

**Company Code: 600104**

**Abbreviation of Company: SAIC Motor**

**SAIC MOTOR CORPORATION LIMITED**  
**Annual Report 2021**

## Important Note

1. **Board of directors (the "Board"), board of supervisors, directors, supervisors and senior management of the Company certify that this report does not contain any false or misleading statements or material omissions and are jointly and severally liable for the authenticity, accuracy and integrity of the content.**
2. **All directors attended Board meetings.**
3. **Deloitte Touche Tohmatsu Certified Public Accountants LLP issued a standard and unqualified auditors' report to the Company.**
4. **Mr. Chen Hong, Chairman of the Board, Mr. Wei Yong, the chief financial officer, and Ms. Gu Xiao Qiong, head of Accounting Department, certify the authenticity, accuracy and integrity of the financial reports contained in the annual report of the current year.**

**5. Plan of profit distribution or capital reserve capitalization resolved by the Board**

The Company plans to distribute cash dividends of RMB 6.82 (inclusive of tax) per 10 shares, amounting to RMB 7,846,983,360.13 in total based on 11,505,840,704 shares, that is, the total shares of 11,683,461,365 net of the number of shares (177,620,661 shares) on the special securities account for repurchase as of the disclosure date of the annual report. The Company has no plan of capitalization of capital reserve this year. During the period from the disclosure date of the annual report to the registration date of equity distribution, if there is any change in the number of shares entitled to profit distribution due to situations such as repurchase of shares, the total amount of profit distribution is maintained and the amount of distribution per share is adjusted accordingly.

**6. Risk statement of forward-looking description**

Applicable N/A

The forward-looking description on future plan and development strategy in this report does not constitute substantive commitment to investors. Please note the investment risk.

**7. Does the situation exist where the controlling shareholder and its related parties occupy the funds of the Company for non-operational use?**

No.

**8. Does the situation exist where the Company provides external guarantee which is not in compliance with the required decision-making procedures?**

No.

**9. Are over 1/2 of directors not able to ensure the authenticity, accuracy and integrity of the annual report disclosed by the Company?**

No.

**10. Significant risk alert**

There are no significant risks which have substantive effects on the Company's production and operation during the reporting period. The Company has described the possible risks that the Company may be exposed to in the process of production and operation in this report. Please refer to "Possible Risks" in Section III Management Discussion and Analysis.

**11. Others**

Applicable N/A

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

## Section I Definitions

### I. Definition

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

Definitions of frequently-used words		
CSRC	Refers to	China Securities Regulatory Commission
SSE	Refers to	Shanghai Stock Exchange
Shanghai SASAC	Refers to	Shanghai State-owned Assets Supervision and Administration Commission
Company, the Company, the Group, SAIC Group, SAIC Motor	Refers to	SAIC Motor Corporation Limited
SAIC	Refers to	Shanghai Automotive Industry Corporation (Group) (formerly, Shanghai Automotive Industry Corporation (Group))
SAIC VOLKSWAGEN	Refers to	SAIC Volkswagen Automobile Co., Ltd.
SAIC GM	Refers to	SAIC General Motors Co., Ltd.
SAIC Passenger Vehicle, Passenger Vehicle Branch	Refers to	SAIC Motor Corporation Limited Passenger Vehicle Branch
SGMW	Refers to	SAIC GM Wuling Co., Ltd.
SAIC Maxus	Refers to	SAIC Maxus Vehicle Co., Ltd.
Shanghai Sunwin	Refers to	Shanghai Sunwin Bus Co., Ltd.
SAIC HONGYAN	Refers to	SAIC HONGYAN Automobile Co., Ltd.
Nanjing Iveco	Refers to	Nanjing Iveco Automobile Co., Ltd.
SAIC Motor-CP	Refers to	SAIC Motor-CP Co., Ltd.
SAIC Indonesia	Refers to	SAIC-GM-Wuling Motor Indonesia
HASCO Motor, HASCO	Refers to	HUAYU Automotive Systems Co., Ltd.
SNAT	Refers to	Shanghai New Power Automotive Technology Company Limited (formerly, Shanghai Diesel Engine Company Limited)
SFC, SAIC SFC	Refers to	SAIC Finance Co., Ltd.
SAIC-GMAC	Refers to	SAIC-GMAC Automotive Finance Co., Ltd.
Chexiang Technology	Refers to	Shanghai Chexiang Technology Industry Co., Ltd.
Global Car Sharing	Refers to	Global Car Sharing and Rental Co., Ltd.
Anji Logistics	Refers to	Anji Automotive Logistics Co., Ltd.
Zhonghaiting	Refers to	Wuhan Zhonghaiting Data Technology Co., Ltd.
IM Motors	Refers to	IM Motors Co., Ltd.
SHPT	Refers to	Shanghai Hydrogen Propulsion Technology Co., Ltd.
Z-one Tech	Refers to	Z-one Technology co., Ltd.
RISING Auto	Refers to	Rising Auto Technology Co., Ltd.

