore**

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

## SUMMARY OF THE ISSUE

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

Issuer:	Macquarie Bank Limited
Company:	Geely Automobile Holdings Limited
The Warrants:	European Style Cash Settled Call Warrants relating to the Shares
Number:	25,000,000 Warrants
Form:	The Warrants will be issued subject to, and with the benefit of, an instrument by way of deed poll dated 15 July 2022 (the “ <b>Master Instrument</b> ”) and executed by the Issuer and a master warrant agent agreement dated 26 November 2004 (the “ <b>Warrant Agent Agreement</b> ”) and made between the Issuer and the Warrant Agent.
Conversion Ratio (number of Shares per Warrant):	0.250000 (i.e. every 4 Warrants initially relate to 1 Share)
Cash Settlement Amount:	<p>In respect of each Warrant, shall be an amount (if positive) payable in the Settlement Currency equal to the Exchange Rate multiplied by:</p> <p>(A) (i) the arithmetic mean of the closing prices of one Share (as derived from the daily publications of the Relevant Stock Exchange, subject to any adjustments to such closing prices determined by the Issuer to be necessary to reflect any capitalisation, rights issue, distribution or the like) for each Valuation Date LESS (ii) the Exercise Price MULTIPLIED by (B) the Conversion Ratio</p> <p>In certain circumstances, the Conversion Ratio and the Exercise Price will be adjusted as set out in Condition 6 of the Warrants.</p>
Exchange Rate:	The rate of exchange for the conversion of HKD to SGD as at 5:00 p.m. (Singapore time) on the Expiry Date as shown on Bloomberg provided that if the Bloomberg service ceases to display such information, such page as displays such information on such other services as may be selected by the Issuer.
Denominations:	Warrants are represented by a global warrant in respect of all the Warrants.
Exercise:	Warrantholders shall not be required to deliver an exercise notice. Exercise of Warrants shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants shall be deemed to have been automatically exercised at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day). The Cash



Settlement Amount less the Exercise Expenses in respect of the Warrants shall be paid in the manner set out in Condition 4(c) of the Warrants. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants shall be deemed to have expired at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) and Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Warrants.

Trading Currency:	Singapore dollars
Transfers of Warrants:	Warrants may only be transferred in Board Lots (or integral multiples thereof). All transfers in Warrants, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Warrants and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Warrants. Issue of the Warrants is conditional on such listing being granted. It is expected that dealings in the Warrants on the SGX-ST will commence on or about 29 August 2023.
Governing Law:	The laws of Singapore
Warrant Agent:	Macquarie Capital Securities (Singapore) Pte. Limited
Further Issues:	Further issues which will form a single series with the Warrants will be permitted.

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

## RISK FACTORS

The following risk factors are relevant to the Warrants:

- (a) investment in Warrants involves substantial risks including market risk, liquidity risk, and the risk that the Issuer will be unable to satisfy its obligations under the Warrants. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Warrants. You should consider carefully whether Warrants are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Warrants are not suitable for inexperienced investors;
- (b) the Warrants constitute direct, general and unsecured contractual obligations of the Issuer and no other person and will rank pari passu with the Issuer's other unsecured contractual obligations and with the Issuer's unsecured and unsubordinated debt other than indebtedness preferred by mandatory provisions of law. The Warrants are not secured by any collateral. Section 13A(3) of the Banking Act of 1959 of Australia provides that, in the event of the Issuer becoming unable to meet its obligations or suspends payments, the assets of the Issuer in Australia are to be available to satisfy specified liabilities in priority to all other liabilities of the Issuer (including the obligations of the Issuer under the Warrants). The specified liabilities include first, certain obligations of the Issuer to APRA in respect of amounts payable by APRA to holders of protected accounts and any administration costs incurred by APRA. Then, as the next priority, other liabilities of the Issuer in Australia in relation to protected accounts that account-holders keep with the Issuer. Following this any debts that the Issuer owes to the Reserve Bank of Australia and any liabilities under an industry support contract (certified under section 11CB of the Banking Act) and then, any other liabilities, in order of their priority. If you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against any other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Warrants, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against the company which has issued the underlying shares. The Issuer is not a fiduciary of Warrantholders (as defined in the Conditions) and has substantially no obligation to a Warrantholder other than to pay amounts in accordance with the terms thereof as set forth herein and in the Base Listing Document. The Issuer does not in any respect underwrite or guarantee the performance of any Warrant. Any profit or loss realised by a Warrantholder in respect of a Warrant upon exercise or otherwise due to changes in the value of such Warrant, or the underlying shares, is solely for the account of such Warrantholder. In addition, the Issuer shall have the absolute discretion to put in place any hedging transaction or arrangement which it deems appropriate in connection with any Warrant or the underlying shares. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer by any one of its rating agencies could result in a reduction in the trading value of the Warrants;
- (c) the price of the Warrants may fall in value as rapidly as it may rise and Warrantholders may sustain a total loss of their investment. The risk of losing all or any part of the purchase price of a Warrant upon the expiry of the Warrants means that, in order to recover and realise a return on investment, investors in Warrants must generally anticipate correctly the direction, timing and magnitude of any change in the value of the shares of the underlying company. Changes in the price of the shares of the underlying company can be unpredictable, sudden and large and such changes may result in the price of such shares moving in a direction which will negatively impact upon the return on an investment. In the case of Warrants relating to shares, certain events relating to such shares or the underlying company may cause adverse movements in the value and price of the underlying shares, as a result of which, the Warrantholders may, in certain circumstances, sustain a total loss of their

investment if, for the Warrants, the average closing price of the underlying shares on the valuation dates falls below or is equal to the exercise price;

- (d) due to their nature, the Warrants can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Warrants may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the underlying shares, dividends, interest rate, volatility, foreign exchange rates, the time remaining to expiry and the creditworthiness of the Issuer;
- (e) before exercising or selling the Warrants, the holders of Warrants should carefully consider, among other things, (i) the trading price of the Warrants; (ii) the value and volatility of the reference security; (iii) the time remaining to expiration; (iv) the probable range of Cash Settlement Amounts; (v) any change(s) in interim interest rates and dividend yields; (vi) any change(s) in currency exchange rates; (vii) the depth of the market or liquidity of the reference security; (viii) any related transaction costs; and (ix) the creditworthiness of the Issuer;
- (f) fluctuations in the price of the underlying shares will affect the price of the Warrants but not necessarily in the same magnitude and direction, therefore, prospective investors intending to purchase Warrants to hedge their market risk associated with investing in the underlying shares, should recognise the complexities of utilising the Warrants in this manner;
- (g) the settlement amount of Warrants at any time prior to the expiry of the Warrants may be less than the trading price of such Warrants at that time. The difference between the trading price and the settlement amount as the case may be, will reflect, among other things, a “time value” for the Warrants. The “time value” of the Warrants will depend partly upon the length of the period remaining to the expiry date of the Warrants and expectations concerning the value of the shares of the underlying company;
- (h) investors should note that an investment in the Warrants involves valuation risks in relation to the underlying asset. The value of the underlying asset may vary over time and may increase or decrease by reference to various factors, which may include corporate actions, macro economic factors and market trends. Certain events relating to the underlying shares require or permit the Issuer to make certain adjustments or amendments to the Conditions (for example, adjusting the Exercise Price and the Conversion Ratio). However, the Issuer is not required to make an adjustment for every event that affects the underlying asset. If an event occurs that does not require the Issuer to adjust the Conversion Ratio or any other part of the Conditions, the market price of the Warrants and the return upon the exercise of the Warrants may be affected;
- (i) as indicated in the Conditions, a Warrantholder must tender a specified number of Warrants at any one time in order to exercise. Thus, Warrantholders with fewer than the specified minimum number of Warrants in a particular series will either have to sell their Warrants or purchase additional Warrants, incurring transactions costs in each case, in order to realise their investment;
- (j) unless otherwise specified in the Conditions, in the case of any exercise of the Warrants, there may be a time lag between the date on which the Warrants are exercised and the time the applicable settlement amount relating to such an event is determined. Any such delay between the time of exercise and the determination of the settlement amount will be specified in the Conditions. However such delay could be significantly longer, particularly in the case of a delay in the exercise of the Warrants arising from, a determination by the Issuer that a Market Disruption Event has occurred at any relevant time or that adjustments are required in accordance with the Conditions. That applicable settlement amount, may change significantly

during any such period, and such movement or movements could decrease or modify the settlement amount of the Warrants;

- (k) if, whilst the Warrants remain unexercised, trading in the underlying shares on the relevant stock exchange is suspended, trading in the Warrants may be suspended for a similar period;
- (l) in the case of the Warrants, certain events relating to the shares of the underlying company require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions, and investors have limited anti-dilution protection under the Conditions. The Issuer may at its sole discretion adjust the entitlement upon exercise or valuation of the Warrants for events such as, amongst others, subdivision of the shares of the underlying company and dividend in specie, however the Issuer is not required to make an adjustment for every event that may affect the shares of the underlying company;
- (m) the Warrants are only exercisable on their expiry date and may not be exercised by Warrantholders prior to such expiry date. Accordingly, if on such expiry date the Cash Settlement Amount (where applicable) is zero or negative, a Warrantholder will lose the value of his investment;
- (n) investors should note that it is not possible to predict the price at which the Warrants will trade in the secondary market or whether such market will be liquid or illiquid. A decrease in the liquidity of the Warrants or the underlying shares, futures, derivatives or other security related to the Warrants may cause, in turn, an increase in the volatility associated with the price of such issue of Warrants. The Issuer may, but is not obligated to, at any time, purchase Warrants at any price in the open market or by tender or private agreement. Any Warrants so purchased may be held or resold or surrendered for cancellation. As the Warrants are only exercisable on the expiry date, an investor will not be able to exercise his warrants to realize value in the event that the relevant issue becomes illiquid;
- (o) in the event of any delisting of the Warrants from the SGX-ST (other than at expiry), the Issuer will use all reasonable efforts to list the Warrants on another exchange. If the Warrants are not listed or traded on any exchange, pricing information for the Warrants may be difficult to obtain and the liquidity of the Warrants may be adversely affected;
- (p) two or more risk factors may simultaneously have an effect on the value of a Warrant such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Warrant;
- (q) in the ordinary course of their business, including without limitation in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer and any of its respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the underlying shares or related derivatives. In addition, in connection with the offering of any Warrants, the Issuer and any of its respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the underlying shares or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and any of its respective subsidiaries and its affiliates, the Issuer and any of its respective subsidiaries and affiliates may enter into transactions in the underlying shares or related derivatives which may affect the market price, liquidity or value of the Warrants and which may affect the interests of Warrantholders;
- (r) if the Issuer determines in good faith that the performance of its obligations under the Conditions has become unlawful or impractical in whole or in part, the Issuer may at its sole and absolute discretion and without obligation, terminate the Warrants prior to the expiry date,

in which event the Issuer to the extent permitted by any relevant applicable law, will pay to each Warrantholder an amount as determined by the Issuer, in its sole and absolute discretion, in accordance with the Conditions. If the Issuer terminates the Warrants prior to the expiry date, the Issuer will, if and to the extent permitted by any relevant applicable law, pay each Warrantholder an amount to be determined by the Issuer, in its sole and absolute discretion, to be the fair market value of the Warrants immediately prior to such termination or otherwise determined as specified in the Conditions, notwithstanding the illegality or impracticality;

- (s) the Issuer may enter into discount, commission or fee arrangements with brokers and/or any of its affiliates with respect to the primary or secondary market in the Warrants and such arrangement may present certain conflicts of interest for the brokers. The arrangements may or may not result in the benefit to investors in Warrants buying and selling Warrants through nominated brokers. Investors in the Warrants should note that any brokers with whom the Issuer has a commission arrangement does not, and cannot be expected to deal, exclusively in the Warrants, therefore any broker and/or its subsidiaries or affiliates may from time to time engage in transactions involving the shares in the underlying company and/or structured products of other issuers over the same shares in the same underlying company as the Warrants for their proprietary accounts and/or accounts of their clients. The fact that the same broker may deal simultaneously for different clients in competing products in the market place may affect the value of the Warrants and present certain conflicts of interests;
- (t) Third party individuals may comment on the Warrants on social media or other platforms from time to time. None of these third party individuals, whether sponsored by the Issuer or not, is an agent of the Issuer and such commentary is not the Issuer's advice or recommendation to invest in the Warrants. The Issuer is not responsible for any statements or comments made by such third party individuals. To the extent a fee is paid by the Issuer, such fee arrangement may present potential conflicts of interest for the individual;
- (u) changes in Singapore tax law and/or policy may adversely affect Warrantholders. Warrantholders who are in any doubt as to the effects of any such changes should consult their stockbrokers, bank managers, accountants, solicitors or other professional advisers;
- (v) as the Warrants are represented by a global warrant certificate which will be deposited with the CDP:
  - (i) investors should note that no definitive certificate will be issued in relation to the Warrants;
  - (ii) there will be no register of Warrantholders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Warrants by way of interest (to the extent of such number) in the global warrant certificate in respect of those Warrants represented thereby shall be treated as the holder of such number of Warrants;
  - (iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Warrants; and
  - (iv) notices to such Warrantholders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices; and

- (w) the value of the Warrants depends upon, amongst other things, the ability of Issuer to fulfil its obligations under the terms which, in turn is primarily dependent on the financial prospects of the Issuer; and
- (x) Foreign Account Tax Compliance withholding may affect payments on the Warrants

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("FATCA") impose a new reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution.

"Passthru payments" means any withholdable payment and any "foreign passthru payment," which is currently not defined. The current proposed FATCA regulations ("**Proposed Regulations**") state that the Internal Revenue Service and the U.S. Treasury have determined, that withholding on "foreign passthru payments" is not required, pending further guidance and analysis. The Proposed Regulations provide that such withholding will not be effective before the date that is two years after the publication of final regulations defining the term "foreign pass-thru payment".

While the Warrants are in dematerialised form and held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. An Issuer's obligations under the Warrants are discharged once it has paid the clearing systems and an Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

- (y) business and results of operation have been and may, in the future, be adversely affected by financial markets, global credit and other economic and geopolitical challenges generally.

Macquarie Group Limited (ABN 94 122 169 279) ("MGL") and its controlled entities ("Macquarie Group") businesses operate in or depend on the operation of global markets, including through exposures in securities, loans, derivatives and other activities and it is impacted by various factors it cannot control. In particular, uncertainty and volatility in global credit markets, liquidity constraints, increased funding costs, the level and volatility of interest rates, constrained access to funding, uncertainty concerning government shutdowns, fluctuations or other significant changes in both equity and capital market activity, supply chain disruptions and labor shortages have adversely affected and may continue to adversely affect transaction flow in a range of industry sectors. These factors could also adversely affect the Macquarie Group's access to, and costs of funding and in turn may negatively impact our liquidity and competitive position. Recent stress in the global banking sector, including bank failures, has heightened the risk of volatility in global financial markets.

Additionally, global markets may be adversely affected by the current or anticipated impact of climate change, extreme weather events or natural disasters, the emergence or continuation of widespread health emergencies or pandemics, cyberattacks or campaigns, military conduct, including the Russia-Ukraine conflict, terrorism or other geopolitical events such as tensions between the U.S. and China, and concerns about a potential conflict involving Taiwan. The dynamic and constantly evolving sanctions environment, including the volume and nature of sanctions imposed during the Russia-Ukraine conflict, continues to drive heightened sanctions compliance risk and complexity in applying control frameworks across the market. Russia's invasion of Ukraine has caused, and may continue to cause, supply shocks in energy, food and other commodities markets, increased inflation, cybersecurity risks, increased volatility in commodity, currency and other financial markets, risk of recession in Europe and heightened geopolitical tensions. Moreover, actions by Russia, and any further measures taken by the U.S. or its allies, could continue to have negative impacts on regional and global energy and other commodities and financial markets and macroeconomic conditions, adversely impacting us and our customers, clients and employees.

Actions taken by central banks, including changes to official interest rate targets, balance sheet management and government-sponsored lending facilities are beyond the control of Macquarie Bank and/or its controlled entities (the "MBL Group") and difficult to predict. Sudden changes in monetary policy, for example in response to high inflation, could lead to financial market volatility and are likely to affect market interest rates and the value of financial instruments and other assets and liabilities, and can impact our customers.

Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, which may make it very difficult to sell, hedge or value such assets. The inability to sell or effectively hedge assets reduces our ability to limit losses in such positions; and difficulty in valuing assets may negatively affect our capital, liquidity or leverage ratios, increase funding costs and generally require us to maintain additional capital.

Concerns about, or a default by, one or more institutions or by a sovereign could lead to market-wide liquidity problems, losses or defaults by other institutions, financial instruments losing their value and liquidity, and interruptions to capital markets that may further affect us. Negative perceptions about the soundness of a financial institution can result in counterparties seeking to limit their exposure and depositors withdrawing their deposits, which can happen more quickly than in the past due to advances in technology, further weakening the institution. Recent bank failures in the United States and Europe have heightened these concerns. The commercial soundness of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships among financial institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, hedge funds and exchanges that we interact with on a daily basis. If any of our counterpart financial institutions fail, our financial exposures to that institution may lose some or all of their value. Any of these events would have a serious adverse effect on our liquidity, profitability and value;

- (z) changes and increased volatility in currency exchange rates may adversely impact our financial results and our financial and regulatory capital positions.

While our consolidated financial statements are presented in Australian dollars, a significant portion of our operating income is derived, and operating expenses are incurred, from our offshore business activities, which are conducted in a broad range of currencies. Changes in the rate at which the Australian dollar is translated from other currencies can impact our financial statements and the economics of our business. Insofar as we are unable to hedge or have not completely hedged our exposure to currencies other than Australian dollar, our reported profit and foreign currency translation reserve would be affected. Such exchange

risk that we are exposed to becomes more acute during periods of significant currency volatility.

In addition, because MBL Group's regulatory capital position is assessed in Australian dollars, our capital ratios may be adversely impacted by a depreciating Australian dollar, which increases the capital requirement for assets denominated in currencies other than Australian dollars;

- (aa) our business is subject to the risk of loss associated with price volatility in the equity markets and other markets in which we operate.

We are exposed to changes in the value of financial instruments and other financial assets that are carried at fair market value, as well as changes to the level of our advisory and other fees, due to changes in interest rates, exchange rates, equity and commodity prices and credit spreads and other market risks. These changes may result from changes in economic conditions, monetary and fiscal policies, market liquidity, availability and cost of capital, international and regional political events, acts of war or terrorism, corporate, political or other scandals that reduce investor confidence in capital markets, natural disasters or pandemics or a combination of these or other factors.

We trade in foreign exchange, interest rate, commodity, bullion, energy, securities and other markets and are an active price maker in the derivatives market. Certain financial instruments that we hold and contracts to which we are a party are complex and these complex structured products often do not have readily available markets to access in times of liquidity stress. In addition, reductions in equity market prices or increases in interest rates may reduce the value of our clients' portfolios, which in turn may reduce the fees we earn for managing assets in certain parts of our business. Increases in interest rates or attractive prices for other investments could cause our clients to transfer their assets out of our funds or other products.

Interest rate benchmarks around the world (for example, the London Interbank Offered Rate or "LIBOR") have been subject to regulatory scrutiny and are subject to change.

Interest rate risk arises from a variety of sources including mismatches between the repricing periods of assets and liabilities. As a result of these mismatches, movements in interest rates can affect earnings or the value of the Macquarie Group;

- (ab) our business is subject to risks including trading losses, risks associated with market volatility and the risks associated with our physical commodities activities.

Our commodities business primarily involves transacting with our clients to help them manage risks associated with their commodity exposures, and we may also enter into commodity transactions on our own behalf. These transactions often involve us taking on exposure to price movements in the underlying commodities. We employ a variety of techniques and processes to manage these risks, including hedging, but, we may not fully hedge our risk, and our risk management techniques may not be as effective as we intend for a variety of reasons, including unforeseen events occurring outside our risk modelling. Our counterparty risk may also be elevated at times of high volatility because our counterparties may be more likely to be under financial stress, increasing our exposure to potential losses as a result of those counterparties defaulting or failing to perform their obligations.