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

### I. Information of the Company

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

### II. Contacts

	Secretary of the Board	Securities affairs representative
<b>Name</b>	Mr. Chen Xun	Mr. Lu Xiao Long
<b>Address</b>	No. 489, Weihai Road, Jing'an District, Shanghai, China	No.489, Weihai Road, Jing'an District, Shanghai, China
<b>Telephone number</b>	(021) 22011138	(021) 22011138
<b>Facsimile number</b>	(021) 22011777	(021) 22011777
<b>E-mail</b>	saicmotor@saic.com.cn	saicmotor@saic.com.cn

### III. Basic information of the Company

Registered address	Room 509, No.1 Tower, No. 563 Songtao Road, Pilot Free Trade Zone, Shanghai, China
Changes in registered address	No change during the reporting period
Office address	No. 489, Weihai Road, Jing'an District, Shanghai, China
Post code of office address	200041
Website	<a href="http://www.saicmotor.com">http://www.saicmotor.com</a>
E-mail	saicmotor@saic.com.cn

### IV. Information disclosure and the location

<b>Media and website for disclosure of the Company's annual report</b>	"Shanghai Securities News", "China Securities Journal" and "Securities Times"
<b>CSRC website for disclosure of the Company's annual report</b>	<a href="http://www.sse.com.cn">http://www.sse.com.cn</a>
<b>The Company's annual report is available at</b>	Office of the Board

### V. Profile of the Company's shares

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

	Stock Exchange			Automotive
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## VI. Other relevant information

<b>Information of the accounting firm appointed by the Company (domestic)</b>	<b>Name</b>	Deloitte Touche Tohmatsu Certified Public Accountants LLP
	<b>Office address</b>	F/30, Bund Center, No. 222 Yan An Road East, Shanghai
	<b>Signing Certified Public Accountant</b>	Hu Yuan Yuan, Luo Yi Ming
<b>Sponsor performing continuous supervision duties in the reporting period</b>	<b>Name</b>	Guotai Junan Securities Co., Ltd.
	<b>Office address</b>	35th Floor, Bohua Plaza, No.669 Xinzha Road, Jing'an District, Shanghai
	<b>Authorized sponsor representative</b>	Ding Ying Hua, Peng Chen
	<b>Continuous supervision period</b>	From January 19, 2017 to the date when funds raised are used up

## VII. Major accounting data and financial indicators in recent three years

### (I) Major accounting data

Unit: RMB

Major accounting data	2021	2020	Year-on-year (%)	2019
Total operating income	779,845,786,393.56	742,132,450,370.73	5.08	843,324,372,577.26
Operating income	759,914,635,560.08	723,042,589,215.28	5.10	826,530,002,967.87
Net profit attributable to shareholders of listed companies	24,533,097,943.83	20,431,037,479.76	20.08	25,603,384,202.16
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss	18,575,001,265.06	17,744,125,367.99	4.68	21,581,115,159.90
Net cash flow from operating activities	21,615,739,153.91	37,517,935,804.19	-42.39	46,271,852,926.75
	<b>December 31, 2021</b>	<b>December 31, 2020</b>	<b>Year-on-year (%)</b>	<b>December 31, 2019</b>
Net assets attributable to shareholders of listed companies	273,773,675,300.63	260,102,954,415.43	5.26	249,702,009,694.74
Total assets	916,922,695,643.33	919,414,755,796.94	-0.27	849,333,279,599.19

### (II) Major financial indicators

Major financial indicators	2021	2020	Year-on-year (%)	2019
Basic earnings per share (RMB/Share)	2.120	1.752	21.00	2.191
Diluted earnings per share (RMB/Share)	N/A	N/A	N/A	N/A

Basic earnings per share after deducting non-recurring profit or loss (RMB/Share)	1.605	1.522	5.45	1.847
Weighted average return on net assets (%)	9.19	8.02	Increased by 1.17%	10.53
Weighted average return on net assets after deducting non-recurring profit or loss (%)	6.96	6.96	Increased by 0.00 %	8.87

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

Applicable N/A

The net flow cash from operating activities during the reporting period decreased by 42.39% compared to the previous period, mainly due to the issuance of ABS to replace interbank borrowing funds by SAIC Finance Co., Ltd., subsidiary of the Company, in order to meet the capital needs of loan business and to reduce financing costs.

#### VIII. Differences in accounting figures under China and foreign accounting standards

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

Applicable N/A

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

Applicable N/A

##### iii. Explanations on differences between China and foreign accounting standards

Applicable N/A

#### IX. Major quarterly financial data for the year 2021

Unit: RMB

	First Quarter (Jan. to Mar.)	Second Quarter (Apr. to Jun.)	Third Quarter (Jul. to Sept.)	Fourth Quarter (Oct. to Dec.)
Total operating income	189,094,950,264.73	177,001,482,435.70	186,616,301,532.10	227,133,052,161.03
Operating income	184,410,333,522.13	172,203,344,273.37	181,758,946,325.66	221,542,011,438.92
Net profit attributable to shareholders of listed companies	6,846,517,399.64	6,467,236,730.52	7,036,041,632.99	4,183,302,180.68
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss	6,219,515,275.23	5,634,072,978.28	6,163,555,860.63	557,857,150.92
Net cash flow from operating activities	2,008,140,216.11	-423,372,889.14	5,357,237,347.98	14,673,734,478.96



Note: Net cash flow from operating activities fluctuated among quarters, as there were remarkable changes in terms of scale of customer deposits and loans to customers of Shanghai Automotive Group Finance Co., Ltd., a subsidiary of the Company.

Explanations on differences between above quarterly data and disclosed data in periodic reports  
Applicable N/A

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

Applicable N/A

Unit: RMB

Items of non-recurring profit or loss	2021	Note (if applicable)	2020	2019
Profit or loss on disposal of non-current assets	4,522,318,862.58		861,690,832.00	442,170,091.22
Government grants recognized in profit or loss for the current period, except for those that are closely related to the normal business of the Company, and granted on quota basis continuously based on the state policy	4,032,306,772.41		3,078,860,531.18	4,718,105,151.72
The excess of acquirer's proportionate share of fair value of identifiable net assets of acquiree over the consideration paid for the acquisition of subsidiaries, associates and joint ventures	5,456,162.00		9,600,202.00	214,426,978.94
Profit or loss on debt restructuring	1,695,113.00		-196,365.28	-1,275,683.38
In addition to effective hedging operations related to the normal operations of the Company, gains and losses on fair value changes arising from held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and investment income from the disposal of investments in held-for trading financial assets, derivative financial assets, held-for trading financial liabilities, derivative financial liabilities and other debt investments	35,968,969.21		7,331,420.95	8,120,839.43
Profit or loss on entrusted loans	24,606,304.16		42,746,182.50	61,038,194.43
Income from a business combination not involving enterprises under common control is achieved in stages that involve multiple transactions	-1,711,806.78		307,853,661.00	146,659,331.55
Other non-operating income and expenses other than the above	-105,364,740.28		-224,575,436.41	59,991,429.10
Less: Effects on income tax	781,094,388.83		484,715,038.90	870,917,630.91
Effects on minority interests (Net of tax)	1,776,084,568.70		911,683,877.27	756,049,659.84
<b>Total</b>	<b>5,958,096,678.77</b>		<b>2,686,912,111.77</b>	<b>4,022,269,042.26</b>

Explanations for defining the non-recurring profit or loss items listed in the *Explanatory Announcement No.1 on Information Disclosure by Companies Offering Securities to the Public - Non-recurring Profit or Loss* as recurring profit or loss items