While most of our commodities markets activities involve financial exposures, from time to time we will also have physical positions, which expose us to the risks of owning and/or transporting commodities, some of which may be hazardous. Commodities involved in our intermediation activities and investments are also subject to the risk of unforeseen or catastrophic events, which are likely to be outside of our control. These risks may include



accidents and failures with transportation and storage infrastructure, determinations made by exchanges, extreme weather events or other natural disasters, leaks, spills or release of hazardous substances, or hostile geopolitical events (including the Russia-Ukraine conflict). The occurrence of any of such events may prevent us from performing under our agreements with clients, may impair our operations or financial results and may result in litigation, regulatory action, negative publicity or other reputational harm. Also, while we seek to insure against potential risks, insurance may be uneconomic to obtain, the insurance that we have may not be adequate to cover all our losses or we may not be able to obtain insurance to cover some of these risks. There may also be substantial costs in complying with extensive and evolving laws and regulations relating to our commodities and risk management related activities and investments including energy and climate change laws and regulations worldwide;

- (ac) failure to maintain our credit ratings and those of our subsidiaries could adversely affect our cost of funds, liquidity, competitive position and access to capital markets.

The credit ratings assigned to us and certain of our subsidiaries by rating agencies are based on their evaluation of a number of factors, including our ability to maintain a stable and diverse earnings stream, capital ratios, credit quality and risk management controls, funding stability and security, liquidity management and our key operating environments, including the availability of systemic support in Australia. In addition, a credit rating downgrade could be driven by the occurrence of one or more of the other risks identified in this section or by other events that are not related to the MBL Group.

If we fail to maintain our current credit ratings, this could (i) adversely affect our cost of funds, liquidity, competitive position, the willingness of counterparties to transact with us and our ability to access capital markets or (ii) trigger our obligations under certain bilateral provisions in some of our trading and collateralized financing contracts. Under these provisions, counterparties could be permitted to terminate contracts with us or require us to post collateral, which could cause us to sustain losses and impair our liquidity by requiring us to find other sources of financing or to make significant cash payments or securities movements;

- (ad) inflation has had, and could continue to have, a negative effect on our business, results of operations and financial condition.

Inflationary pressures have affected economies, financial markets and market participants worldwide. Central bank responses to inflationary pressures have resulted in higher market interest rates and aggressive balance sheet policy, which has contributed and may continue to contribute to elevated financial and capital market volatility and significant changes to asset values. We expect elevated levels of inflation may result in higher labor costs and other operating costs, thus putting pressure on the MBL Group's expenses. Central bank actions in response to elevated inflation may lead to slow economic growth and increase the risk of recession, which could adversely affect the MBL Group's clients, businesses and results of operations;

- (ae) we could suffer losses due to climate change.

Our businesses could also suffer losses due to climate change. Climate change is systemic in nature and is a significant long-term driver of both financial and non-financial risks. Climate change related impacts include physical risks from changing climatic conditions which could result from increased frequency and/or severity of adverse weather events. Such disasters could disrupt our operations or the operations of customers or third parties on which we rely. Over the longer term, these events could impact the ability of our clients or customers to repay their obligations, reduce the value of collateral, negatively impact asset values and result in other effects. Additionally, climate change could result in transition risks such as changes to laws and regulations, technology development and disruptions and changes in consumer and market preferences towards low carbon goods and services. These factors

could restrict the scope of our existing businesses, limit our ability to pursue certain business activities and offer certain products and services, amplify credit and market risks, negatively impact asset values, result in litigation, regulatory scrutiny and/or action, negative publicity or other reputational harm and/or otherwise adversely impact us, our business or our customers. Climate risks can also arise from the inconsistencies and conflicts in the manner in which climate policy and financial regulation are implemented in the regions where the MBL Group operates, including initiatives to apply and enforce policy and regulation with extraterritorial effect. Legislative or regulatory uncertainties and changes are also likely to result in higher regulatory, compliance, credit, reputation and other risks and costs. Our ability to meet our climate-related goals, targets and commitments, including our goal to achieve net zero operational emissions by FY2025 and our goal to align our financing activity with the global goal of net zero emissions by 2050, is subject to risks and uncertainties, many of which are outside of our control, such as technology advances, public policies and challenges related to capturing, verifying, analyzing and disclosing emissions and climate-related data. Failure to effectively manage these risks could adversely affect our business, prospects, reputation, financial performance or financial condition;

- (af) many of our business are highly regulated and we could be adversely affected by temporary and permanent changes in law, regulations and regulatory policy.

We operate various kinds of businesses across multiple jurisdictions or sectors which are regulated by more than one regulator. Additionally, some members of the Macquarie Group own or manage assets and businesses that are regulated. Our businesses include an Authorised Deposit-taking Institution (ADI) in Australia (regulated by the Australian Prudential Regulation Authority (APRA)), a credit institution in Ireland (regulated by the Central Bank of Ireland), bank branches in the United Kingdom, the Dubai International Finance Centre and Singapore and representative offices in the United States, South Africa, Brazil and Switzerland. The regulations vary from country to country but generally are designed to protect depositors and the banking system as a whole, not holders of Macquarie Bank's securities or creditors. In addition, as a diversified financial institution, many of our businesses are subject to financial services regulation other than prudential banking regulation, as well as laws, regulations and oversight specific to the industries applicable to our businesses and assets.

Regulatory agencies and governments frequently review and revise banking and financial services laws, security and competition laws, fiscal laws and other laws, regulations and policies, including fiscal policies. Changes to laws, regulations or policies, including changes in interpretation or implementation of laws, regulations or policies, could substantially affect us or our businesses, the products and services we offer or the value of our assets, or have unintended consequences or impacts across our business. These may include imposing more stringent liquidity requirements and capital adequacy, increasing tax burdens generally or on financial institutions or transactions, limiting the types of financial services and products that can be offered and/or increasing the ability of other providers to offer competing financial services and products, as well as changes to prudential regulatory requirements. Global economic conditions and increased scrutiny of the culture in the banking sector have led to increased supervision and regulation, as well as changes in regulation in the markets in which we operate and may lead to further significant changes of this kind. Health, safety, environmental and social laws and regulations can also change rapidly and significantly. The occurrence of any adverse health, safety, environmental or social event, or any changes, additions to, or more rigorous enforcement of, health, safety, environmental and social standards could have a significant impact on operations and/or result in material expenditures.

In some countries in which we do business or may in the future do business, in particular in emerging markets, the laws and regulations are uncertain and evolving, and it may be difficult for us to determine the requirements of local laws in every market. Our inability to remain in compliance with local laws in a particular market could have a significant and negative effect not only on our businesses in that market but also on our reputation generally. In addition,

regulation is becoming increasingly extensive and complex, and in many instances requires us to make complex judgments, which increases the risk of non-compliance. Some areas of regulatory change involve multiple jurisdictions seeking to adopt a coordinated approach or certain jurisdictions seeking to expand the territorial reach of their regulation.

APRA may introduce new prudential regulations or modify existing regulations, including those that apply to Macquarie Bank as an ADI. Any such event could result in changes to the organisational structure of Macquarie Group and adversely affect the MBL Group;

- (ag) we are subject to the risk of loss as a result of not complying with laws governing financial crime, including sanction.

We are subject in our operations worldwide to laws and regulations relating to corrupt and illegal payments, counter-terrorism financing, anti-bribery and corruption and adherence to anti-money laundering obligations, as well as laws, sanctions and economic trade restrictions relating to doing business with certain individuals, groups and countries. The geographical diversity of our operations, employees, clients and customers, as well as the vendors and other third parties that we deal with, increases the risk that we may be found in violation of financial crime related laws. Emerging financial crime risk typologies could also limit our ability to track the movement of funds thereby heightening the risk of our breaching financial crime related laws, sanctions or bribery and corruption laws. Our ability to comply with relevant laws is dependent on our detection and reporting capabilities, control processes and oversight accountability. Additionally, the current sanctions environment remains dynamic and constantly evolving. Increasingly complex sanctions and disclosure regimes, which often differ or are not aligned across countries, could adversely affect our business activities and investments, as well as expose us to compliance risk and reputational harm;

- (ah) we may be adversely affected by increased governmental and regulatory scrutiny or negative publicity.

The political and public sentiment regarding financial institutions have resulted in a significant amount of adverse press coverage, as well as adverse statements or charges by regulators or other government officials, and in some cases, to increased regulatory scrutiny, enforcement actions and litigation. Investigations, inquiries, penalties and fines sought by regulatory authorities have increased substantially over the last several years, with regulators exercising their enhanced enforcement powers in commencing enforcement actions or with advancing or supporting legislation targeted at the financial services industry. If we are subject to adverse regulatory findings, the financial penalties could have a material adverse effect on our results of operations. Adverse publicity, governmental scrutiny and legal and enforcement proceedings can also have a negative impact on our reputation with clients and on the morale and performance of our employees;

- (ai) litigation and regulatory actions may adversely impact our results of operations.

We may, from time to time, be subject to material litigation and regulatory actions, for example, as a result of inappropriate documentation of contractual relationships, class actions or regulatory breaches, which, if they crystallize, may adversely impact upon our results of operations and financial condition in future periods or our reputation. We regularly obtain legal advice and make provisions, as deemed necessary. There is a risk that any losses may be larger than anticipated or provided for or that additional litigation, regulatory actions or other contingent liabilities may arise. Furthermore, even where monetary damages may be relatively small, an adverse finding in a regulatory or litigation matter could harm our reputation or brand, thereby adversely affecting our business;

- (aj) we may not manage risks associated with the replacement of interest rate benchmarks effectively.

LIBOR and other interest rate benchmarks (collectively, the “IBORs”) have been the subject of ongoing national and international regulatory scrutiny and reform. The transition away from and discontinuance of LIBOR or any other benchmark rate and the adoption of alternative reference rates (“ARR”) by the market introduce a number of risks for us, our clients, and the financial services industry more widely. These include, but are not limited to:

- 1) Conduct risks – where, by undertaking actions to transition away from using the IBORs, we face conduct risks which may lead to client complaints, regulatory sanctions or reputational impact.
- 2) Legal and execution risks – relating to documentation changes required for new ARR products and for the transition of legacy contracts to ARRs.
- 3) Financial risks and pricing risks – any changes in the pricing mechanisms of financial instruments linked to IBOR or ARRs which could impact the valuations of these instruments.
- 4) Operational risks – due to the potential need for us, our clients and the market to adapt information technology systems, operational processes and controls to accommodate one or more ARRs for a large volume of trades.

Any of these factors may have a material adverse effect on MBL Group’s business, results of operations, financial condition and prospects;

- (ak) failure of third parties to honor their commitments in connection with our trading, lending and other activities may adversely impact our business.

We are exposed to potential losses as a result of an individual, counterparty or issuer being unable or unwilling to honor its contractual obligations. We are also exposed to potential concentration risk arising from individual exposures or other concentrations including to industries or countries. We assume counterparty risk in connection with our lending, trading, derivatives and other businesses where we rely on the ability of third parties to satisfy their financial obligations to us in full and on a timely basis. Our recovery of the value of the resulting credit exposure may be adversely affected by a number of factors, including declines in the financial condition of the counterparty, the value of collateral we hold and the market value of counterparty obligations we hold. A period of low or negative economic growth and/or a rise in unemployment could also adversely impact the ability of our consumer and/or commercial borrowers or counterparties to meet their financial obligations and negatively impact our credit portfolio. Consumers have been and may continue to be negatively impacted by inflation, resulting in drawdowns of savings or increases in household debt. Higher interest rates, which have increased debt servicing costs for some businesses and households, may adversely impact credit quality, particularly in a period of low or negative economic growth. If the macroeconomic environment worsens, our credit portfolio and allowance for credit losses could be adversely impacted;

- (al) we may experience impairments in our loans, investments and other assets.

Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, which may make it very difficult to sell, hedge or value such assets. The inability to sell or effectively hedge assets reduces our ability to limit losses in such positions and the difficulty in valuing assets may negatively affect our capital, liquidity or leverage ratios, increase our funding costs and generally require us to maintain additional capital;

- (am) our ability to retain and attract qualified employees is critical to the success of our business and the failure to do so may materially adversely affect our performance.

Our employees are our most important resource, and our performance largely depends on the talents and efforts of highly skilled individuals. Our continued ability to compete effectively in our businesses and to expand into new business areas and geographic regions depends on our ability to retain and motivate our existing employees and attract new employees. Competition from within the financial services industry and from businesses outside the financial services industry for qualified employees has historically been intense. Recent employment conditions associated with the COVID-19 pandemic have made the competition to hire and retain qualified employees significantly more challenging and costly. Attrition rates have risen due to factors such as low unemployment, a strong job market with a large number of open positions and changes in worker expectations, concerns and preferences, including an increased demand for remote work options and other flexibility.

In order to attract and retain qualified employees, we must compensate such employees at or above market levels. As a regulated entity, we may be subject to limitations on remuneration practices. These limitations may require us to further alter our remuneration practices in ways that could adversely affect our ability to attract and retain qualified and talented employees.

Current and future laws (including laws relating to immigration and outsourcing) may restrict our ability to move responsibilities or personnel from one jurisdiction to another. This may impact our ability to take advantage of business and growth opportunities or potential efficiencies;

- (an) we may incur financial loss, adverse regulatory consequences or reputational damage due to inadequate or failure in internal or external operational systems and infrastructures, people and processes.

Our businesses depend on our ability to process and monitor, on a daily basis, a very large number of transactions, many of which are highly complex, across numerous and diverse markets in many currencies. While we employ a range of risk monitoring and risk mitigation techniques, those techniques and the judgments that accompany their application cannot anticipate every economic and financial outcome or the specifics and timing of such outcomes. As such, we may, in the course of our activities, incur losses. There can be no assurance that the risk management processes and strategies that we have developed will adequately anticipate or be effective in addressing market stress or unforeseen circumstances. We face the risk of operational failure, termination or capacity constraints of any of the counterparties, clearing agents, exchanges, clearing houses or other financial intermediaries we use to facilitate our securities or derivatives transactions, and as our interconnectivity with our clients and counterparties grows, the risk to us of failures in our clients' and counterparties' systems also grows. Our financial, accounting, data processing or technology assets may fail to operate properly or be disrupted as a result of events that are wholly or partially beyond our control.

Our businesses manage a large volume of sensitive data and rely on the secure processing, transmission, storage and retrieval of confidential, proprietary and other information in our data management systems and technology, and in those managed, processed and stored by third parties on behalf of us. Inadequate data management and data quality, which include the capture, processing, distribution, retention and disposal of data, could lead to poor decision making in the provision of credit as well as affecting our data management regulatory obligations, all of which may cause us to incur losses or lead to regulatory actions.

We are subject to laws, rules and regulations in a number of jurisdictions regarding compliance with our privacy policies and the disclosure, collection, use, sharing and safeguarding of personally identifiable information, the violation of which could result in litigation, regulatory fines and enforcement actions. Furthermore, a breach, failure or other disruption of our data management systems and technology, or those of our third party service providers, could lead to the unauthorized or unintended release, misuse, loss or destruction of personal or confidential data about our customers, employees or other third

parties in our possession, which could materially damage our reputation and expose us to liability for violations of privacy and data protection laws.

We are exposed to the risk of loss resulting from the failure of our internal or external processes and systems, such as from the disruption or failure of our IT systems, or from external suppliers and service providers including public and private cloud-based technology platforms.

We are also exposed to the risk of loss resulting from the actions or inactions of our employees, contractors and external service providers. It is not always possible to deter or prevent employee misconduct. The precautions we take to prevent and detect this activity may not be effective in all cases, which could result in financial losses, regulatory intervention and reputational damage;

- (ao) a cyber-attack, information or security breach, or a technology disruption event of ours or of a third party supplier could adversely affect our ability to conduct our business, manage our exposure to risk or expand our businesses. This may result in the disclosure or misuse of confidential or proprietary information and an increase in our costs to maintain and update our operational and security controls and infrastructure.

Our businesses depend on the security and efficacy of our data management systems and technology, as well as those of third parties with whom we interact or on whom we rely. To access our network, products and services, our customers and other third parties may use personal mobile devices or computing devices that are outside of our network environment and are subject to their own cybersecurity risks. While we seek to operate in a control environment that limits the likelihood of a cyber and information security incident, and to ensure that the impact of a cyber and information security incident can be minimized by information security capability and incident response, there can be no assurances that our security controls will provide absolute security against a dynamic external threat environment.

Cyber and information security risks for financial institutions have increased in recent years, in part because of the proliferation of new technologies, the use of internet and telecommunications technology, the increase in remote working arrangements, and the increased sophistication and activities of attackers (including hackers, organized criminals, terrorist organizations, hostile state-sponsored activity, disgruntled individuals, activists and other external parties). Global events and geopolitical instability may increase security threats targeted at financial institutions. Targeted social engineering attacks are becoming more sophisticated and are extremely difficult to prevent, and requires the exercise of sound judgment and vigilance by our employees when we are targeted by such attacks. The techniques used by hackers change frequently and may not be recognized until launched or until after a breach has occurred. Additionally, the existence of cyber-attacks or security breaches at our supplier may also not be disclosed to us in a timely manner. Despite efforts to protect the integrity of our systems through the implementation of controls, processes, policies and other protective measures, there is no guarantee that the measures we continue to take will provide absolute security or recoverability given that the techniques used in cyber-attacks are complex, executed rapidly, frequently evolving, and as a result are difficult to prevent, detect, and respond to.

Due to increasing consolidation, interdependence and complexity of financial entities and technology systems, a technology failure, cyber-attack or other information or security breach that significantly degrades, deletes, or compromises the systems or data of one or more financial entities could have a material impact on counterparties or other market participants, including us. This consolidation, interconnectivity and complexity increases the risk of operational failure, on both individual and industry-wide bases, as disparate systems need to be integrated. Any third-party technology failure, cyber-attack or other information or security breach, termination or constraint could, among other things, adversely affect our ability to

effect transactions, service our clients, manage our exposure to risk or expand our businesses.

We anticipate cyber-attacks will continue to occur because perpetrators are well resourced, deploying highly sophisticated techniques that can evolve rapidly. This challenges our ability to implement effective controls measures to prevent or minimize damage that may be caused by all information security threats.

Cyber-attacks or other information or security breaches, whether directed at us or third parties, may result in a material loss or have adverse consequences for MBL Group, including operational disruption, financial losses, reputational damage, theft of intellectual property and customer data, violations of applicable privacy laws and other laws, litigation exposure, regulatory fines, penalties or intervention, loss of confidence in our security measures and additional compliance costs, all of which could have a material adverse impact on the MBL Group;

- (ap) we could suffer losses due to hostile, catastrophic or unforeseen events, including due to environmental and social factors.

Our businesses are subject to the risk of unforeseen, hostile or catastrophic events, many of which are outside of our control, including natural disasters, extreme weather events, occurrence of diseases, leaks, spills, explosions, release of toxic substances, fires, accidents on land or at sea, terrorist attacks, military conflict including the current conflict between Russia and Ukraine, or other hostile or catastrophic events.

Any significant environmental change or external event (including increased frequency and severity of storms, floods and other catastrophic events such as earthquakes, persistent changes in precipitation levels, rising average global temperatures, rising sea levels, pandemics (such as COVID-19), other widespread health emergencies, civil unrest, geopolitical or terrorism events) has the potential to disrupt business activities, impact our operations or reputation, increase credit risk and other credit exposures, damage property and otherwise affect the value of assets held in the affected locations and our ability to recover amounts owing to us.

The occurrence of any such events may prevent us from performing under our agreements with clients, may impair our operations or financial results, and may result in litigation, regulatory action, negative publicity or other reputational harm. We may also not be able to obtain insurance to cover some of these risks and the insurance that we have may be inadequate to cover our losses. Any such long-term, adverse environmental or social consequences could prompt us to exit certain businesses altogether. In addition, such an event or environmental change (as the case may be) could have an adverse impact on economic activity, consumer and investor confidence, or the levels of volatility in financial markets.

The COVID-19 pandemic caused, and may continue to cause, severe impacts on global, regional and national economies and disruption to international trade and business activity.