Applicable  N/A

**XI. Items measured at fair value**

Applicable  N/A

Unit: RMB

Item	December 31, 2020	December 31, 2021	Changes	Effects on profit of the period
Held-for-trading financial assets	54,800,863,245.58	53,883,499,373.59	-917,363,871.99	1,737,521,822.54
Receivables financing	13,168,746,883.14	11,369,104,594.18	-1,799,642,288.96	
Other current assets - negotiable certificate of deposit	50,002,187,609.98	53,923,058,871.00	3,920,871,261.02	
Other debt investments	4,640,259,677.07	34,252,527.10	-4,606,007,149.97	
Other debt investments due within one year	40,045,800.00		-40,045,800.00	
Investments in other equity instruments	20,698,468,429.89	22,543,932,882.53	1,845,464,452.64	
Other non-current financial assets	1,879,590,033.02	8,200,237,311.05	6,320,647,278.03	
Held-for-trading financial liabilities	401,998,111.48	15,932,323.02	-386,065,788.46	347,867.00
<b>Total</b>	<b>145,632,159,790.16</b>	<b>149,970,017,882.47</b>	<b>4,337,858,092.31</b>	<b>1,737,869,689.54</b>

**XII. Other explanations**

Applicable  N/A

## Section III Management Discussion and Analysis

### I. Discussion and Analysis of Operations

In 2021, in the face of multiple severe challenges such as lack of chips, pandemic, power restriction and sharp rise in raw material prices, the Company made every effort to ensure supply, stabilize growth, adjust structure and increase efficiency, and achieved a stable start of the 14th Five-Year Plan. During the reporting period, the Company achieved "steady progress" in vehicle sales, with 5.464 million vehicles sold in wholesale and 5.811 million vehicles sold in retail, an increase of 5.5% year-on-year, and the Company's vehicle sales remained the first in China for 16 consecutive years; the Company's economic benefits "improved steadily", achieving a total operating income of RMB779.85 billion (a year-on-year increase of 5.1%), a net profit attributable to shareholders of the listed company of RMB24.53 billion (a year-on-year increase of 20.1%), and a weighted average ROE of 9.2% (an increase of 1.2 percentage points over the previous year), with an obvious improvement in the quality of economic operation; In respect of transformation and upgrading, the Company "made innovation while ensuring stability". Sales of self-owned brand vehicles reached 2.857 million vehicles, up 10% year-on-year, accounting for 52.3% of the Company's total sales for the first time over 50%; sales of 733,000 new energy vehicles, up 128.9% year-on-year, ranking first in China and top three in the world; overseas sales reached 697,000 vehicles, an increase of 78.9% year-on-year, and the export of vehicles remained the first in the domestic industry for six consecutive years.

1. Adhere to the general tone of pursuing progress while ensuring stability, constantly enhance operating resilience and improve the quality of development

Firstly, the Company has actively responded to supply chain risks such as "chip shortage". Facing the challenge of global chip supply shortage, the Company has strengthened risk warning and rapid response, coordinating with foreign joint ventures to find chips around the world, directly contacting chip companies to seize the supply, accelerating the expansion of local supply chain resources, and promoting domestic replacement. At the same time, the Company has quickly and effectively responded to various emergencies such as pandemic outbreak, rainstorm in Zhengzhou, power and production restrictions, coordinating supply chain resources, dynamically adjusting production schedule and operation overcoming numerous difficulties to ensure stable and orderly production.

Secondly, the Company has focused on retailing to optimize production and sales structure. The Company's vehicle enterprises have explored the channel potential, giving priority to ensuring the supply of high-end models and high-margin products, and continuously optimizing the inventory and sales structure, resulting in significant improvements in terminal price and profitability; at the same time, the Company has deepened the reform of the marketing system, creating more ecological contacts of new retail by opening city showrooms and pop-up shops, promoting digital marketing, live commerce, cross-border cooperation and other measures, and has also actively explored the new model of "mutual creation with users" to expand new ways for users to participate in product definition.