The nature and extent of the continuing effects of COVID-19 on the economy and our personnel and operations are uncertain and cannot be predicted and will depend on a number of factors, including the emergence and spread of new variants of COVID-19, the availability, adoption and efficacy of future treatments and vaccines and future actions taken by government authorities, central banks and other third parties in response to the COVID-19 pandemic. All these factors may lead to further reduced client activity and demand for our products and services, disruption or failure of our performance of, or our ability to perform, key business functions, the possibility that significant portions of our workforce are unable to work effectively, including because of illness, quarantines, shelter-in-place arrangements, government restrictions or other restrictions in connection with the COVID-19 pandemic,

higher credit and valuation losses in our loan and investment portfolios, impairments of financial assets, trading losses and other negative impacts on our financial position, including possible constraints on capital and liquidity, as well as higher costs of capital, and possible changes or downgrades to our credit ratings. This may adversely impact our results of operations and financial condition.

We also face increasing public scrutiny, laws and regulations related to environmental and social factors. We risk damage to our brand and reputation if we fail to act responsibly in a number of areas, such as diversity and inclusion, environmental stewardship, respecting the rights of Indigenous Peoples, support for local communities, corporate governance and transparency and considering environmental and social factors in our investment and procurement processes. Failure to effectively manage these risks may result in breaches of our statutory obligations and could adversely affect our business, prospects, reputation, financial performance or financial condition;

- (aq) failure of our insurance carriers or our failure to maintain adequate insurance cover could adversely impact our results of operations.

We maintain insurance that we consider to be prudent for the scope and scale of our activities. If our insurance carriers fail to perform their obligations to us and/or our third party cover is insufficient for a particular matter or group of related matters, our net loss exposure could adversely impact our results of operations;

- (ar) our business may be adversely affected by our failure to adequately manage the risks associated with strategic opportunities and new businesses, including acquisitions, and the exiting or restructuring of existing businesses.

We are continually evaluating strategic opportunities and undertaking acquisitions of businesses, some of which may be material to our operations. Our completed and prospective acquisitions and growth initiatives may cause us to become subject to unknown liabilities of the acquired or new business and additional or different regulations.

Future growth, including through acquisitions, mergers and other corporate transactions, may also place significant demands on our legal, accounting, IT, risk management and operational infrastructure and result in increased expenses. A number of our recent and planned business initiatives and further expansions of existing businesses may also expose us to new and enhanced risks, including reputational concerns arising from dealing with a range of new counterparties and investors, actual or perceived conflicts of interest, regulatory scrutiny of these activities, potential political pressure, increased credit-related and operational risks, including risks arising from IT systems and reputational concerns with the manner in which these businesses are being operated or conducted.

We may be exposed to a number of risks in acquiring new businesses and in outsourcing, exiting or restructuring existing businesses. Where our acquisitions are in foreign jurisdictions, or are in emerging or growth economies in particular, we may be exposed to heightened levels of regulatory scrutiny and political, social or economic disruption and sovereign risk in emerging and growth markets;

- (as) our business depends on our brand and reputation.

We believe our reputation in the financial services markets and the recognition of the Macquarie brand by our customers are important contributors to our business. Many companies in Macquarie Group and many of the funds managed by entities owned, in whole or in part, by Macquarie Bank and Macquarie Group Limited use the Macquarie name. We do not control those entities that are not in MBL Group, but their actions may reflect directly on our reputation.



Our business may be adversely affected by negative publicity or poor financial performance in relation to any of the entities using the Macquarie name, including any Macquarie-managed fund or funds that Macquarie has promoted or is associated with. If funds that use the Macquarie name or are otherwise associated with Macquarie-managed assets are perceived to be managed inappropriately, those managing entities could be subject to criticism and negative publicity, harming our reputation and the reputation of other entities that use the Macquarie name;

- (at) competitive pressure, both in the financial services industry as well as in the other industries in which we operate, could adversely impact our business.

We face significant competition from local and international competitors, which compete vigorously in the markets and sectors across which we operate. In addition, digital technologies and business models are changing consumer behavior and the competitive environment. The use of digital channels by customers to conduct their banking continues to rise and emerging competitors are increasingly utilizing new technologies and seeking to disrupt existing business models, including in relation to digital payment services and open data banking, that challenge, and could potentially disrupt, traditional financial services. We face competition from established providers of financial services as well as from businesses developed by non-financial services companies. We believe that we will continue to experience pricing pressures in the future as some of our competitors seek to obtain or increase market share.

The widespread adoption and rapid evolution of new technologies, including analytic capabilities, self-service digital trading platforms and automated trading markets, internet services and digital assets, such as central bank digital currencies, cryptocurrencies (including stablecoins), tokens and other cryptoassets, clearing and settlement processes could have a substantial impact on the financial services industry. As such new technologies evolve and mature, our businesses and results of operations could therefore be adversely impacted.

Any consolidation in the global financial services industry may create stronger competitors with broader ranges of product and service offerings, increased access to capital, and greater efficiency and pricing power which may enhance the competitive position of Macquarie's competitors. In addition to mergers and acquisitions pursued for commercial reasons, consolidation may also occur as a result of bank regulators encouraging or directing stronger institutions to acquire weaker institutions to preserve stability.

The effect of competitive market conditions, especially in our main markets, products and services, may lead to an erosion in our market share or margins;

- (au) conflicts of interest could limit our current and future business opportunities.

As we expand our businesses and our client base, we increasingly have to address potential or perceived conflicts of interest, including situations where our services to a particular client conflict with, or are perceived to conflict with, our own proprietary investments or other interests or with the interests of another client, as well as situations where one or more of our businesses have access to material non public information that may not be shared with other businesses within the Macquarie Group. While we believe we have adequate procedures and controls in place to address conflicts of interest, including those designed to prevent the improper sharing of information among our businesses, appropriately dealing with conflicts of interest is complex and difficult, and our reputation could be damaged and the willingness of clients or counterparties to enter into transactions may be adversely affected if we fail, or

appear to fail, to deal appropriately with conflicts of interest. In addition, potential or perceived conflicts could give rise to claims by and liabilities to clients, litigation or enforcement actions;

(av) our business operations expose us to potential tax liabilities that could have an adverse impact on our results of operations and our reputation.

(aw) We are exposed to risks arising from the manner in which the Australian and international tax regimes may be applied, enforced and amended, both in terms of our own tax compliance and the tax aspects of transactions on which we work with clients and other third parties. Our international, multi-jurisdictional platform increases our tax risks. Any actual or alleged failure to comply with or any change in the interpretation, application or enforcement of applicable tax laws and regulations could adversely affect our reputation and affected business areas, significantly increase our own tax liability and expose us to legal, regulatory and other actions.

(ax) Investors should note that they are exposed to an exchange rate risk as the Warrants will be issued and traded in Singapore dollars while the underlying shares are traded in Hong Kong dollars and the Cash Settlement Amount is converted from a foreign currency into Singapore dollars. The value of the Warrants may therefore be affected by, amongst other factors, the relative exchange rates of the Singapore dollar and the Hong Kong dollars. Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Warrants. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies.

(ay) The price of the Share is published during the trading hours of the Relevant Stock Exchange. The trading days and hours of the Relevant Stock Exchange are different from that of the SGX-ST. In assessing the price of the Warrants, you should be aware of the differences in the time zone and the actual trading days and hours of the relevant exchanges in Singapore and Hong Kong. For example, the price of the Share may be volatile during which the Stock SGX-ST is not open for trading of the Warrants. There may also be certain period of time during the trading hours of the SGX-ST when the prices of the Shares are not available. The market maker will not be able to provide liquidity for the Warrants during such times.

(az) Risks relating to the multiple counter single equities in Hong Kong.

Where the Company adopts the multiple counters model for trading its shares on HKEX in HKD and one or more foreign currencies (such as Renminbi) separately, the relatively recent introduction and untested nature of HKEX's multiple counters model may bring the following additional risks:

(i) The Warrants are only related to the Shares which are HKD traded on HKEX. Any movement in the trading prices of the shares of the Company traded in another currency counter should not directly affect the price of the Warrants. Investors should not consider the price of the shares of the Company traded in another currency counter in making investment decision in the Warrants;

(ii) if there is a suspension of inter-counter transfer of the shares of the Company between the HKD counter and any other currency counters for any reason, such shares will only be

able to be traded in the relevant currency counter on HKEX, which may affect the demand and supply of the Shares and have an adverse effect on the price of the Warrants; and

(iii) the trading price on HKEX of HKD traded shares may deviate significantly from the trading price on HKEX of shares traded in another currency counter due to a number of factors such as market liquidity, foreign exchange conversion risk, supply and demand in each counter and exchange rate fluctuation. Changes in the trading price of the Shares may adversely influence the price of the Warrants.

## INFORMATION RELATING TO THE COMPANY

*All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information. The Issuer has not independently verified any of such information.*

Geely Automobile Holdings Ltd (the “**Company**”) manufactures automobiles. The Company develops, produces, and sells passenger vehicles. Geely Automobile Holdings also exports vehicles.

The information set out in Appendix I of this document relates to the unaudited financial results of the Company and its subsidiaries for the six months ended 30 June 2023 and has been extracted and reproduced from an announcement by the Company dated 22 August 2023. Further information relating to the Company may be located on the Company’s web-site at <https://www.geelyauto.com.hk/>.

## INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Macquarie Capital Securities (Singapore) Pte. Limited (“**MCSSP**”) has been appointed the designated market maker (“**DMM**”) for the Warrants. The DMM will provide competitive buy and sell quotes for the Warrants continuously during the trading hours of the SGX-ST on the following basis:

- (a) Maximum bid and offer spread : 10 times the minimum permitted price movement in the Warrants in accordance with the rules of the SGX-ST or SGD 0.20, whichever is the greater
- (b) Minimum quantity subject to bid and offer spread : 10,000 Warrants
- (c) Last Trading Day for Market Making : The date falling five Business Days immediately preceding the Expiry Date, provided that if such day is not a day on which HKEX is open for dealings during its normal trading hours (“HK Business Day”), the Business Day immediately preceding such day which is also a HK Business Day

Quotations will/may however not be provided by the DMM in the following circumstances:

- (i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;
- (ii) if the Warrant is valueless (where the Issuer’s bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);
- (iii) when trading in the Shares is suspended or limited in a material way (including price quote limits activated by the relevant exchange or otherwise); for the avoidance of doubt, the DMM is not obliged to provide quotations for the Warrants at any time when the shares or securities relating to or constituting the Index are not traded for any reason;
- (iv) when the Issuer or DMM faces technical problems affecting the ability of the DMM to provide the bid and offer prices;
- (v) when the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions. The Issuer will inform the SGX-ST of its inability to do so as soon as practicable;
- (vi) in cases where the Issuer has no Warrants to sell, the DMM will only provide the bid price;
- (vii) when the stock market experiences exceptional price movements and volatility; and
- (viii) when it is a public holiday in Singapore or Hong Kong and the SGX-ST or HKEX is not open for dealings.

### History and Business

MCSSP holds a Capital Markets Services License issued by the Monetary Authority of Singapore and is a trading member of SGX-ST as well as a Clearing Member of the CDP. Under the Capital Markets

Services License, MCSSP is permitted to deal in securities and provide custodial services as well as act as an exempt financial adviser. Its principal activities are those relating to the provision of stock and share broking services, prescribed under the rules and regulations of the SGX-ST, and related securities research services. MCSSP is a wholly owned subsidiary of Macquarie Group Holdings (Singapore) Pte. Limited and its ultimate holding company is Macquarie Group Limited.

## SALE

### General

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

### European Economic Area

Please note that in relation to EEA states, additional selling restrictions may apply in respect of any specific EEA state.

The Warrants are not offered, sold or otherwise made available and will not be offered, sold, or otherwise made available under this document to any retail investor in the European Economic Area. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Warrants or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation. For the purposes of this provision:

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

### United Kingdom

Each dealer has represented and agreed, and each further dealer appointed in respect of the Warrants will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Warrants which are the subject of the offering contemplated by this Base Listing Document to any retail investor in the United Kingdom. Consequently no key information document required by the PRIIPs Regulation as it by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA") forms part of domestic law (the "UK PRIIPs Regulation") for offering or selling the Warrants or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Warrants or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

For the purposes of this provision:

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

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

- (a) in respect of Warrants having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Warrants other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Warrants would otherwise constitute a contravention of Section 19 of the FSMA, by us;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the Warrants in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Warrants in, from or otherwise involving the United Kingdom.

### **United States of America**

The Warrants have not been, and will not be, registered under the Securities Act. Subject to certain exceptions, Warrants, or interests therein, may not at any time be offered, sold, resold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person or to others for offering, sale or resale in the United States or to any such U.S. person. Offers and sales of Warrants, or interests therein, in the United States or to U.S. persons would constitute a violation of United States securities laws unless made in compliance with registration requirements of the Securities Act or pursuant to an exemption therefrom. As used herein, “**United States**” means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; and “**U.S. person**” means any citizen or resident of the United States, including any corporation, partnership or other entity created or organised in or under the laws of the United States or of any political subdivision thereof, any estate



or trust the income of which is subject to United States income taxation regardless of its source, and any other **“U.S. person”** as such term is defined in Regulation S under the Securities Act.

## **Singapore**

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

## **Hong Kong**

Each distributor, purchaser or subscriber of the Warrants has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Warrants, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Warrants which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

## **Commonwealth of Australia**

This document is not a prospectus, product disclosure statement or any other disclosure document for the purposes of the Corporations Act 2001 (Cth) (the **“Act”**). This document has not been, and will not be, lodged with the Australian Securities and Investments Commission, ASX Limited or any other government agency in Australia. Each Warrantholder will be required to represent and agree that, unless the applicable final terms otherwise provides, it:

- (a) has not offered or invited applications, and will not make any offer, or invite applications, for the issue, sale or purchase of any Warrant in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this document, any addendum to the Base Listing Document and this document or any other offering material or advertisement relating to any Warrant in Australia,

Unless:

- (a) the offeree or invitee is a “wholesale client”, “sophisticated investor” or “professional investor” (as defined in the Act);
- (b) the minimum aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies but disregarding moneys lent by the offeror or its associates); or
- (c) the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Act.

Section 708(19) of the Act provides that an offer of debentures for issue or sale does not need disclosure to investors under Part 6D.2 of the Act if the issuer is an Australian ADI. As at the date of this document, the Issuer is an ADI.

## SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with, the information set out on page 122 of the Base Listing Document.

1. Settlement of trades done on a normal “ready basis” on the SGX-ST generally takes place on the second Business Day following the transaction. Dealing in the Warrants will take place in Board Lots in Singapore dollars. For further details on the transfer of Warrants and their exercise, please refer to the section headed “Summary of the Issue” above.
2. It is not the current intention of the Issuer to apply for a listing of the Warrants on any stock exchange other than the SGX-ST.
3. Macquarie Bank is an indirect subsidiary of MGL. Macquarie Group is a large diversified Australian-based financial institution with a long and successful history. Like any financial institution, Macquarie Group has been subject to lawsuits.

As appropriate, the Macquarie Group makes provision for and recognises contingent liabilities in respect of actual and potential claims and proceedings that have not been determined. An assessment of likely losses is made on a case-by-case basis for the purposes of Macquarie Group’s consolidated financial statements and specific provisions that Macquarie Group considers appropriate are made, as described in the Notes to Macquarie Group’s consolidated financial statements for the year ended 31 March 2023.

There are no, nor have there been, any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which Macquarie Bank or the Macquarie Group is aware) in the 12 month period prior to the date of this document which may have or have had a significant effect on the financial position or profitability of Macquarie Bank.

4. To the best of the Issuer's knowledge, there has been no adverse change, material in the context of the issue of the Warrants, in the financial position of the Issuer since 31 March 2023.
5. The following contracts, relating to the issue of the Warrants, have been or will be entered into by the Issuer and may be material to the issue of the Warrants:
  - (a) the Master Instrument; and
  - (b) the Warrant Agent Agreement.

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

6. The Warrants are not fully covered by Shares held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Warrants.
7. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the office of Macquarie Capital Securities (Singapore) Pte. Limited at 9 Straits View, #21-07 Marina One West Tower, Singapore 018937, until the expiry of the Warrants:
  - (a) the Constitution of the Issuer;

- (b) the annual reports for the financial years ended 31 March 2022 and 31 March 2023 of the Issuer;
- (c) the Master Instrument;
- (d) the Warrant Agent Agreement; and
- (e) the Base Listing Document.

## **APPENDIX I**

### **REPRODUCTION OF THE UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023 GEELY AUTOMOBILE HOLDINGS LTD AND ITS SUBSIDIARIES**

The information set out below is a reproduction of the unaudited financial results of the Company and its subsidiaries for the six months ended 30 June 2023 and have been extracted and reproduced from an announcement by the Company dated 22 August 2023.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



吉利汽車控股有限公司

## GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock codes: 175 (HKD counter) and 80175 (RMB counter)

### ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

#### FINANCIAL HIGHLIGHTS

	Six months ended 30 June		Change %
	2023 (Unaudited)	2022 (Unaudited)	
Revenue (RMB'000)	73,181,745	58,183,773	26
Profit attributable to the equity holders of the Company (RMB'000)	1,570,728	1,552,238	1
Earnings per share			
Basic (RMB cents)	14.91	14.83	1
Diluted (RMB cents)	14.75	14.71	0
Total sales volume (Units) (Note 2)	694,045	613,845	13
	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)	
Total assets (RMB'000)	164,278,569	157,826,329	4
Equity attributable to the equity holders of the Company (RMB'000)	76,569,089	75,130,455	2
Net assets per share attributable to the equity holders of the Company (RMB)	7.61	7.47	2
Notes:			
1.	At a meeting of the Board held on 22 August 2023, the Board resolved not to pay an interim dividend to the Company's shareholders (2022: Nil).		
2.	Although the total sales volume is not directly correlated to the revenue recognised by the Group during a specific period as it includes all sales volume of 領克投資有限公司 (LYNK & CO Investment Co., Ltd.) and 重慶睿藍汽車科技有限公司 (Chongqing Livan Automotive Technology Company Limited) on a 100% consolidated basis, the Board believes it better reflects the potential demand for the Group's vehicles.		

## INTERIM RESULTS

The Board of Directors (the “**Board**”) of Geely Automobile Holdings Limited (the “**Company**”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2023. These interim results have been reviewed by the Company’s Audit Committee, comprising solely the independent non-executive directors, one of whom chairs the committee, and the Company’s auditor, Grant Thornton Hong Kong Limited.

### CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2023

		Six months ended 30 June	
		2023	2022
	Note	RMB’000	RMB’000
		(Unaudited)	(Unaudited)
<b>Revenue</b>	3	<b>73,181,745</b>	58,183,773
Cost of sales		<u>(62,641,253)</u>	<u>(49,707,971)</u>
<b>Gross profit</b>		<b>10,540,492</b>	8,475,802
Other gains/(losses), net	4	<b>640,229</b>	896,133
Distribution and selling expenses		<b>(4,767,790)</b>	(3,303,773)
Administrative expenses		<b>(4,867,108)</b>	(4,660,511)
Reversal of impairment loss/(Impairment loss) on trade and other receivables		<b>59,265</b>	(24,089)
Share-based payments		<b>(436,429)</b>	(852,818)
Finance income, net	5(a)	<b>160,749</b>	214,872
Share of results of associates		<b>132,676</b>	(56,785)
Share of results of joint ventures		<u><b>12,016</b></u>	<u>627,682</u>
<b>Profit before taxation</b>	5	<b>1,474,100</b>	1,316,513
Taxation	6	<u><b>(200,592)</b></u>	<u>(38,665)</u>
<b>Profit for the period</b>		<u><b>1,273,508</b></u>	<u>1,277,848</u>
<b>Attributable to:</b>			
Equity holders of the Company		<b>1,570,728</b>	1,552,238
Non-controlling interests		<u><b>(297,220)</b></u>	<u>(274,390)</u>
<b>Profit for the period</b>		<u><b>1,273,508</b></u>	<u>1,277,848</u>
<b>Earnings per share</b>			
Basic	8	<u><b>RMB14.91 cents</b></u>	<u>RMB14.83 cents</u>
Diluted	8	<u><b>RMB14.75 cents</b></u>	<u>RMB14.71 cents</u>

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	<b>Six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Profit for the period</b>	<b>1,273,508</b>	<b>1,277,848</b>
<b>Other comprehensive (expense)/income:</b>		
Items that may be reclassified subsequently to profit or loss:		
– Notes receivable at fair value through other comprehensive income (“FVOCI”)		
Change in fair value	<b>3,410</b>	151,860
Income tax effect	<b>(783)</b>	(32,358)
– Share of other comprehensive income of associate and joint venture, net of related income tax	<b>18,815</b>	9,343
– Exchange differences on translation of financial statements of foreign operations	<b>(80,228)</b>	319,559
Item that will not be reclassified subsequently to profit or loss:		
– Equity investments at FVOCI		
Change in fair value	<b>(29,024)</b>	–
<b>Other comprehensive (expense)/income for the period, net of tax</b>	<b>(87,810)</b>	<b>448,404</b>
<b>Total comprehensive income for the period</b>	<b><u>1,185,698</u></b>	<b><u>1,726,252</u></b>
<b>Attributable to:</b>		
Equity holders of the Company	<b>1,506,117</b>	1,986,262
Non-controlling interests	<b>(320,419)</b>	(260,010)
<b>Total comprehensive income for the period</b>	<b><u>1,185,698</u></b>	<b><u>1,726,252</u></b>



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

		As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
	Note		
<b>Non-current assets</b>			
Property, plant and equipment	9	35,142,763	32,201,419
Intangible assets	10	25,473,260	22,547,705
Land lease prepayments		4,073,271	3,401,795
Goodwill		64,309	61,418
Interests in associates	11	5,502,731	3,967,117
Interests in joint ventures	12	10,125,367	10,268,201
Trade and other receivables	14	1,634,599	1,457,600
Financial assets at FVOCI		254,988	284,012
Deferred tax assets		5,407,340	4,573,149
		<u>87,678,628</u>	<u>78,762,416</u>
<b>Current assets</b>			
Inventories	13	11,737,592	10,822,330
Trade and other receivables	14	31,010,539	34,392,326
Income tax recoverable		209,661	121,020
Restricted and pledged bank deposits		794,336	386,898
Bank balances and cash		32,847,813	33,341,339
		<u>76,599,941</u>	<u>79,063,913</u>
<b>Current liabilities</b>			
Trade and other payables	15	73,101,570	65,480,717
Derivative financial instruments		61,908	80,509
Lease liabilities		697,713	556,579
Bonds payable	18	–	2,062,396
Income tax payable		397,229	773,013
		<u>74,258,420</u>	<u>68,953,214</u>
<b>Net current assets</b>		<u>2,341,521</u>	<u>10,110,699</u>
<b>Total assets less current liabilities</b>		<u>90,020,149</u>	<u>88,873,115</u>

		As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
	<i>Note</i>		
<b>CAPITAL AND RESERVES</b>			
Share capital	19	183,686	183,686
Perpetual capital securities	20	3,413,102	3,413,102
Reserves		<u>72,972,301</u>	<u>71,533,667</u>
<b>Equity attributable to equity holders of the Company</b>		<b>76,569,089</b>	<b>75,130,455</b>
<b>Non-controlling interests</b>		<u><b>4,634,482</b></u>	<u><b>1,065,360</b></u>
<b>Total equity</b>		<u><b>81,203,571</b></u>	<u><b>76,195,815</b></u>
<b>Non-current liabilities</b>			
Trade and other payables	15	2,584,637	1,602,020
Lease liabilities		1,587,256	1,779,429
Bank borrowings	16	2,903,920	2,757,960
Loan from a related company	17	1,200,000	6,000,000
Deferred tax liabilities		<u>540,765</u>	<u>537,891</u>
		<u><b>8,816,578</b></u>	<u><b>12,677,300</b></u>
		<u><b>90,020,149</b></u>	<u><b>88,873,115</b></u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	<b>Six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<i>Note</i>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	<b>1,474,100</b>	1,316,513
Adjustments for non-cash items	<b>4,223,921</b>	4,669,073
Operating profit before working capital changes	<b>5,698,021</b>	5,985,586
Net changes in working capital	<b>6,532,670</b>	5,140,640
Cash generated from operations	<b>12,230,691</b>	11,126,226
Income taxes paid	<b>(1,531,719)</b>	(1,318,680)
<i>Net cash generated from operating activities</i>	<b>10,698,972</b>	9,807,546
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	<b>(2,261,472)</b>	(2,525,363)
Additions of intangible assets	<b>(4,843,469)</b>	(1,828,920)
Additions of land lease prepayments	<b>(115,127)</b>	(52,262)
Proceeds from disposal of property, plant and equipment	<b>129,390</b>	42,254
Net cash outflow on acquisition of a subsidiary	<b>(193,198)</b>	(666,205)
Dividend received from associates	<b>220,387</b>	–
Additional/initial capital injection in associates	<b>(1,081,000)</b>	(354,125)
Additional/initial capital injection in joint ventures	<b>(355,825)</b>	(373,200)
Acquisition of a loan to an associate	<b>(387,354)</b>	–
Advance to a joint venture	<b>(100,000)</b>	–
Change in restricted and pledged bank deposits	<b>(407,438)</b>	(269,977)
Interest received	<b>408,792</b>	418,627
<i>Net cash used in investing activities</i>	<b>(8,986,314)</b>	(5,609,171)

		<b>Six months ended 30 June</b>	
		<b>2023</b>	<b>2022</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<i>Note</i>		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flows from financing activities</b>			
	7	<b>(71,064)</b>	(66,660)
Distribution paid on perpetual capital securities			
Capital contribution from non-controlling interests		<b>5,204,460</b>	1,268,360
Proceeds from bank borrowings		–	615,000
Repayment of bank borrowings		–	(332,769)
Repayment of bonds payable	18	<b>(2,068,422)</b>	–
Advance from a related company		<b>1,898,730</b>	6,000,000
Repayment of loan from a related company		<b>(6,698,730)</b>	–
Proceeds from issuance of shares upon exercise of share options	19	–	7,977
Settlement of payables for acquisition of additional interests in a subsidiary in previous year		–	(1,807,384)
Payment of lease liabilities		<b>(296,312)</b>	(301,204)
Interest paid		<b>(174,885)</b>	(105,533)
<i>Net cash (used in)/generated from financing activities</i>		<b><u>(2,206,223)</u></b>	<u>5,277,787</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			
		<b>(493,565)</b>	9,476,162
Cash and cash equivalents at the beginning of the period		<b>33,341,339</b>	28,013,995
Effect of foreign exchange rate changes		<b>39</b>	72,088
<b>Cash and cash equivalents at the end of the period, represented by bank balances and cash</b>		<b><u>32,847,813</u></b>	<u>37,562,245</u>

## NOTES

### 1. BASIS OF PREPARATION

The interim financial report (the “**Interim Financial Report**”) has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**SEHK**”), including compliance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). It was authorised for issue on 22 August 2023.

The Interim Financial Report is presented in thousands of Renminbi (“**RMB’000**”), unless otherwise stated.

The Interim Financial Report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company and its subsidiaries’ (together referred to as the “**Group**”) annual financial statements for the year ended 31 December 2022.

### 2. ADOPTION OF NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

#### **New or amended HKFRSs that are effective for annual periods beginning on 1 January 2023**

The accounting policies and methods of computation used in the preparation of the Interim Financial Report are consistent with those used in the annual financial statements for the year ended 31 December 2022, except for the adoption of the following new or amended HKFRSs effective as of 1 January 2023.

HKFRS 17	Insurance Contracts and related amendments
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules

Except for those mentioned below, the adoption of these new or amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

#### **Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies”**

The amendments to HKAS 1 require entities to disclose material accounting policy information instead of significant accounting policies in its financial statements. The amendments also provide some guidance on how material policy information are being identified and provide some examples of when accounting policy information is likely to be material.

In March 2021, HKICPA issued HKFRS Practice Statement 2 “Making Materiality Judgements” to provide entities with non-mandatory guidance on how to make materiality judgements when preparing their general purpose financial statements in accordance with HKFRS. HKFRS Practice Statement 2 was subsequently revised to provide guidance and examples on how to apply the concept of materiality to accounting policy disclosures.

The amendments to HKAS 1 are effective for annual reporting period beginning on or after 1 January 2023 and are applied prospectively. The amendments had no impact on the condensed consolidated interim financial statements of the Group.

## **Amendments to HKAS 8 “Definition of Accounting Estimates”**

The amendments clarify how entities should distinguish changes in accounting policies from changes in accounting estimates by introducing a definition for accounting estimates, which is now defined as “monetary amounts in the financial statements that are subject to measurement uncertainty”.

Besides, the amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. Accounting estimates typically involve the use of judgements or assumptions based on latest available reliable information. A change in accounting estimate that results from new information or new development is not correction of an error. Therefore, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. In addition, two illustrative examples are added to illustrate how to apply the new definition of accounting estimates.

The amendments are effective for annual reporting period beginning on or after 1 January 2023 and are applied prospectively. The amendments had no impact on the condensed consolidated interim financial statements of the Group.

## **Amendments to HKAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”**

The amendments clarify that the initial recognition exemption of deferred tax in HKAS 12 “Income Taxes” does not apply to transactions that give rise to equal taxable and deductible temporary differences, such as lease contracts that give rise to the recognition of a lease liability and the corresponding right-of-use assets and contracts that give rise to the recognition of decommissioning obligations and corresponding amounts recognised as assets. Instead, entities are required to recognise the related deferred tax asset and liability on initial recognition, with the recognition of any deferred tax asset being subject to the recoverability criteria in HKAS 12 “Income Taxes”.

The Group adopted the amendments from 1 January 2023 and are required to recognise the associated deferred tax assets and liabilities from leases that occurred on or after 1 January 2022 from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained profits at that date.

Prior to the application of the amendments, the Group had recognised the deferred tax assets and liabilities arising from leases on a net basis. Following the requirements of the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets as at 1 January 2022. As the balances are qualified for offset under paragraph 74 of HKAS 12, there is no material impact on the opening retained profits as at 1 January 2022 as a result of the amendments. However, the amendments require additional disclosure of deferred tax assets and liabilities which may have impact on the annual consolidated financial statements.

## Accounting policy newly applied by the Group

In addition, the Group has applied the following accounting policy which became relevant to the Group in the current interim period.

### Revenue recognition

#### *Subcontracting income*

Revenue is generally recognised at a point in time when the customers gain possession and control of the contracted services. A receivable is recognised upon the provision of services, as it signifies the point at which the consideration becomes unconditional due to the passage of time before payment is due. Revenue excludes value-added tax (“VAT”) or related sales taxes and is presented net of discounts.

Subcontracting income is recognised upon the successful delivery of subcontracted services and the customers’ acceptance and attainment of control over the rendered services.

### Issued but not yet effective HKFRSs

As at the date of this announcement, certain amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 <sup>1</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>1</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>1</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2024

<sup>2</sup> Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group’s accounting policies for the first period beginning on or after the effective date of the pronouncement. The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group’s condensed consolidated financial statements.

### 3. REVENUE AND SEGMENT INFORMATION

#### Revenue

Revenue represents sales of automobiles, automobile parts and components, battery packs and related parts, provision of subcontracting services, research and development and related technological support services and licensing of intellectual properties, net of VAT or related sales taxes and net of discounts. Revenue was mainly derived from customers located in the People's Republic of China (the "PRC").

	<b>Six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Revenue from contracts with customers within the scope of HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15")</b>		
<b>Disaggregated by major products/services</b>		
– Sales of automobiles and related services	<b>60,284,330</b>	49,202,613
– Sales of automobile parts and components	<b>4,100,887</b>	4,727,305
– Sales of battery packs and related parts	<b>5,954,587</b>	1,686,566
– Research and development and related technological support service	<b>1,883,870</b>	1,838,922
– Licensing of intellectual properties	<b>823,385</b>	728,367
– Subcontracting income	<b>134,686</b>	–
	<b><u>73,181,745</u></b>	<b><u>58,183,773</u></b>
<b>Disaggregated by timing of revenue recognition</b>		
– At a point in time	<b>71,206,671</b>	56,214,324
– Over time	<b>1,975,074</b>	1,969,449
	<b><u>73,181,745</u></b>	<b><u>58,183,773</u></b>

#### Segment information

The chief operating decision-maker has been identified as the executive directors of the Company collectively, who determine the operating segments of the Group and review the Group's internal reporting in order to assess performance and allocate resources. All of the Group's business operations relate to the production and sales of automobiles, automobile parts and components and battery packs and related parts, provision of subcontracting services, research and development and related technological support services and licensing of related intellectual properties with similar economic characteristics. Accordingly, the executive directors review the performance of the Group as a single business segment. No separate analysis of the segment results by reportable segment is necessary.



## Information about a major customer

Revenue from a customer which individually contributed over 10% of the Group's revenue is as follows:

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Customer A <sup>#</sup>	<b><u>11,904,647</u></b>	<b><u>9,696,925</u></b>

<sup>#</sup> It includes a group of entities which are under common control by Mr. Li Shu Fu and his associates.

## 4. OTHER GAINS/(LOSSES), NET

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Government grants and subsidies ( <i>note</i> )	<b>313,835</b>	235,282
Net foreign exchange (loss)/gain	<b>(114,584)</b>	38,132
Net realised and unrealised (loss)/gain on derivative financial instruments	<b>(44,081)</b>	406,591
Net loss on disposal/written off of property, plant and equipment and land lease payments	<b>(55,235)</b>	—
Fair value changes on financial assets at fair value through profit or loss	—	26,906
Logistics service income	<b>127,790</b>	32,499
Quality management and information technology service income	<b>54,034</b>	10,694
Gain on disposal of scrap materials	<b>27,441</b>	14,282
Net gain on written off long outstanding payable	<b>45,153</b>	—
Replacement service income	<b>10,405</b>	575
Gain on deemed disposal of investment accounted for using the equity method ( <i>note 11</i> )	<b>10,208</b>	—
Export service income	<b>8,497</b>	1,203
Rental income	<b>2,168</b>	1,585
Sundry income	<b><u>254,598</u></b>	<b><u>128,384</u></b>
	<b><u>640,229</u></b>	<b><u>896,133</u></b>

*Note:* Government grants and subsidies mainly related to cash subsidies from government in respect of operating and research and development activities which are either unconditional grants or grants with conditions having been satisfied.

## 5. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>(a) Finance income and costs</b>		
<b>Finance costs</b>		
Effective interest expense on bonds payable	298	1,722
Coupon expense on bonds payable	5,408	35,606
Interest on discounted notes receivable	4,065	52,309
Interest on lease liabilities	31,745	30,716
Interest on loans from related companies	156,178	49,916
Interest on bank borrowings wholly repayable within five years	<u>69,890</u>	<u>38,320</u>
	<u>267,584</u>	<u>208,589</u>
<b>Finance income</b>		
Bank and other interest income	<u>(428,333)</u>	<u>(423,461)</u>
<b>Net finance income</b>	<u><u>(160,749)</u></u>	<u><u>(214,872)</u></u>
<b>(b) Staff costs (including directors' emoluments) (note (a))</b>		
Salaries, wages and other benefits	3,557,247	2,788,778
Retirement benefit scheme contributions (note (b))	266,367	195,669
Equity settled share-based payments	<u>436,429</u>	<u>852,818</u>
	<u><u>4,260,043</u></u>	<u><u>3,837,265</u></u>

	Six months ended 30 June	
	2023	2022
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
<b>(c) Other items</b>		
Depreciation ( <i>note (a)</i> ):		
– Owned assets	1,530,960	1,369,278
– Right-of-use assets (including land lease prepayments)	<u>380,028</u>	<u>317,921</u>
Total depreciation	<u>1,910,988</u>	<u>1,687,199</u>
Amortisation of intangible assets (related to capitalised product development costs)	2,146,394	2,339,000
Research and development costs	843,808	926,194
Cost of inventories recognised as an expense ( <i>note (a)</i> ), including:	60,681,865	48,044,111
– Reversal of write-down of inventories to net realisable value	(1,225)	(3,676)
Lease charges on short term leases	77,232	57,787
Net loss on disposal/written off of property, plant and equipment and land lease payments	55,235	35,462
Net foreign exchange loss/(gain)	<u>114,584</u>	<u>(38,132)</u>

*Notes:*

- (a) Cost of inventories included RMB3,003,670,000 (six months ended 30 June 2022: RMB2,958,903,000) relating to staff costs and depreciation, which amounts were also included in the respective total amounts disclosed separately for each of these types of expenses.
- (b) As at 30 June 2023, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future periods/years (as at 31 December 2022: RMBNil).

## 6. TAXATION

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
<b>Current tax:</b>		
– PRC enterprise income tax	1,087,911	673,440
– Over-provision in prior years	(20,617)	(38,495)
	<u>1,067,294</u>	<u>634,945</u>
<b>Deferred tax</b>	<u>(866,702)</u>	<u>(596,280)</u>
	<u><u>200,592</u></u>	<u><u>38,665</u></u>

Hong Kong profits tax has not been provided as the Hong Kong incorporated companies within the Group had no estimated assessable profits in Hong Kong for the six months ended 30 June 2023 and 2022.

The income tax provision of the Group in respect of its operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the period based on the existing legislation, interpretations and practises in respect thereof. The PRC enterprise income tax rate is 25% (six months ended 30 June 2022: 25%).

Pursuant to the relevant laws and regulations in the PRC, certain PRC subsidiaries of the Group obtained the High and New Technology Enterprises qualification. Also, certain PRC subsidiaries of the Group located in the western region of the PRC are engaged in the encouraged businesses. Accordingly, they enjoyed a preferential income tax rate of 15% for the six months ended 30 June 2023 and 2022.

According to relevant laws and regulations promulgated by the State Administration of Taxation of the PRC that was effective from 2018, enterprises engaging in research and development activities are entitled to claim 200% of their eligible research and development costs so incurred as tax deductible expenses when determining their assessable profits for that period (“**Super Deduction**”). The Group made its best estimate for the Super Deduction to be claimed for the Group’s PRC subsidiaries in ascertaining their assessable profits for the six months ended 30 June 2023 and 2022.

The share of results of associates and joint ventures in the condensed consolidated income statement is after income taxes accrued in the appropriate income tax jurisdictions.

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

## 7. DIVIDENDS

During the current period, a final dividend for the year ended 31 December 2022 of Hong Kong dollars (“HK\$”) 0.21 (six months ended 30 June 2022: HK\$0.21) per ordinary share, amounting to approximately RMB1,915,763,000 (six months ended 30 June 2022: RMB1,787,669,000), has been declared and approved by the shareholders at the annual general meeting of the Company. The 2022 final dividend was paid in July 2023 and reflected as dividends payable in this Interim Financial Report.

In addition, the Company made a distribution on perpetual capital securities of RMB71,064,000 (six months ended 30 June 2022: RMB66,660,000) to the securities holders during the six months ended 30 June 2023.

## 8. EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of the basic earnings per share is based on profit for the period attributable to ordinary equity holders of the Company of RMB1,499,664,000 (six months ended 30 June 2022: RMB1,485,578,000) and weighted average number of ordinary shares of 10,056,973,786 shares (six months ended 30 June 2022: 10,019,544,970 shares), calculated as follows:

#### *Profit attributable to ordinary equity holders of the Company*

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period attributable to equity holders of the Company	1,570,728	1,552,238
Distribution paid on perpetual capital securities ( <i>note 7</i> )	(71,064)	(66,660)
Profit for the period attributable to ordinary equity holders of the Company	<u>1,499,664</u>	<u>1,485,578</u>

#### *Weighted average number of ordinary shares*

	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
Issued ordinary shares at 1 January ( <i>note 19</i> )	10,056,973,786	10,018,441,540
Effect of share options exercised	–	1,103,430
Weighted average number of ordinary shares at 30 June	<u>10,056,973,786</u>	<u>10,019,544,970</u>

**(b) Diluted earnings per share**

The calculation of diluted earnings per share is based on profit for the period attributable to ordinary equity holders of the Company of RMB1,499,664,000 (six months ended 30 June 2022: RMB1,485,578,000) and the weighted average number of ordinary shares of 10,167,585,286 shares (six months ended 30 June 2022: 10,096,115,647 shares), calculated as follows:

***Weighted average number of ordinary shares (diluted)***

	<b>Six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Weighted average number of ordinary shares (basic) at 30 June	<b>10,056,973,786</b>	10,019,544,970
Effect of deemed issue of shares under the Company's share option scheme	–	59,528
Effect of dilutive potential ordinary shares arising from award shares issued under the Company's share award scheme	<b>110,611,500</b>	76,511,149
	<b><u>10,167,585,286</u></b>	<b><u>10,096,115,647</u></b>
Weighted average number of ordinary shares (diluted) at 30 June	<b><u>10,167,585,286</u></b>	<b><u>10,096,115,647</u></b>

**9. PROPERTY, PLANT AND EQUIPMENT**

The movements of the property, plant and equipment for the period/year are set out below:

	<b>As at 30 June 2023 RMB'000 (Unaudited)</b>	<b>As at 31 December 2022 RMB'000 (Audited)</b>
<b>Net carrying amount</b>		
At the beginning of the period/year	<b>32,201,419</b>	30,858,504
Additions	<b>2,839,834</b>	4,958,077
Acquisition through business combination	<b>2,240,675</b>	346,947
Disposals/written off	<b>(242,092)</b>	(186,683)
Early termination of leases	<b>(40,728)</b>	(138,707)
Depreciation	<b>(1,865,042)</b>	(3,432,870)
Impairment losses	–	(199,026)
Exchange realignment	<b>8,697</b>	(4,823)
At the end of the period/year	<b><u>35,142,763</u></b>	<b><u>32,201,419</u></b>

The Group has obtained the right to use office and factory premises, retail and service centres and motor vehicles through the tenancy agreements. The remaining lease term is one to eighteen years (as at 31 December 2022: one to nineteen years). The Group generally makes fixed payments during the contract period. During the six months ended 30 June 2023, the total additions to right-of-use assets were RMB286,001,000 (six months ended 30 June 2022: RMB1,085,235,000).

As at 30 June 2023, the aggregate carrying amount of the Group's right-of-use assets in relation to the buildings, plant and machinery and motor vehicles are RMB2,258,226,000 (as at 31 December 2022: RMB2,333,944,000).

## 10. INTANGIBLE ASSETS

The movements of the intangible assets for the period/year are set out below:

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
<b>Net carrying amount</b>		
At the beginning of the period/year	22,547,705	20,901,178
Additions	5,069,984	6,424,582
Acquisition through business combination	1,965	20,511
Amortisation	(2,146,394)	(4,799,250)
Exchange realignment	—	684
	<u>25,473,260</u>	<u>22,547,705</u>
At the end of the period/year	<u>25,473,260</u>	<u>22,547,705</u>

## 11. INTERESTS IN ASSOCIATES

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Cost of unlisted investments	3,944,375	2,332,668
Share of post-acquisition results and other comprehensive income	(140,746)	(64,653)
Gain on bargain purchase upon subscription for an associate	1,749,734	1,749,734
Impairment loss recognised	(3,349)	(3,349)
Exchange realignment	(47,283)	(47,283)
	<u>5,502,731</u>	<u>3,967,117</u>

Details of the Group's interests in associates as at 30 June 2023 and 31 December 2022, are as follows:

Name of associates	Place of establishments and operations	Form of business structure	Particulars of issued and paid up/ registered capital	Attributable equity interest held by the Group		Principal activities
				As at 30 June 2023	As at 31 December 2022	
Hanna Mando (Ningbo) Automobile Chassis System Technology Co., Limited <sup>#</sup> 漢拿萬都(寧波)汽車底盤系統科技有限公司	PRC	Incorporated	United States dollars ("US\$") 85,000,000	35%	35%	Manufacturing of key components and electronic devices of automobile chassis
Closed Joint Stock Company BELGEE	Republic of Belarus	Incorporated	Belarusian Ruble 234,535,000	36.7%	36.7%	Production, marketing and sales of vehicles
PT Geely Mobil Indonesia	Republic of Indonesia	Incorporated	US\$3,260,200	30%	30%	Production, marketing and sales of vehicles
Times Geely Power Battery Company Limited <sup>#</sup> 時代吉利動力電池有限公司	PRC	Incorporated	RMB501,000,000	49%	49%	Research and development, manufacturing and sales of battery cells, battery modules and battery packs
Zhejiang Haohan Energy Technology Company Limited <sup>#</sup> 浙江浩瀚能源科技有限公司	PRC	Incorporated	RMB500,000,000	30%	30%	Research and development of automobile charging systems and technologies, provision of automobile charging services and operation of automobile charging points and network
Wuxi Xingqu Technology Company Limited <sup>#</sup> 無錫星驅科技有限公司	PRC	Incorporated	RMB61,250,000	27.6%	27.6%	Research and development of automobile parts and components
Zhejiang Shuangli Automobile Intelligent Technology Company Limited <sup>#</sup> 浙江雙利汽車智能科技有限公司	PRC	Incorporated	RMB90,000,000	35%	35%	Not yet commenced the business



Name of associates	Place of establishments and operations	Form of business structure	Particulars of issued and paid up/ registered capital	Attributable equity interest held by the Group		Principal activities
				As at 30 June 2023	As at 31 December 2022	
Renault Korea Motors Co., Ltd. (“ <b>Renault Korea</b> ”)	Republic of Korea	Incorporated	South Korean Won 666,875,000,000	<b>34.02%</b>	34.02%	Design, development, manufacturing, production, assembly, sales, distribution, import, export and marketing of automobiles, related parts and accessories
Chongqing Livan Automotive Technology Company Limited <sup>#</sup> (“ <b>Chongqing Livan</b> ”) 重慶睿藍汽車科技有 限公司	PRC	Incorporated	RMB1,450,000,000 (as at 31 December 2022: RMB600,000,000)	<b>45%</b>	– (Note 12)	Research and development, sales and operations of vehicles (including but not limited to battery swapping vehicles)
Zhejiang Xingchuang Automobile Software Technology Co., Ltd. <sup>#</sup> (“ <b>Xingchuang</b> ”) 浙江星創汽車軟件科 技有限公司	PRC	Incorporated	RMB40,000,000	<b>45%</b>	–	Not yet commenced the business
PROTON Holdings Berhad (“ <b>PROTON</b> ”)	Malaysia	Incorporated	Malaysian Ringgit (“ <b>RM</b> ”) 1,009,513,000	<b>49.9%</b>	–	Manufacturing and sales of vehicles under the “PROTON” brand in Southeast Asia
DRB-HICOM Geely Sdn. Bhd. (“ <b>DHG</b> ”)	Malaysia	Incorporated	RM1,000	<b>49.9%</b>	–	Investment holding

## PROTON and DHG

On 20 January 2023, the Group had entered into acquisition agreements with a fellow subsidiary owned by the Company’s ultimate holding company pursuant to which the Group conditionally agreed to acquire 49.9% of the issued and paid-up ordinary share capital of PROTON and DHG for a cash consideration of approximately RMB1,450.4 million (of which US\$56,390,000 (equivalent to approximately RMB387.4 million) was related to the loan receivable to be sold to the Group) and a nominal consideration of US\$1 (equivalent to approximately RMB7), respectively. PROTON is principally engaged in manufacturing and sale of motor vehicles of its own brand in Southeast Asia. DHG is principally engaged in investment holding.

The acquisition of PROTON provides a valuable opportunity for the Group to enter the passenger vehicle market of right-hand drive models in Southeast Asia. By leveraging the resources and experiences of PROTON, the Group will be able to further strengthen its business development in Southeast Asia after completion of the acquisition. The Group will continue to collaborate with PROTON in the development of electric vehicle models under PROTON brand in the future.

DHG was incorporated by DRB-HICOM Berhad and Geely International (Hong Kong) Limited to restructure the intercompany debt in the amount of approximately RM1,616.4 million (equivalent to approximately RMB2,551.3 million) (the “**Debt**”) between PROTON (as borrower) and Perusahaan Otomobil Nasional Sdn. Bhd. (“**PONSB**”) (a wholly-owned subsidiary of PROTON, as lender). In order to set off against the Debt, PROTON issued non-convertible redeemable preference shares to DHG and DHG issued the same number of non-convertible redeemable preference shares to PONSBB at the same consideration equivalent to the Debt amount. No voting right is attached to the aforesaid non-convertible redeemable preference shares, which can only be redeemed at the discretion of the issuer when it has sufficient funds. The acquisition of DHG is intertwined with the acquisition of PROTON because the incorporation of DHG is solely for the purpose of PROTON’s internal debt restructuring.

### **Chongqing Livan**

On 13 December 2021, the Group entered into the investment cooperation agreement with Lifan Technology (Group) Company Limited# 力帆科技(集團)股份有限公司 (“**Lifan Technology**”), pursuant to which the Company and Lifan Technology agreed to form Chongqing Livan, to engage in the research and development, sales and operations of vehicles (including but not limited to battery swapping vehicles). Pursuant to the terms of the investment cooperation agreement, the registered capital of Chongqing Livan will be RMB600 million, and will be contributed as to 50% (equivalent to RMB300 million) by the Group and as to 50% (equivalent to RMB300 million) by Lifan Technology, respectively. Shareholder’s meeting is the highest authority, and the voting rights in the meeting are in proportion to respective subscribed ratio.

Therefore, the Group’s investment in Chongqing Livan as at 31 December 2022 was classified as a joint venture and accounted for using the equity method.

During the six months ended 30 June 2022, the Group and Lifan Technology contributed RMB300,000,000 and RMB300,000,000, respectively, to Chongqing Livan.

On 20 June 2023, the Group entered into a capital injection agreement with Lifan Technology, pursuant to which the Group agreed to inject approximately RMB355,825,000 and Lifan Technology agreed to inject approximately RMB494,175,000. As a result of the capital injection, the Group’s equity interests in Chongqing Livan were diluted from 50% to 45% and the Group can only exert significant influence over the financial and operating activities of Lifan Technology.

Therefore, the Group’s investment in Chongqing Livan was reclassified from the joint venture to the associate. Besides, the gain on deemed disposal of investment in Chongqing Livan of RMB10,208,000 was recognised in “Other gains/(losses), net” in the condensed consolidated income statement during the six months ended 30 June 2023.

# The English translation of the name of the companies established in the PRC is for reference only. The official names of these companies are in Chinese.

## Xingchuang

During the six months ended 30 June 2023, the Group and other investor established an associate company, Xingchuang. Pursuant to the articles of association of Xingchuang, the registered capital of Xingchuang will be RMB40,000,000, and is contributed as to 45% (equivalent to RMB18,000,000) by the Group and as to 55% (equivalent to RMB22,000,000) by an independent third party, respectively. The Group completed the capital contribution in March 2023.

Summarised financial information of PROTON and its subsidiaries (“**PROTON Group**”), Renault Korea and Chongqing Livan and its subsidiaries (“**Chongqing Livan Group**”), the Group’s material associates, adjusted for any differences in accounting policies, and reconciled to the carrying amount in the condensed consolidated financial statements, are disclosed below:

	<b>PROTON Group</b>	<b>Renault Korea</b>		<b>Chongqing Livan Group</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RMB’000</b>	<b>RMB’000</b>	<b>RMB’000</b>	<b>RMB’000</b>	<b>RMB’000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
Non-current assets	<b>10,014,757</b>	<b>4,969,880</b>	5,188,477	<b>1,146,737</b>	389,842
Current assets	<b>5,234,609</b>	<b>7,244,782</b>	8,858,630	<b>4,595,952</b>	3,369,318
Current liabilities	<b>(5,338,221)</b>	<b>(2,737,320)</b>	(4,033,161)	<b>(4,547,000)</b>	(3,126,272)
Non-current liabilities	<b>(2,742,235)</b>	<b>(417,721)</b>	(646,950)	<b>(16,341)</b>	(11,212)
Net assets	<b><u>7,168,910</u></b>	<b><u>9,059,621</u></b>	<u>9,366,996</u>	<b><u>1,179,348</u></b>	<u>621,676</u>

	<b>PROTON Group</b>	<b>Renault Korea</b>		<b>Chongqing Livan Group</b>	
	<b>For the period</b>			<b>For the period</b>	
	<b>from 28 April</b>			<b>from 24 January</b>	
	<b>2023 (date of</b>	<b>Six months</b>	<b>Six months</b>	<b>2022 (date of</b>	
	<b>acquisition) to</b>	<b>ended 30 June</b>	<b>ended 30 June</b>	<b>incorporation) to</b>	
	<b>30 June 2023</b>	<b>2023</b>	<b>2023</b>	<b>30 June 2022</b>	
	<b>RMB’000</b>	<b>RMB’000</b>	<b>RMB’000</b>	<b>RMB’000</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
Revenue	<b>2,699,271</b>	<b>10,512,043</b>	<b>1,159,363</b>	<b>1,648,207</b>	
Profit/(Loss) for the period	<b>56,348</b>	<b>221,708</b>	<b>(297,582)</b>	<b>2,583</b>	
Other comprehensive income for the period	<b>–</b>	<b>1,120</b>	<b>–</b>	<b>–</b>	
Total comprehensive income/ (expenses) for the period	<b>56,348</b>	<b>222,828</b>	<b>(297,582)</b>	<b>2,583</b>	
Movement of capital reserve	<b>–</b>	<b>–</b>	<b>5,254</b>	<b>–</b>	
Dividends received from an associate	<b><u>–</u></b>	<b><u>180,375</u></b>	<b><u>–</u></b>	<b><u>–</u></b>	

Reconciliation of the above summarised financial information to the carrying amount of the Group's interests in PROTON Group, Renault Korea and Chongqing Livan Group recognised in the condensed consolidated financial statements:

	<b>PROTON Group</b>	<b>Renault Korea</b>		<b>Chongqing Livan Group</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
Net assets of the associates	<b>7,168,910</b>	<b>9,059,621</b>	9,366,996	<b>1,179,348</b>	621,676
Adjustment ( <i>note</i> )	<b>(5,808,547)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
	<b>1,360,363</b>	<b>9,059,621</b>	9,366,996	<b>1,179,348</b>	621,676
The Group's effective interests in the associates	<b>49.9%</b>	<b>34.02%</b>	34.02%	<b>45%</b>	50%
	<b>678,821</b>	<b>3,082,083</b>	3,186,652	<b>530,707</b>	310,838
Goodwill	<b>403,701</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Carrying amount of the Group's interests in associates	<b>1,082,522</b>	<b>3,082,083</b>	<b>3,186,652</b>	<b>530,707</b>	<b>310,838</b>

*Note:* The amounts represented the non-controlling interests in the subsidiary of PROTON and cumulative preference shares that are held by parties other than the Group in PROTON and the related undeclared dividend.

Aggregate financial information of associates that are not individually material:

	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Aggregate amounts of the Group's share of profit/(loss) for the period/year	<b>37,729</b>	(206,388)
Aggregate amounts of the Group's share of other comprehensive income/(expense) for the period/year	<b>11,237</b>	(25,154)
Aggregate carrying amount of the Group's interests in these associates	<b>807,419</b>	<b>497,134</b>

## 12. INTERESTS IN JOINT VENTURES

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Cost of unlisted investments	7,505,706	7,805,706
Unrealised gain on disposal of a subsidiary to a joint venture	(14,943)	(14,943)
Share of post-acquisition results and other comprehensive income (including reserves)	2,773,236	2,616,070
Impairment loss recognised	(138,632)	(138,632)
	<b>10,125,367</b>	<b>10,268,201</b>

Details of the Group's joint ventures which are unlisted corporate entities whose quoted market prices are not available and accounted for using the equity method in the condensed consolidated financial statements as at 30 June 2023 and 31 December 2022 were as follows:

Name of joint ventures	Place of establishments and operations	Form of business structure	Particulars of registered capital	Proportion of ownership interest held by the Group		Principal activities
				As at 30 June 2023	As at 31 December 2022	
Genius Auto Finance Company Limited <sup>#</sup> ("Genius AFC") 吉致汽車金融有限公司	PRC	Incorporated	RMB4,000,000,000	80%	80%	Vehicles financing business
LYNK & CO Investment Co., Ltd. <sup>#</sup> ("LYNK & CO Investment") 領克投資有限公司	PRC	Incorporated	RMB7,500,000,000	50%	50%	Manufacturing and sales of vehicles under the "Lynk & Co" brand
Zhejiang Geely AISIN Automatic Transmission Company Limited <sup>#</sup> 浙江吉利愛信自動變速器有限公司	PRC	Incorporated	US\$117,000,000	40%	40%	Manufacturing and sales of front-wheel drive 8-speed automatic transmissions and related parts and components
Shandong Geely Sunwoda Power Battery Company Limited <sup>#</sup> 山東吉利欣旺達動力電池有限公司	PRC	Incorporated	RMB100,000,000	41.5%	41.5%	Development, production, sales and after-sales service of hybrid battery cells, battery modules and battery packs

Name of joint ventures	Place of establishments and operations	Form of business structure	Particulars of registered capital	Proportion of ownership interest held by the Group		Principal activities
				As at 30 June 2023	As at 31 December 2022	
Guangdong Xinyueneng Semiconductor Company Limited <sup>#</sup> 廣東芯粵能半導體有限公司	PRC	Incorporated	RMB400,000,000	40%	40%	Provision of integrated circuit design, manufacturing, sales and the manufacturing of semiconductors
Chongqing Livan	PRC	Incorporated	RMB1,450,000,000 (As at 31 December 2022: RMB600,000,000)	- (Note 11)	50%	Research and development, sales and operations of vehicles (including but not limited to battery swapping vehicles)

<sup>#</sup> The English translation of the names of the companies established in the PRC is for reference only. The official names of the companies are in Chinese.

## Genius AFC

On 11 August 2020, BNP Paribas Personal Finance (“**BNPP PF**”) served a written notice to the Company on the exercise of the call option associated with the joint venture agreement (the “**Call Option**”) pursuant to which, subject to the agreement on the exercise price and other terms, BNPP PF will acquire from the Company such additional equity interest in Genius AFC to increase its equity interest in Genius AFC up to 50%.

On 11 July 2022, the Company entered into the equity transfer agreement (the “**Equity Transfer Agreement**”) with BNPP PF and its wholly-owned subsidiary as purchaser in relation to the exercise of the Call Option by BNPP PF, pursuant to which the wholly-owned subsidiary of BNPP PF has conditionally agreed to purchase from the Company and the Company has conditionally agreed to sell to the wholly-owned subsidiary of BNPP PF an interest of 5% in the registered capital of Genius AFC at an initial cash consideration of approximately RMB420,706,000, which will be subsequently adjusted for any change in the book value of Genius AFC between 31 July 2020 and the completion date which will be determined and confirmed in the audited financial statements of Genius AFC as of the completion date (the “**Disposal**”). The Disposal was completed in August 2023. Please refer to the Company’s announcement dated 11 July 2022 for further details.

Summarised financial information of LYNK & CO Investment and its subsidiaries (“LYNK & CO Group”) and Genius AFC, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the condensed consolidated statement of financial position, were disclosed below:

	LYNK & CO Group		Genius AFC	
	As at	As at	As at	As at
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Non-current assets	16,489,367	16,879,085	1,896,294	1,900,081
Current assets	21,377,335	16,801,102	57,708,684	56,651,975
Current liabilities	(25,871,637)	(22,449,072)	(31,035,472)	(30,564,197)
Non-current liabilities	(4,639,597)	(3,229,351)	(20,662,673)	(20,728,964)
Net assets	<u>7,355,468</u>	<u>8,001,764</u>	<u>7,906,833</u>	<u>7,258,895</u>

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	2,481,209	2,894,042	6,859,731	5,557,605
Current financial liabilities (excluding trade and other payables and provisions)	(3,512,502)	(2,014,539)	(27,947,938)	(27,069,302)
Non-current financial liabilities (excluding trade and other payables and provisions)	<u>(3,388,788)</u>	<u>(1,988,666)</u>	<u>(20,662,673)</u>	<u>(20,728,964)</u>

	LYNK & CO Group		Genius AFC	
	Six months ended 30 June			
	2023	2022	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	12,462,437	12,457,018	2,228,668	2,217,306
(Loss)/Profit for the period	(660,691)	200,205	647,938	741,353
Other comprehensive income/ (expense) for the period	14,395	(6,868)	—	—
Total comprehensive (expense)/ income for the period	(646,296)	193,337	647,938	741,353
Dividend from a joint venture	—	—	—	400,000

The above (loss)/profit for the period including the following:

Depreciation and amortisation	(1,743,459)	(1,434,927)	(24,695)	(19,512)
Interest income	37,480	26,018	2,139,418	2,167,619
Interest expenses	(116,420)	(37,866)	(820,120)	(889,969)
Income tax credit/(expense)	<u>134,532</u>	<u>(71,010)</u>	<u>(215,979)</u>	<u>(247,118)</u>

Reconciliation of the above summarised financial information to the carrying amount of the Group's interests in joint ventures recognised in the condensed consolidated statement of financial position:

	<b>LYNK &amp; CO Group</b>		<b>Genius AFC</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
Net assets of the joint ventures	<b>7,355,468</b>	8,001,764	<b>7,906,833</b>	7,258,895
The Group's effective interests in the joint ventures	<u><b>50%</b></u>	<u>50%</u>	<u><b>80%</b></u>	<u>80%</u>
The Group's share of the net assets of the joint ventures	<b>3,677,734</b>	4,000,882	<b>6,325,466</b>	5,807,116
Unrealised gain on disposal of a subsidiary to a joint venture	<u><b>(14,943)</b></u>	<u>(14,943)</u>	<u><b>—</b></u>	<u>—</u>
Carrying amount of the Group's interests in joint ventures	<u><b>3,662,791</b></u>	<u>3,985,939</u>	<u><b>6,325,466</b></u>	<u>5,807,116</u>

Aggregate financial information of joint ventures that are not individually material:

	<b>As at</b>	<b>As at</b>
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Aggregate amounts of the Group's share of loss for the period/year	<b>(175,988)</b>	(157,858)
Aggregate amounts of the Group's share of other comprehensive expense and reserve for the period/year	<b>2,627</b>	—
Aggregate carrying amount of the Group's interests in these joint ventures	<u><b>137,110</b></u>	<u>164,308</u>

### 13. INVENTORIES

	<b>As at</b>	<b>As at</b>
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Raw materials	<b>3,941,694</b>	3,737,758
Work in progress	<b>544,302</b>	405,513
Finished goods	<u><b>7,253,113</b></u>	<u>6,681,801</u>
	<b>11,739,109</b>	10,825,072
Less: provision for inventories	<u><b>(1,517)</b></u>	<u>(2,742)</u>
	<u><b>11,737,592</b></u>	<u>10,822,330</u>



# 14. TRADE AND OTHER RECEIVABLES

		As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
	<i>Note</i>		
<b>Trade and notes receivables</b>			
Trade receivables, net of loss allowance			
– Third parties		1,268,425	914,002
– Joint ventures		1,027,520	1,491,801
– Associates		2,887,580	1,083,478
– Related companies controlled by the substantial shareholder of the Company		<u>7,146,376</u>	<u>8,176,897</u>
	(a)	12,329,901	11,666,178
Notes receivable	(b)	<u>11,658,159</u>	<u>17,047,131</u>
		<u>23,988,060</u>	<u>28,713,309</u>
<b>Deposits, prepayments and other receivables</b>			
Prepayments to suppliers			
– Third parties		799,176	1,323,349
– Associates		41,618	85,635
– Related companies controlled by the substantial shareholder of the Company		<u>593,752</u>	<u>158,635</u>
		1,434,546	1,567,619
Deposits paid for acquisition of property, plant and equipment		439,991	382,489
Other contract costs	(c)	590,579	547,731
Utility deposits and other receivables		1,941,207	1,921,466
Loan to an associate	(d)	391,511	–
Loan to a joint venture	(e)	100,000	–
VAT and other taxes receivables		<u>3,336,944</u>	<u>2,334,275</u>
		8,234,778	6,753,580
Amounts due from related companies controlled by the substantial shareholder of the Company	(f)	<u>422,300</u>	<u>383,037</u>
		<u>8,657,078</u>	<u>7,136,617</u>
		<u>32,645,138</u>	<u>35,849,926</u>
<b>Representing:</b>			
– Current		31,010,539	34,392,326
– Non-current		<u>1,634,599</u>	<u>1,457,600</u>
		<u>32,645,138</u>	<u>35,849,926</u>

**(a) Trade receivables**

The Group allows average credit periods ranged from 30 days to 90 days (as at 31 December 2022: 30 days to 90 days) to its PRC customers from sales of automobiles, automobile parts and components and battery packs and related parts, provision of subcontracting services, research and development and related technological support services. In respect of the trade receivable from related companies arising from the licensing of intellectual properties, it will be settled within five years in accordance with the contract terms. Ageing analysis of the trade receivables of the PRC customers, based on invoice date and net of loss allowance, at the end of the reporting period was as follows:

	<b>As at 30 June 2023 RMB'000 (Unaudited)</b>	<b>As at 31 December 2022 RMB'000 (Audited)</b>
0 – 60 days	<b>5,573,621</b>	7,240,582
61 – 90 days	<b>73,523</b>	285,072
91 – 365 days	<b>1,377,237</b>	390,635
Over 365 days	<b>92,542</b>	298,372
	<b><u>7,116,923</u></b>	<b><u>8,214,661</u></b>

For overseas customers, the Group allows credit periods ranged from 30 days to 210 days (as at 31 December 2022: 30 days to 210 days). Ageing analysis of the trade receivables of the overseas customers, based on invoice date and net of loss allowance, at the end of the reporting period was as follows:

	<b>As at 30 June 2023 RMB'000 (Unaudited)</b>	<b>As at 31 December 2022 RMB'000 (Audited)</b>
0 – 60 days	<b>4,121,206</b>	2,585,390
61 – 90 days	<b>796,852</b>	607,106
91 – 365 days	<b>294,920</b>	259,021
	<b><u>5,212,978</u></b>	<b><u>3,451,517</u></b>

As at 30 June 2023, the Group has adopted average expected loss rate of 0.3% to 3.6% (as at 31 December 2022: 0.3% to 3.5%) on the gross carrying amount of trade receivables amounted to RMB12,496,082,000 (as at 31 December 2022: RMB11,891,624,000). The loss allowance as at 30 June 2023 was RMB166,181,000 (as at 31 December 2022: RMB225,446,000).

**(b) Notes receivable**

All notes receivable are denominated in RMB. As at 30 June 2023 and 31 December 2022, all notes receivable were guaranteed by established banks in the PRC and had maturities of less than one year from the end of the reporting period.

The Group manages its notes receivable using the business model whose objective is achieved by both collecting contractual cash flows and selling of these assets. Accordingly, notes receivable are classified as financial assets at FVOCI (recycling) in accordance with HKFRS 9 “Financial Instruments” and are stated at fair value. The fair value is based on the net present value as at 30 June 2023 and 31 December 2022 from expected timing of endorsements and discounting at the interest rates for the respective notes receivable. The fair value is within Level 2 of the fair value hierarchy.

As at 30 June 2023, the Group endorsed certain notes receivable accepted by banks in the PRC (the “**Endorsed Notes**”) with a carrying amount of RMB167,568,000 (as at 31 December 2022: RMB686,835,000) to certain of its suppliers in order to settle the trade payables due to such suppliers (the “**Endorsement**”). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Notes, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Notes and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Notes, including the sale, transfer or pledge of the Endorsed Notes to any other third parties. As at 30 June 2023, the aggregate carrying amount of the trade payables settled by the Endorsed Notes during the period to which the suppliers have recourse was RMB167,568,000 (as at 31 December 2022: RMB686,835,000).

As at 30 June 2023, the Group discounted and endorsed certain notes receivable accepted by banks in the PRC (the “**Derecognised Notes**”) to certain banks in order to obtain additional financing or to certain of its suppliers in order to settle the trade payables due to such suppliers with carrying amount in aggregate of RMB60,682,723,000 (as at 31 December 2022: RMB62,809,820,000). The Derecognised Notes had a maturity of less than one year (as at 31 December 2022: less than one year) at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Notes have a right of recourse against the Group if the PRC banks default (the “**Continuing Involvement**”). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Notes. Accordingly, it has derecognised the full carrying amounts of the Derecognised Notes and the associated liabilities. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Notes and the undiscounted cash flows to repurchase these Derecognised Notes is equal to their carrying amounts.

**(c) Other contract costs**

Other contract costs capitalised as at 30 June 2023 and 31 December 2022 related to the costs incurred in providing internet connectivity services that are used to satisfy the performance obligations for providing such services to customers in the respective sales of automobile contracts at the end of the reporting period. Contract costs are amortised in line with the recognition of the respective revenue in accordance with the terms of the contracts. There was no impairment in relation to the contract costs capitalised during the six months ended 30 June 2023 (six months ended 30 June 2022: RMBNil).

**(d) Loan to an associate**

As at 30 June 2023, the loan to an associate was unsecured, repayable in 2024 and carried interest rate at 6.0% per annum.

**(e) Loan to a joint venture**

As at 30 June 2023, the loan to a joint venture was unsecured, repayable in 2024 and carried interest rate at 3.65% per annum. The Group has the right to convert any unpaid loan amount into equity of the joint venture at any time after the loan matures, based on the latest round of financing valuation of the joint venture.

**(f) Amounts due from related companies**

The amounts due are unsecured, interest-free and repayable on demand.

**15. TRADE AND OTHER PAYABLES**

	<i>Note</i>	<b>As at 30 June 2023 RMB'000 (Unaudited)</b>	<b>As at 31 December 2022 RMB'000 (Audited)</b>
<b>Trade and notes payables</b>			
Trade payables			
– Third parties		<b>32,499,889</b>	34,052,204
– Associates		<b>334,237</b>	319,766
– Joint ventures		<b>188,031</b>	69,403
– Related companies controlled by the substantial shareholder of the Company		<b><u>12,565,388</u></b>	<u>7,749,791</u>
	(a)	<b>45,587,545</b>	42,191,164
Notes payable	(b)	<b><u>4,749,245</u></b>	<u>3,365,739</u>
		<b><u>50,336,790</u></b>	<u>45,556,903</u>

		As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
	<i>Note</i>		
<b>Other payables</b>			
Receipts in advance from customers			
– Third parties		8,900,543	6,241,266
– Associates		227,808	444,649
– Joint ventures		104,958	47,536
– Related companies controlled by the substantial shareholder of the Company		<u>187,458</u>	<u>540,736</u>
	(c)	9,420,767	7,274,187
Deferred government grants which conditions have not been satisfied		891,135	887,754
Payables for acquisition of property, plant and equipment		2,102,731	1,881,966
Payables for capitalised product development costs from related companies	(d)	1,173,253	1,091,552
Accrued staff salaries and benefits		1,737,167	2,192,518
VAT and other taxes payables		1,814,092	1,834,242
Consideration payable for acquisition of a subsidiary (note 21)		152,980	–
Dividends payable		1,915,763	–
Other accrued charges and payables	(e)	<u>5,661,113</u>	<u>5,475,817</u>
		24,869,001	20,638,036
Amounts due to related companies controlled by the substantial shareholder of the Company	(f)	<u>480,416</u>	<u>887,798</u>
		<u>25,349,417</u>	<u>21,525,834</u>
		<u>75,686,207</u>	<u>67,082,737</u>
<i>Representing:</i>			
– Current		73,101,570	65,480,717
– Non-current		<u>2,584,637</u>	<u>1,602,020</u>
		<u>75,686,207</u>	<u>67,082,737</u>

**(a) Trade payables**

Ageing analysis of trade payables, based on invoice date, at the end of the reporting period was as follows:

	<b>As at 30 June 2023 RMB'000 (Unaudited)</b>	<b>As at 31 December 2022 RMB'000 (Audited)</b>
0 – 60 days	<b>39,189,142</b>	37,969,510
61 – 90 days	<b>5,570,898</b>	3,428,072
91 – 365 days	<b>708,495</b>	690,776
Over 365 days	<b>119,010</b>	102,806
	<b><u>45,587,545</u></b>	<b><u>42,191,164</u></b>

Trade payables are non-interest bearing. The average credit periods on the settlement of purchase invoice ranged from 60 days to 90 days (as at 31 December 2022: 60 days).

**(b) Notes payable**

All notes payable are denominated in RMB and are notes paid and/or payable to third parties for the settlement of trade payables. As at 30 June 2023 and 31 December 2022, all notes payable had maturities of less than six months from the end of the reporting period.

**(c) Receipts in advance from customers**

The following amounts represent (i) the advance payments from customers for the sales of automobiles, automobile parts and components, battery packs and related parts and (ii) the obligation for service agreed to be part of the sales of automobiles. The respective revenue will be recognised when the performance obligation is satisfied after the automobiles, automobile parts and components and services and battery packs and related parts were delivered to the customers.

	<b>As at 30 June 2023 RMB'000 (Unaudited)</b>	<b>As at 31 December 2022 RMB'000 (Audited)</b>
Relating to the sales of automobiles, automobile parts and components and battery packs and related parts	<b>6,910,549</b>	5,476,109
Relating to the obligation for service agreed to be part of the sales of automobiles	<b><u>2,510,218</u></b>	<b><u>1,798,078</u></b>
	<b><u>9,420,767</u></b>	<b><u>7,274,187</u></b>

The increase (six months ended 30 June 2022: decrease) in receipts in advance from customers was mainly due to the increase (six months ended 30 June 2022: decrease) in advances received from customers in relation to sales of automobiles, automobile parts and components and battery packs and related parts for the six months ended 30 June 2023.

Receipts in advance from customers outstanding at the beginning of the period amounting to RMB5,574,138,000 (six months ended 30 June 2022: RMB6,995,671,000) have been recognised as revenue during the period.

The transaction price allocated to the remaining unsatisfied or partially satisfied performance obligations as at the end of the reporting period was as follows:

	<b>As at 30 June 2023 RMB'000 (Unaudited)</b>	<b>As at 31 December 2022 RMB'000 (Audited)</b>
Within one year	<b>475,586</b>	196,058
More than one year	<b><u>2,034,632</u></b>	<u>1,602,020</u>
	<b><u><u>2,510,218</u></u></b>	<u><u>1,798,078</u></u>

As permitted under HKFRS 15, the above transaction price allocated to the unsatisfied contracts does not include performance obligation from the Group's contracts with customers for the sales of automobiles, automobile parts and components and battery packs and related parts and licensing of intellectual properties, that have an original expected duration of one year or less.

**(d) Payables for capitalised product development costs from related companies**

The credit terms for payables for capitalised product development costs from related companies generally ranged from 60 days to 90 days (as at 31 December 2022: 60 days to 90 days).

**(e) Other accrued charges and payables**

The amounts mainly comprised (1) deposits provided by automobile dealers and other third parties which amounted to RMB1,420,138,000 (as at 31 December 2022: RMB1,307,122,000) and (2) payables for warranty, advertising and promotion, transportation and general operations which amounted to RMB2,094,496,000 (as at 31 December 2022: RMB2,171,991,000).

**(f) Amounts due to related companies**

The amounts due are unsecured, interest-free and repayable on demand.

## 16. BANK BORROWINGS

As at 30 June 2023 and 31 December 2022, the Group's bank loans were repayable as follows:

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Carrying amount repayable ( <i>note (i)</i> )		
In the third to fifth year	<u>2,903,920</u>	<u>2,757,960</u>

*Notes:*

- (i) The amounts are based on the scheduled repayment dates set out in the loan agreements.
- (ii) As at 30 June 2023 and 31 December 2022, the bank loans were unsecured, carried at amortised cost, repayable in August 2025 and interest-bearing at Secured Overnight Financing Rate plus 0.7% per annum.
- (iii) Pursuant to the facility agreements, it will be an event of default if Mr. Li Shu Fu is (i) no longer the single largest beneficial shareholder of the Company, or (ii) no longer beneficially owns at least 25% of the issued share capital of the Company. In case of an event of default, the bank may by notice to the Company (a) cancel the loan facility, (b) declare that all or part of the loan, together with accrued interest, be immediately due and payable, and/or (c) declare that all or part of the loans be payable on demand.
- (iv) During the six months ended 30 June 2023 and 2022, none of the covenants relating to drawn down facilities had been breached.

## 17. LOAN FROM A RELATED COMPANY

As at 30 June 2023 and 31 December 2022, the loan from a fellow subsidiary was granted to the Group's subsidiary in the PRC and was unsecured, repayable within ten years and carried interest rate at 4.5% per annum.



## 18. BONDS PAYABLE

On 25 January 2018, the Company issued the bonds with an aggregate principal amount of US\$300,000,000 (equivalent to approximately RMB1,944,690,000) (the “**Bonds**”). The Bonds carried interest at 3.625% per annum, payable semi-annually in arrears on 25 January and 25 July of each year, and the maturity date is 25 January 2023 (the “**Maturity Date**”).

The Bonds are listed on Singapore Exchange Securities Trading Limited. They constitute direct, unconditional, unsubordinated and (subject to the terms and conditions of the Bonds) unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable law and subject to the terms and conditions of the Bonds, at all times rank *pari passu* with all its other present and future unsecured and unsubordinated obligations.

The carrying amount of the Bonds at initial recognition net of transaction costs amounted to US\$297,296,000 (equivalent to approximately RMB1,927,161,000) and the effective interest rate was 3.825% per annum. The Bonds were measured at amortised cost at the end of the reporting period.

On the Maturity Date, the Company redeemed the Bonds in full at the outstanding principal amount of US\$300,000,000 (equivalent to approximately RMB2,068,422,000) together with interest in an amount equal to US\$5,439,000 (equivalent to approximately RMB37,501,000) accrued to (but not including) the Maturity Date.

The movements of the Bonds for the period/year are set out below:

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
<b>Carrying amount</b>		
At the beginning of the period/year	2,062,396	1,901,137
Exchange differences	5,728	157,727
Interest expenses	298	3,532
Redeemed during the period/year	<u>(2,068,422)</u>	<u>—</u>
At the end of the period/year	<u>—</u>	<u>2,062,396</u>
<i>Representing:</i>		
– Current	<u>—</u>	<u>2,062,396</u>

## 19. SHARE CAPITAL

	Number of shares	Nominal value RMB'000
Authorised:		
Ordinary shares of HK\$0.02 each		
At 31 December 2022 (audited) and 30 June 2023 (unaudited)	<b><u>12,000,000,000</u></b>	<b><u>246,720</u></b>
Issued and fully paid:		
Ordinary shares of HK\$0.02 each		
At 1 January 2022	10,018,441,540	183,015
Shares issued under share option scheme	2,405,000	39
Shares issued under share award scheme	<u>36,127,246</u>	<u>632</u>
At 31 December 2022, 1 January 2023 and 30 June 2023 (unaudited)	<b><u>10,056,973,786</u></b>	<b><u>183,686</u></b>

*Note:*

During the six months ended 30 June 2023, no share option was exercised to subscribe for ordinary share of the Company.

During the six months ended 30 June 2022, share options were exercised to subscribe for 2,405,000 ordinary shares of the Company at a consideration of approximately RMB7,977,000 of which approximately RMB39,000 was credited to share capital and approximately RMB7,938,000 was credited to the share premium account. As a result of the exercise of share options, share-based compensation reserve of RMB3,543,000 was transferred to the share premium account.

## 20. PERPETUAL CAPITAL SECURITIES

On 9 December 2019, the Company (the “**Issuer**”) issued 4% senior perpetual capital securities with an aggregate principal amount of US\$500,000,000 (equivalent to approximately RMB3,425,857,000) (the “**Securities**”) which are listed on Singapore Exchange Securities Trading Limited at an issue price of 99.641%. Transaction costs relating to the issue of the Securities amounted to approximately RMB12,755,000. Distribution is payable semi-annually in arrears in equal instalments on 9 June and 9 December of each year based on the distribution rate as defined in the subscription agreement. Distribution by the Issuer may be deferred at its sole discretion. The Securities have no fixed maturity and are redeemable in whole, but not in part, at the Issuer’s option on 9 December 2024, or any distribution payment date falling thereafter at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, the Company will not declare, pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower rank.

As the Securities do not contain any contractual obligation to pay cash or other financial assets, in accordance with HKAS 32 “Financial Instruments: Presentation”, they are classified as equity for accounting purpose. Any distributions made by the Issuer to the holders of the Securities will be deducted directly to equity in the condensed consolidated financial statements.

## 21. BUSINESS COMBINATION

### Acquisition of Xi'an Geely Automobile Company Limited<sup>#</sup> (“Xi'an Geely”) 西安吉利汽車有限公司

On 12 December 2022, Zhejiang Jirun Automobile Company Limited<sup>#</sup> (“**Jirun Automobile**”) 浙江吉潤汽車有限公司, an indirect non wholly-owned subsidiary of the Company, entered into an acquisition agreement with a fellow subsidiary owned by the Company's ultimate holding company, pursuant to which Jirun Automobile has conditionally agreed to acquire, and the fellow subsidiary has conditionally agreed to sell the 100% equity interests of Xi'an Geely for a cash consideration of RMB382,450,000. Xi'an Geely is engaged in the manufacture and sale of complete knock down kits, automobile parts and components in the PRC. The acquisition of Xi'an Geely was completed in April 2023. Please refer to the Company's announcements dated 12 December 2022 and 10 March 2023 for further details.

The assets acquired and liabilities recognised at the acquisition date are as follows:

	Pre-acquisition carrying amounts RMB'000	Fair value adjustments RMB'000	Recognised fair values on acquisition RMB'000
<b>The net assets acquired:</b>			
Property, plant and equipment ( <i>note 9</i> )	2,243,007	(2,332)	2,240,675
Intangible assets ( <i>note 10</i> )	1,907	58	1,965
Land lease prepayments	385,529	232,331	617,860
Trade and other receivables	6,524,674	—	6,524,674
Inventories	936,928	851	937,779
Deferred tax assets	34	—	34
Bank balances and cash	36,272	—	36,272
Trade and other payables	(9,945,064)	—	(9,945,064)
Deferred tax liabilities	—	(34,636)	(34,636)
	<u>183,287</u>	<u>196,272</u>	<u>379,559</u>
<b>Goodwill arising on acquisition:</b>			
Cash consideration transferred			229,470
Consideration payable ( <i>note 15</i> )			152,980
Fair value of identifiable net assets acquired			<u>(379,559)</u>
			<u>2,891</u>
<b>Net cash outflow arising on acquisition of a subsidiary:</b>			
Cash consideration paid			(229,470)
Bank balances and cash acquired			<u>36,272</u>
			<u>(193,198)</u>

<sup>#</sup> The English translation of the names of the companies established in the PRC is for reference only. The official names of the companies are in Chinese.

## 22. FINANCIAL INFORMATION OF ZEEKR INTELLIGENT TECHNOLOGY HOLDING LIMITED (“ZEEKR”) AND ITS SUBSIDIARIES

The following table lists out the financial information related to subgroup of ZEEKR, the subsidiary of the Group. The summarised financial information presented below represents the amounts before any inter-company elimination.

	<b>ZEEKR</b>	
	<b>As at</b>	<b>As at 31</b>
	<b>30 June 2023</b>	<b>December 2022</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Non-controlling interests percentage	<b>45.17%</b>	41.69%
Non-current assets	<b>16,917,877</b>	13,729,613
Current assets	<b>16,290,792</b>	15,717,521
Current liabilities	<b>(22,279,560)</b>	(18,432,832)
Non-current liabilities	<b>(3,189,120)</b>	(7,772,477)
Net assets	<b><u>7,739,989</u></b>	<b><u>3,241,825</u></b>

	<b>ZEEKR</b>	
	<b>Six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	<b>21,282,799</b>	8,828,040
Loss for the period	<b>(808,627)</b>	(759,129)
Other comprehensive income/(expense) for the period	<b>44,937</b>	(20,438)
Total comprehensive expense for the period	<b>(763,690)</b>	(779,567)
Loss allocated to non-controlling interests	<b>(317,544)</b>	(286,414)
Other comprehensive income/(expense) allocated to non-controlling interests	<b><u>18,732</u></b>	<b><u>(8,519)</u></b>

## 23. EVENTS AFTER THE REPORTING DATE

### Formation of a joint venture company

On 8 November 2022, the Company, its ultimate holding company and Renault s.a.s. (collectively, the “**Parties**”) entered into a framework agreement pursuant to which the Parties proposed to set up a joint venture company (the “**Proposed JV**”) for the purpose of integrating each Party’s respective expertise and strengths in relation to internal combustion engine, hybrid and plug-in hybrid powertrains and transmissions activities and related technologies. Pursuant to the framework agreement, the Company and its ultimate holding company on the one hand and Renault s.a.s. on the other hand, will each tentatively be interest in 50%, in the Proposed JV.

On 2 March 2023, the Parties and Saudi Arabian Oil Company (“**Saudi Aramco**”) entered into a letter of intent pursuant to which Saudi Aramco intended to invest for a minority stake in the Proposed JV in cash. It is expected that the respective shareholding of the Company and its ultimate holding company on the one hand and Renault s.a.s. on the other hand, will be identical in the remaining stake of the Proposed JV.

On 11 July 2023, the Parties entered into the contribution agreement and the joint venture agreement, pursuant to which the Parties conditionally agreed to establish the joint venture company (the “**JV**”) to engage in the powertrain business and to contribute all of their respective shares in respective owned subsidiary to the JV in exchange for the share capital of the JV (the “**Contribution**”). After the completion of the Contribution, the JV will be owned as to 33% by the Company, 17% by its ultimate holding company and 50% by Renault s.a.s.

As at the date of this announcement, the Contribution and formation of the JV have not yet been completed. Please refer to the Company’s announcements dated 8 November 2022, 2 March 2023 and 11 July 2023 for further details.

### Issuance of RMB1,500,000,000 medium-term notes due 2026

On 17 August 2023, the Company issued medium-term notes (the “**MTNs**”) on the China Interbank Bond Market in the PRC, with an aggregate principal amount of RMB1,500,000,000. These notes are set to mature on 17 August 2026, unless terminated earlier according to their terms. The proceeds from the MTNs’ issuance will be entirely invested domestically in China, aiming to supplement the working capital of the Company’s subsidiary, Jirun Automobile.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Overall Performance

The sales performance of the Group in the first half of 2023 was basically in line with the management's expectation. Despite the weaker-than-expected recovery in demand during the period and the competitive pricing trend in the automobile industry, the Group still achieved a total sales volume of 694,045 units in the first half of the year, representing a 13% year-on-year (“YoY”) increase (including the total sales volume<sup>#</sup> of “Lynk&Co” and “Livan” brand vehicles sold respectively by Lynk&Co Investment Co., Ltd. (“**Lynk&Co JV**”, the Group's 50%-owned joint venture) and Chongqing Livan Automotive Technology Company Limited (“**Livan Associate**”, the Group's 45%-owned associate) held by the Group). During the same period, China's passenger vehicle market grew by 8.8% in sales volume, according to China Association of Automobile Manufacturers (“**CAAM**”). In terms of new energy vehicles, the Group sold a total of 157,889 units of pure electric vehicles and plug-in hybrid electric vehicles in the first half of the year, representing a YoY increase of 44%, and the proportion of new energy vehicles reached 23%. The export market continued to grow strongly, with export volume increased to 121,185 units in the first half of the year, an increase of 38% over the same period last year.

Benefiting from the continuous improvement of brand image and the rapid growth in the proportion of new energy vehicles, the Group's revenue in the first half of 2023 (excluding the total revenue of Lynk&Co JV and Livan Associate) increased by 26% YoY to RMB73.2 billion, where the growth rate outperformed the overall sales volume growth. The decline of the price of lithium carbonate in the first half of the year resulted in the decrease of battery price, which exerted positive influence on the cost control of new energy vehicles. However, the Group's gross profit margin was still impacted by the new energy transformation and the intensified competition in the automobile market. Compared to the same period last year, it remained relatively stable at 14%, maintaining a reasonable level.

In terms of cost control, despite the Group continued to implement strict cost control, the increase of expenses generated by the new energy transformation and the execution of the new sales business model to enhance competitiveness still resulted in the distribution and selling expenses and administrative expenses increased by 21% over the same period last year. Among which, distribution and selling expenses increased by 44% YoY to RMB4.8 billion, mainly due to the development and operation of the direct sales channels of ZEEKR. Administrative expenses (excluding share-based payments) increased by 4% YoY to RMB4.9 billion, mainly attributable to the Group's vigorous development and investment of new energy business. In the first half of the year, the Group's share-based payment expenses were RMB436 million.

The results of Lynk&Co brand declined due to its active expansion of innovative business model in overseas markets and the new energy transformation, which had a certain negative impact on the Group's results. However, the Group's overall profitability of the fuel vehicle sales business remained satisfactory, coupled with the continuous diversification of income sources, providing stable support for the Group's performance.

In the first half of 2023, the Group's net profit attributable to shareholders of the parent company was RMB1.57 billion, which slightly increased by 1% as compared to the corresponding period last year; diluted earnings per share was RMB14.75 cents.

In general, the Group is in a critical period of turning into new energy transformation and is still facing various challenges at the operation level during the transformation period. However, the overall profitability of the Group remains solid and the Group is actively responding to various challenges to maintain the sustainable and healthy development of the Group's business.

#: While the total sales volume does not correlate directly to the revenue the Group recognises during a particular period as it includes all sales volume of the Group's Lynk&Co JV and the Livan Associate on a 100% consolidated basis, the Board believes it is more indicative of the underlying demand of the Group's vehicles.

## **Financial Resources**

As at 30 June 2023, the Group's financial position remained stable. The cash reserve was sufficient, and the total cash level (including bank balances, cash and restricted and pledged bank deposits) was RMB33.6 billion, it remained healthy as compared to RMB33.7 billion as at the end of December 2022.

During the period, the Group repaid a loan of relatively substantial amount from our parent company Zhejiang Geely Holding Group Company Limited ("**Geely Holding**") and senior notes of United States Dollar ("**US\$**") 300 million. As at 30 June 2023, the Group's total borrowings (including loans of all kind) reduced by 62% to RMB4.1 billion as compared to the end of December 2022. In addition, on 12 February 2023, ZEEKR entered into an agreement with five investors and was expected to issue a total of 139,375,669 Series A preferred shares, thereby receiving a financing funding of US\$750 million (representing approximately RMB5.4 billion). As at 30 June 2023, the subscription of 134,992,983 Series A preferred shares was completed, which involved a total amount of US\$726 million (representing approximately RMB5.2 billion). Therefore, as at 30 June 2023, the Group's net cash (total cash level minus total borrowings and perpetual capital securities) amounted to RMB26.1 billion, representing an increase of 34% as compared to the net cash of RMB19.5 billion as at the end of December 2022.

As at the end of June 2023, the Group's net notes receivable (notes receivable minus notes payable) amounted to RMB6.9 billion. The Group can receive additional cash reserves through discounting the notes receivable with the banks if necessary.

The Group has been assigned credit ratings from both Standard & Poor's Ratings Services and Moody's Investors Service. The corporate credit rating of the Group assigned by Standard & Poor is "BBB-/Negative". On the other hand, Moody's Investors Service assigns an issuer rating of "Baa3" to the Group, and its rating outlook is "Negative".



## **Acquisition of 100% Equity of Xi'an Geely**

On 12 December 2022, Zhejiang Jirun Automobile Company Limited, an indirect 99%-owned subsidiary of the Group (“**Zhejiang Jirun**”), entered into an acquisition agreement with Zhejiang Geely Automobile Manufacturing Company Limited (“**Geely Manufacturing**”, indirectly owned as to 72.40% interest by Geely Holding, the parent company of the Company) with regard to the acquisition of the entire equity interest of Xian Geely Automobile Company Limited (“**Xi'an Geely**”). The cash consideration for this transaction is RMB382.45 million. Such transaction was approved by the independent shareholders of the Company at the extraordinary general meeting held on 28 April 2023 with the majority approval rate, and was settled by the end of the month.

For further details of the above transaction, (including the determination basis of the consideration, business of Xi'an Geely and the rationale of the acquisition of Xi'an Geely), please see pages 014 to 015 of the annual report for the year ended 31 December 2022 of the Company.

## **Acquisitions of 49.9% Shares of Proton and 49.9% Shares of DHG held by GIHK**

On 20 January 2023, Linkstate Overseas Limited (“**Linkstate**”), a wholly-owned subsidiary of the Company, and Geely International (Hong Kong) Limited (“**GIHK**”, to which Geely Holding being the only shareholder), entered into the Proton agreement. Pursuant to the agreement, GIHK conditionally agreed to sell 49.9% equity and loan of Proton at the consideration of RMB1,063 million and US\$56,390,000 (approximately RMB393.7 million) respectively. On the same day, Linkstate and GIHK also entered into the DHG agreement. Pursuant to the agreement, GIHK conditionally agreed to sell the DHG Shares to Linkstate at a nominal consideration of US\$1.00. These transactions were approved by the independent shareholders of the Company at the extraordinary general meeting held on 28 April 2023 with the majority approval rate, and was settled by the end of the month.

Upon the completion of the acquisition of Proton and DHG equity, the Group has held 49.9% issued and paid-up ordinary capital of each of Proton and DHG, and their financial results are accounted for by way of equity method.

For further details of the above transactions, (including the determination basis of the considerations, business of each of Proton and DHG and the rationale of the acquisition of Proton and DHG), please see pages 015 to 016 of the annual report for the year ended 31 December 2022 of the Company.

## **Formation of Powertrain Joint Venture**

On 11 July 2023, the Company, Geely Holding, and Renault (collectively known as the “**Parties**”) entered into the contribution agreement and the joint venture agreement, pursuant to which the Parties conditionally agreed to establish the powertrain business joint venture (“**Powertrain JV**”). The Company, Geely Holding and Renault will directly or indirectly hold 33%, 17% and 50% interest of Powertrain JV, respectively.



The Parties will contribute all issued shares of the relevant entities engaging powertrain business into the Powertrain JV. The total contribution value of each party is measured by the enterprise value of the relevant entity, the debt, cash, minority interest, the difference between the working capital and the normalized working capital and other adjustments, if any, as of the closing date. The enterprise value of the relevant entities contributed to the Powertrain JV by the Company, Geely Holding and Renault is EUR3.066 billion (approximately RMB23.736 billion), EUR934 million (approximately RMB7.231 billion) and EUR4 billion (approximately RMB30.967 billion), respectively.

The Powertrain JV will be integrated with the internal combustion engine (“ICE”), hybrid, and plug-in hybrid engine and transmission activities of the Parties. The Powertrain JV will benefit from significant strategic, product and geographic complementarity, as well as economies of scale between the businesses of the Parties, enabling the offering of a wide range of powertrain products and solutions to meet customer needs and comply with future regulations in different regions.

The Powertrain JV will achieve several areas of potential synergies including increasing top-line sales through external sales to third-party original equipment manufacturers, and standardizing product features and production processes.

Following the formation of the Powertrain JV, Aurobay Technology Co., Ltd. will no longer be a subsidiary of the Group. This will allow the Group to reduce exposure to its ICE powertrain products manufacturing business while still maintaining control over its powertrain products supplies, which will enable the Company’s management to be more concentrated on developing the next-generation battery electric vehicle product portfolio, thus accelerating its transformation into the leader in new energy vehicle sector.

On 2 March 2023, the Parties and Saudi Aramco entered into a letter of intent, pursuant to which Saudi Aramco intended to invest for a minority stake in the Powertrain JV in cash. As of the date of this announcement, the Parties and Saudi Aramco have not entered into any binding definitive agreement.

### **Launch of RMB Counter**

The Company submitted an application to add a Renminbi (“RMB”) trading counter to The Stock Exchange of Hong Kong Limited on 9 March 2023. The quotation has been in effect officially on 19 June 2023 with a stock code of 80175. The English short name is GEELY AUTO-R, and the Chinese short name is 吉利汽車-R. Each trading lot involves 1,000 shares. The Company believes that the launch of RMB counter will offer more investment choices and more liquidity for its shareholders and potential investors, and will facilitate the expansion of investor base.

### **Issuance of RMB1,500,000,000 Medium-Term Notes Due 2026**

On 17 August 2023, the Company successfully issued a total of RMB1.5 billion medium-term notes in the China Interbank Bond Market. Unless terminated prematurely in accordance with their terms, these medium-term notes have a tenure of three years and will mature on 17 August 2026. The medium-term notes are issued at par with a face value of RMB100 each. The fixed annual interest rate for these

medium-term notes is 3.25%, as determined by way of centralised book building. The medium-term notes will pay simple interest annually, without compound interest, and the principal will be repaid in full upon maturity. The entire proceeds from the issue of these medium-term notes will be invested domestically in China, to supplement the working capital of the Company's subsidiary, namely Zhejiang Jirun Automobile Company Limited.

## Research & Development Investment

In the first six months of 2023, the Group's total research and development expenses were approximately RMB3.0 billion (approximately RMB3.3 billion in the same period of 2022), which have been included in "Administrative expenses" in the condensed consolidated income statement.

	<b>2023</b> <b>RMB'000</b>	2022 RMB'000	YoY change (%)
Amortisation of intangible assets (i.e. capitalised product development costs)	<b>2,146,394</b>	2,339,000	(8)
Product research and development costs (i.e. not qualified for capitalisation)	<b>843,808</b>	926,194	(9)
Total research and development costs charged to profit or loss	<b><u>2,990,202</u></b>	<b><u>3,265,194</u></b>	<b><u>(8)</u></b>

As most of the ongoing research and development projects are aimed for new products that have not yet been launched into the market, a majority of the relevant expenditures have been capitalised and will only be gradually amortised by way of expense when the products are launched into the market. In the first half of 2023, the Group's capitalised product research and development expenses increased by 87% YoY to RMB5.1 billion (included in intangible assets in the condensed consolidated statement of financial position). Among them, as an important strategic layout of the Group in the high-end smart pure electric field, the ZEEKR brand recorded a rapid growth in research and development expenditure in the first half of the year, which was one of the main reasons for the significant YoY increase in the capitalised product research and development expenditure.

The Group's research and development investment continued to focus on the research and development of new energy complete build-up units and key technologies, especially the innovation of forward-looking technologies such as intelligent interconnection and digitalization. The Group will continue to increase its investment in research and development to further enhance its core competitiveness and consolidate its leading position in the industry.

## Vehicle manufacturing

According to the statistics of the CAAM, the sales volume of China's passenger vehicle market in the first half of 2023 grew by 8.8% as compared with the same period of the previous year, reaching 11.268 million units. Due to factors such as lower-than-expected demand recovery and lower subsidies, the sales growth of new energy vehicles in China's passenger vehicle market slowed down with an increase of 44%, while the sales of fuel vehicles continued the significant decline trend from last year.

Under such market environment, the sales volume of automobiles of the Group in the first half of the year reached 694,045 units, representing a YoY increase of 13%, which outperformed the overall market, mainly driven by the good brand influence and the hot sales of new models. Among them, the sales volume of new energy vehicles was 157,889 units, accounting for a proportion of 23%, representing a rapid increase of 44% YoY.

In the first half of 2023, the Geely brand launched a new exclusive "Galaxy" series of new energy vehicles, made a strong entry into the new energy market and gained widespread attention. The delivery volume of high-end smart pure electric vehicle models under the ZEEKR brand grew rapidly and has become a leader in the premium sub-market segment. Under the continuous downturn of the fuel vehicle market, the Group adjusted its product mix and the sales volume of fuel vehicles increased by 6% YoY, which was significantly better than the industry's performance.

Despite the fierce price war in the Chinese automobile market in the first half of the year, the Group's fuel vehicles still maintained a good profit margin, which provided a good support for the Group's profitability. Through brand improvement and product mix optimisation, the Group's average ex-factory selling price of automobiles increased by approximately 7% YoY to RMB101,168 in the first half of 2023.

In the first half of 2023, the Group mainly served different sub-market segments through different sales channels under the "Geely Star" series, "Geely Geometry" series, "Geely Galaxy" series, "ZEEKR" brand, "Lynk&Co" brand and "Livan" brand. The "Geely Star" series is a traditional fuel-powered vehicle series for the mainstream mass market under the Geely brand, the "Geely Geometry" series is a mass pure electric vehicle series under the Geely brand, the "Geely Galaxy" series is a mid-to-high end new energy series under the Geely brand, the "ZEEKR" brand is a luxury intelligent pure electric vehicle brand of the Group, and the "Lynk&Co" brand is a joint venture brand between the Group and Volvo Car Corporation ("**Volvo Car**") targeting at the global high-end market, and the "Livan" brand is a joint venture brand between the Group and Lifan Technology targeting at the battery swapping vehicle market. Currently, the Group has 1,037 dealers in China, selling the "Geely Star" series. The "Geely Geometry" series has 386 dealers in China. The sales channels of "Geely Galaxy" series are also being actively deployed. ZEEKR serves its customers in the PRC through 18 ZEEKR Centres, 219 ZEEKR Spaces, 40 ZEEKR Houses and 29 delivery centres. Lynk&Co serves its customers through 362 Lynk&Co Centres, 246 Lynk&Co stations, 28 Lynk&Co Spaces and 1 quick service station in China. Livan Associate has 172 independent dealer stores in China.

## New Products

During the first half of 2023, the Group launched the following new products:

The “Geely” brand:

- “Geely Galaxy L7”
- “Geely Geometry Panda Mini”
- “Boyue Cool”

The “ZEEKR” brand:

- “ZEEKR X”

In the second half of the year, the Group will continue to focus on launching a number of new energy models, especially the expansion of the hybrid market. Major new models include:

The “Geely” brand:

- “Geely Galaxy L6”: A compact plug-in hybrid A-segment sedan model, developed under the Compact Modular Architecture (“**CMA**”) platform with NordThor powertrain.
- “Geely Galaxy E8”: A battery electric vehicle sedan model, developed under the Pure Modular Architecture.
- “Geely Star Series”: Brand New Xingyue L hybrid electric vehicle (“**HEV**”).
- “Geely Star Series”: Brand New Xingrui L HEV.

The “ZEEKR” brand:

- A battery electric vehicle sedan model, developed under the Sustainable Experience Architecture (“**SEA**”) platform.

The “Lynk&Co” brand:

- “Lynk&Co 08”: A full-size plug-in hybrid SUV model, developed under the CMA platform with Emotive Hybrid powertrain.

The “Livan” brand:

- “Livan 7”: A battery swapping battery electric model

## ZEEKR

ZEEKR Intelligent Technology Holding Limited (“ZEEKR”) was established in March 2021 as a non-wholly owned subsidiary of the Group. Currently, ZEEKR is jointly held by the Group, Geely Holding and external investors, which predominately focuses on the research and development, purchase and sales of intelligent pure electric vehicles and related products, as well as the provision of related services. ZEEKR strives on the research and development of forward-looking technologies for intelligent pure electric mobility. Based on the SEA, ZEEKR has launched three existing models, namely, luxury shooting brake coupe-ZEEKR 001, luxury pure electric MPV – ZEEKR 009 and new luxury versatile SUV – ZEEKR X. ZEEKR adopts an innovative business model, establishes a brand-new direct sales terminal, establishes its own full-scenario charging service system, and designs an innovative user interests plan to realise the integration of trendy life with luxury technology, user ecology and industry ecology, to create and share together with users, and create greater value.

As at 30 June 2023, the accumulated delivery of ZEEKR brand exceeded 120,000 units of vehicle. From January to June this year, a total of 42,633 units were delivered, representing a YoY increase of 124%. In the pure electric vehicle market of pricing above RMB300,000, ZEEKR accounted for 27.4% of market share. Among them, as the first Chinese brand to deliver pure electric luxury cars of over 10,000 units in a single month, ZEEKR 001 has created four Guinness records in the world. With its outstanding product competitiveness, ZEEKR 001 has become the first luxury car in the world to deliver more than 100,000 units, with an average order value of more than RMB336,000, and ranked “Champion of the Sales Volume of Pure Electric Vehicles above RMB300,000 among Chinese brands” again in the first half of 2023. Furthermore, the average order value of our flagship model ZEEKR 009 reached RMB527,000, making it the best seller of all categories of luxury MPV of over RMB500,000. For every 3 units of luxury MPV sold in the Chinese market, one of them is ZEEKR 009. Pioneering a new standard in the compact luxury market, the third model ZEEKR X was launched on 12 April and has been officially delivered since 12 June. At the same time, ZEEKR continues the acceleration of its intelligent technology evolution. As at 30 June 2023, ZEEKR 001 and ZEEKR 009 have carried out 12 Over-the-air (“OTA”) pushes in total, with a total upgrade of over 500,000 vehicles, achieving over 250 function updates and nearly 2,500 experience optimisations.

In addition to the breakthrough in product delivery, the construction of the ZEEKR user service ecosystem has also reached new milestones successively. As at 30 June 2023, there were 306 directly-operated stores of ZEEKR (including offline stores such as ZEEKR Centres, ZEEKR Spaces and delivery centres), covering 75 cities nationwide. There are nearly 750 ZEEKR energy charging stations in over 120 cities across the country, ranking among the top three pure electric brands in China, with an average of 1.2 charging stations built per day. Third-party charging network covers over 340 cities and provides over 520,000 gun chargers. Delivery services of ZEEKR covers over 330 cities across the country. It has nearly 300 quality service centres in 208 cities in 31 provinces across the country.

For the first half of the year ended 30 June 2023, the net loss of ZEEKR was RMB810 million.

\* *OTA stands for “Over-the-air”, is a technology that enables remote management technology to mobile terminal and SIM card data through the aerial interface of mobile communication.*

## **LYNK&CO JV**

Lynk&Co JV (“**Lynk&Co**”), a joint venture jointly owned by the Group, Volvo Car and Geely Holding, was established in October 2017, which is owned as to 50% by the Group, aiming at the development, manufacture, sales and servicing of high-end passenger vehicles in both the Chinese and international markets under the “Lynk&Co” brand. Positioned as a global brand with the state-of-the-art design and manufacturing capabilities, Lynk&Co aims to provide both quality passenger vehicles and mobility services to the global premium mobility market segment.

As at the first half of 2023, the sales volume of Lynk&Co was 82,037 units, representing a YoY increase of approximately 6.2%. Since its launch, the accumulated sales volume of Lynk&Co has exceeded 900,000 units, and its share in China’s high-end automobile brand market has steadily increased. In addition, in the first half of 2023, Lynk&Co expanded its business in various locations across Europe, including countries such as the Netherlands, France, Italy, Germany, Sweden, Belgium, and Spain. Its subscription business model has become a disruptive player in the industry. As at June 2023, there were more than 220,000 registered members and the number of subscriptions reached 25,667 units. In the first half of the year, the number of new subscriptions increased nearly one-fold as compared to the same period last year.

In the first half of 2023, Lynk&Co recorded a net loss of RMB660 million. The main reasons for the decline in performance were attributed to significant investments in accelerating the new energy transformation and the expansion of Lynk&Co’s business in the European market.

## **Livan Associate**

Livan Associate (“**Livan**”) was established in January 2022 and was a joint venture jointly invested by the Group and Lifan Technology. As at 30 June 2023, its equity interest is owned as to 45% by the Group and is an associate of the Group. The principal business of Livan is the research and development, sales and operation of vehicles (including battery swapping vehicles). Livan is committed to creating a user-centric, recyclable and battery-swapping ecosystem. By continuously upgrading vehicles, charging station, cloud technology and optimising the business model, Livan has solved the core issues of the new energy market, provided users with convenient and worry-free mobility experience and intelligent battery swapping ecology, and at the same time brought competitive battery swapping products and services to the market.



2023 is the second year since the establishment of Livan, with a total sales volume reaching 16,125 units in the first half of the year. During this period, the Group and Lifan Technology jointly increased the capital investment in Livan by RMB850 million, raising its registered capital from RMB600 million to RMB1.45 billion. The Group's ownership stake in Livan decreased from 50% to 45% as a result of this capital increase. The capital increase will enhance Livan's financial strength and operational capabilities, driving the transformation and upgrade of its automotive industry.

In the first half of 2023, Livan launched a variety of new products and released technological achievements such as the GBRC crystal architecture, forming a competitive battery swapping ecosystem. Moving forward, Livan will continue to increase its market share in the B2B market, focusing on convenience, cost-effectiveness, and cutting-edge technological experiences, all aimed at providing customers with a worry-free battery usage experience.

## **Genius AFC**

Genius Auto Finance Company Limited ("**Genius AFC**"), a vehicle financing joint-venture jointly established by the Group and BNP Paribas Personal Finance ("**BNPP PF**"), which is owned as to 80% by the Group, is principally engaged in the provision of auto wholesales financing solutions to auto dealers and retail financing solutions to end customers, mainly supporting brands such as "Geely", "Geometry", "ZEEKR", "Lynk&Co", "Livan" and "Volvo Car".

In the first half of 2023, under the complex and ever-changing economic environment, Genius AFC actively maintained steady development momentum in various businesses. During the period, Genius AFC's accumulated vehicle loan turnover reached RMB18.7 billion, representing an increase of 6% as compared to the corresponding period last year. One thing worth noting, the scale of the retail loan of new energy vehicles grew rapidly, representing 36% of the total retail loan volume (calculated by the retail loan value of new energy vehicles divided by the total retail loan value). However, in order to comply with regulatory requirement and the increasing marketing expenses, after experiencing an increase of loan provision ratio in the first half of the year, the net profit of Genius AFC decreased 13% YoY to RMB648 million.

Leveraging on its quantitative data analysis capabilities in the vehicle loan sectors accumulated and systematic organised over the years, Genius AFC has successfully developed various credit assessment models, establishing a highly effective anti-fraud system, thereby achieved positive interaction of "asset quality, business scale and efficiency" in the vehicle loan business. In the first half of 2023, the vehicle loan of Genius AFC achieved a growth of 9% over the corresponding last year.

Genius AFC is dedicated to the active management of funding costs and will continue to expand into new business areas. In the first half of 2023, the Company continued to diversify its external funding channels, including syndicated loans, bilateral bank facilities and asset-backed security (ABS). During the period, Genius AFC successfully launched two rounds of ABS with a total amount of RMB9.5

billion, providing support to its business growth. In June 2023, Genius AFC successfully entered into a sustainable syndicated loan with 8 banks and received a long-term capital of RMB2.2 billion. Meanwhile, in order to fully cooperate with the Group's business strategies, Genius AFC developed new financing solutions for the brand-new energy dedicated series "Galaxy" under Geely brand.

On 11 July 2022, the Group entered into an equity transfer agreement with BNPP PF and its wholly-owned subsidiary. Pursuant to the agreement, the wholly-owned subsidiary of BNPP PF agreed to purchase from the Group an interest of 5% in the registered capital of Genius AFC at an initial cash consideration of approximately RMB420,706,000, which will be subsequently adjusted for any change in the book value of Genius AFC between 31 July 2020 and the completion date. Upon completion, Genius AFC will be owned as to 75% and 25% by the Group and BNPP PF, respectively.

## **Export**

In the first half of 2023, the Group exported a total of 121,185 units of vehicle, representing an increase of 38% over the same period last year, and the export volume accounted for 17% of the Group's total sales volume. Export sales maintained the strong growth momentum as seen in the past year, and fuel vehicles was the major products for export.

Developing countries in regions such as Southeast Asia, Middle East and South America remain the most important export markets of the Group. Apart from exporting directly from China, the Group also assembles some of the exported models through contract manufacturing arrangements with local partners. As at the end of June 2023, the Group has exported products to 61 countries through 54 sales agents and 490 sales services outlets.

As the end of April 2023, the Group completed the acquisition of 49.9% shares in Proton, Malaysia. This provides an opportunity for the Group to enter into the Southeast Asia and right-hand-drive vehicle markets. Leveraging on Proton's local resources and experience, the Group will strengthen its business development in Southeast Asia. In the future, the Group will cooperate with Proton to develop the Proton-branded electric vehicles.

Furthermore, the cooperation between the Company and its associate, Renault Korea progressed smoothly. In the first half of the year, the Company started to provide vehicle models and technologies to the associate. Currently, the preparation work for the development of local vehicle models and the upgrade of production lines is in progress. It is expected to be officially put into operation and commence sales in Korea in 2024.

In light of the substantial depreciation of foreign currencies such as the Russian Ruble and the Pakistani Rupee against the Renminbi, the Group will consistently assess the risks and opportunities linked with its export businesses. It will adapt its foreign operations as necessary, adhering to the fundamental principle of global business development compliance. The Group will stay alert to changing conditions, ensuring the protection of its interests.



## **OUTLOOK**

Although there are still uncertainties in the market demand and macro-economy, the management of the Group is still optimistic about achieving the sales volume target of 1.65 million units for the year.

Despite the slowdown in the growth of the new energy vehicle market, the Group still believes it has a huge development potential and opportunities. In the second half of 2023, the hybrid and pure electric vehicle models to be launched are the accumulated results in related technologies over the years, which will bring new growth opportunities to the Group. At the same time, the Group will continue to optimise the product mix of fuel vehicles. Launching a small number of strategically upgraded vehicle models can stimulate the market demand, meanwhile, and also strengthen cost control to ensure sustained profitability of the fuel vehicle business. In the second half of the year, the Group will continue to make innovation effort in three major sectors, namely Automatic Driving, Smart Cockpit and Artificial Intelligence, in order to enhance the competitive barrier of the technology of Geely.

Currently, China's automobile market is facing the dual challenges of rapid transformation and market concentration. The rapid growth of ZEEKR in the past two years has fully demonstrated the Group's tremendous strength in the field of new energy and intelligent vehicles. The management team will actively respond to all challenges and rely on the Group's financial strength and technology accumulation to promote its sustainable and healthy development. To this end, the Group will maintain an agile observation to the market development, respond to environmental changes in a flexible way, and actively searching innovative solutions to maintain competitive edges. Meanwhile, we will deepen our relationship with cooperative partners and further expand the scope of our collaborations. This is also the important strategy to achieve sustained and steady development for the Group.

## **CAPITAL STRUCTURE AND TREASURY POLICIES**

The Group funds its short-term working capital requirement mainly through its own operational cash flow, short-term bank loans from commercial banks in China and Hong Kong and the payment credit from its suppliers. For its longer-term capital expenditures including product and technology development costs, investment in the construction, expansion and upgrading of production facilities, the Group's strategy is to fund these longer-term capital commitments by a combination of its operational cash flow, bank borrowings and fund raising exercises in the capital market.

As at 30 June 2023, the Group's shareholders' funds amounted to approximately RMB76.6 billion (as at 31 December 2022: approximately RMB75.1 billion). The Company did not issue any ordinary shares during the six months ended 30 June 2023.

## EXPOSURE TO FOREIGN EXCHANGE RISK

During the six months ended 30 June 2023, the Group's primary operations involved domestic sales of automobiles, automobile parts, components, battery packs, and related parts within China. The assets and liabilities of the Group were primarily denominated in Renminbi (RMB), which is the functional currency of both the Company and its principal subsidiaries.

Regarding export operations, a significant portion of the Group's export sales during the period was denominated in United States dollars (US\$). Furthermore, the Group faces potential foreign exchange risk, particularly in emerging markets, if it maintains local subsidiaries, associates, or joint ventures in overseas export markets. The potential devaluation of local currencies in these overseas markets could lead to foreign exchange losses, impacting the Group's competitiveness and, consequently, its sales volume within these markets. To mitigate this foreign exchange risk, the Group executed foreign currency forward contracts during the period. In addition, the Group has initiated plans to establish additional overseas plants, thereby increasing the proportion of its costs denominated in local currencies to facilitate engagement in local business activities. Moreover, in order to offset higher costs within export markets, the Group has accelerated the renewal of its export models and commenced efforts to streamline its export operations, focusing on showcasing comparative advantages. These endeavors are undertaken with the objective of achieving heightened customer satisfaction, improved operating efficiency, and realizing economies of scale within its export markets.

The Group's management will maintain vigilant oversight of the market conditions and may contemplate utilizing appropriate tools to manage foreign exchange risk whenever deemed necessary.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2023, the Group's current ratio (current assets/current liabilities) was about 1.03 (as at 31 December 2022: 1.15) and the gearing ratio of the Group was about 5.4% (as at 31 December 2022: 14.4%) which was calculated on the Group's total borrowings (excluding trade and other payables and lease liabilities) to total shareholders' equity (excluding non-controlling interests). During the period, the Group repaid a loan of relatively substantial amount from our parent company Zhejiang Geely Holding Group Company Limited ("**Geely Holding**") and senior notes of US\$300 million. In addition, on 12 February 2023, ZEEKR entered into an agreement with five investors, issuing a total of 139,375,669 Series A preferred shares and securing a financing funding of US\$750 million (approximately RMB5.4 billion). By 30 June 2023, subscriptions for 134,992,983 Series A preferred shares were completed, amounting to around US\$726 million (approximately RMB5.2 billion). As at 30 June 2023, the Group's total cash level (including bank balances, cash, restricted and pledged bank deposits) remained stable at around RMB33.6 billion, compared to its total cash level as at 31 December 2022.

Total borrowings (excluding trade and other payables and lease liabilities) as at 30 June 2023 amounted to approximately RMB4.1 billion (as at 31 December 2022: approximately RMB10.8 billion) were the Group's bank borrowings and loan from a related company. At the end of June 2023, the Group's total borrowings were mainly denominated in either Renminbi (RMB) or United States Dollars (US\$). The foreign currency borrowings were well matched by the currency mix of the Group's export revenues, which were mainly denominated in US\$. For the borrowings, they were unsecured, interest-bearing and repaid on maturity. Should other opportunities arise requiring additional funding, the Directors believe the Group is in a good position to obtain such financing.

## **EMPLOYEES' REMUNERATION POLICY**

As at 30 June 2023, the total number of employees of the Group was about 53,000 (as at 31 December 2022: 49,000). Employees' remuneration packages are based on individual experience and work profile. The packages are reviewed annually by the management who takes into account the overall performance of the working staff and market conditions. The Group also participates in the Mandatory Provident Fund Scheme in Hong Kong and state-managed retirement benefit scheme in the PRC. In addition, employees are eligible for share options under the share option scheme and share awards under the share award schemes adopted by the Group.

## **INTERIM DIVIDEND**

At a meeting of the Board held on 22 August 2023, the Board resolved not to pay an interim dividend to the Company's shareholders (2022: Nil).

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

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

## **CORPORATE GOVERNANCE**

The Company has complied with the code provisions ("CPs") of the Corporate Governance Code set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") throughout the six months ended 30 June 2023, except for CP F.2.2 as explained below:

CP F.2.2 provides that the chairman of the Board (the “**Chairman**”) and the chairman of respective Board committees should attend the annual general meeting of the Company. During the six months ended 30 June 2023, the Chairman did not attend the annual general meeting of the Company in person due to conflict of his schedules and other prior business engagement in the PRC. If the Chairman could not attend the general meeting of the Company in person, he would assign an executive director, who does not have a material interest in the businesses contemplating in the meeting and should report to him on any enquiries shareholders of the Company (the “**Shareholders**”) might have, to attend such general meeting on his behalf.

Further, the Company would facilitate a conference call for Shareholders and the Directors who are unable to attend in person (including the Chairman) to discuss any specific enquiries with respect to the businesses contemplating in the general meeting. Through these measures, views of the Shareholders would be properly communicated to the Board as a whole. In addition, the external auditor will be invited to attend the annual general meeting of the Company to answer questions about the conduct of the audit, the preparation and content of the auditor’s report, accounting policies and auditor’s independence.

The Company held its annual general meeting on 25 May 2023. Due to conflict of his schedules and other prior business engagement in the PRC, the Chairman was unable to attend the general meeting. One executive Director and the Company’s external auditor attended and answered questions raised by the Shareholders at the meeting physically. Three other independent non-executive Directors and four other executive Directors attended the meeting via conference call.

In the interim period under review, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as its own code of conduct for securities transactions by officers (the “**Code**”). All Directors have confirmed their compliance during the review period with the required standards set out in both the Model Code and the Code.

## **AUDIT COMMITTEE**

The Company has an audit committee which was established in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group’s financial reporting processes, risk management systems and internal controls. As at 30 June 2023, the audit committee comprises Ms. Gao Jie, Mr. An Qing Heng, Mr. Wang Yang and Ms. Lam Yin Shan, Jocelyn, who are the independent non-executive Directors.

The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2023.

**PUBLICATION OF INTERIM REPORT ON THE WEBSITES OF THE COMPANY AND THE STOCK EXCHANGE OF HONG KONG LIMITED**

Pursuant to the requirements of the Listing Rules regarding the reporting period, the 2023 interim report will set out all information disclosed in the interim results announcement for the first half of 2023 and will be disclosed on the websites of the Company (<http://www.geelyauto.com.hk>) and The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) in due course.

By Order of the Board of  
**Geely Automobile Holdings Limited**  
**Li Shu Fu**  
*Chairman*

Hong Kong, 22 August 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Li Shu Fu (Chairman), Mr. Li Dong Hui, Daniel (Vice Chairman), Mr. Gui Sheng Yue (Chief Executive Officer), Mr. An Cong Hui, Mr. Ang Siu Lun, Lawrence, Ms. Wei Mei and Mr. Gan Jia Yue, and the independent non-executive directors of the Company are Mr. An Qing Heng, Mr. Wang Yang, Ms. Lam Yin Shan, Jocelyn and Ms. Gao Jie.*

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**WARRANT AGENT**

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