Thirdly, the Company has seized the incremental opportunity of new energy vehicles ("NEV"). The proportion of the Company's sales of new energy vehicles has increased from 5.7% in 2020 to 13.4% in 2021, of which the proportion of new energy vehicles in the sales of self-owned brand vehicles has reached 22.7%; the annual sales of SAIC-GM Wuling GSEV mini electric vehicle exceeded 450,000 vehicles, ranking first in the world in the market segment; the global annual sales volume of new energy

vehicles of the Passenger Vehicle exceeded 160,000 vehicles; the monthly sales of electric vehicles of SAIC Volkswagen ID. series continued to rise; SAIC-GM launched the first product of the "Ultium" platform, Cadillac Lyriq. Self-owned brand companies and joint ventures have continued to improve their product power and sales scale of new energy vehicles, ensuring that the Company continues to lead the domestic NEV market.

Fourthly, the Company has expanded overseas markets. The Company has actively responded to various risks and challenges such as overseas pandemics, capacity constraints and exchange rate fluctuations, and has expanded its products and services to more than 80 countries and regions worldwide, forming six "50,000 vehicles" regional markets in Europe, Australia and New Zealand, the Americas, the Middle East, ASEAN and South Asia, of which the annual sales of MG brand reached 360,000 vehicles, continuing to be the "champion of overseas sales of Chinese single brand" and ranking among the top 10 single-brand sales in 17 countries worldwide.

2. Adhere to the innovation race, continue to strengthen new growth drivers, and build a new industrial ecology

Firstly, new progress has been made in major landmark projects. The first batch of experience products of L7, the first product of IM Motor, was officially leaving the production line. The Company's new generation of EIC system, intelligent vehicle electronic architecture, "cloud, pipe and device" full stack solutions such as service-oriented SOA software platform were implemented. RISING Auto accelerated the development of its first pure electric B-class SUV, R7, and explored and realized self-definition, self-learning and self-growth of the product through the combination of software and hardware, high and low configurations, and data drive. The first 60 autonomous driving taxis of the Robotaxi project have been launched in Shanghai and Suzhou to demonstrate the application of the Company's L4 autonomous driving technology for mass production of passenger vehicles. The intelligent heavy truck project completed the annual transportation task of 40,000 TEU and "one truck with four carriages" driving in Yangshan Port; the AIV project achieved batch demonstration operation; the Company established Shanghai UtoPilot Technology Co., Ltd. and accelerated the commercialization of L4 autonomous driving technology for commercial vehicle scenarios such as ports, factories and trunk logistics.

Secondly, the core competence of electricity and intelligent connection continues to improve. In terms of electricity, the Company has accelerated the development of platform batteries that can be fast-charged, fast-replaced and upgraded, as well as a new generation of electric axle, 800V electric drive and battery pack system; SHPT released the new-generation fuel cell stack, M4 and P4, the key performance parameters of which have been ranked among the world's forefront; SHPT has built the world's first 10,000 vehicles "reel-to-reel" MEA production line, and the level of domestic replacement of core components has been continuously improved; SHPT, jointly with SAIC Hongyan, launched the world's first "10,000 vehicles" industry chain project of hydrogen heavy trucks in Ordos; the Company cooperates with domestic and foreign partners, such as QingTao, to accelerate the R&D and application of solid-state batteries; the Company also accelerates the layout in the fields of battery replacement, energy storage and lithium battery recycling by cooperating to promote the "separation of vehicle and battery" project. In terms of intelligent connection, the Company gets ahead of the development trend of "data determines experience, software defines cars", and focuses on building five centers of software development, big data, artificial intelligence, cloud computing, and cyber security; Z-one Tech released the Galaxy Full Stack 1.0 solution; DIAS Electronic's "6i" core components of intelligent driving (intelligent steering system, intelligent braking system, intelligent driving decision control system, intelligent vehicle-mounted connection terminal system, intelligent tire safety system and intelligent control system) have been promoted to large-scale application; the electronic HD map of Zhonghaiting became the first commercial product to be approved by the Ministry of Natural Resources. In addition, the Company has deepened cooperation with strategic partners such as Horizon Robotics and Momenta, and accelerated the implementation of the domestic replacement for automotive-grade chips, with a total of 75 chips having completed domestication and entered mass production and application in vehicles. The Company has deepened the combination of industry and finance, and enhanced the empowerment of innovation by drawing up an investment strategy map, innovatively adopting the strategic direct

investment model, and focusing on new energy, intelligent connection, chips and other strategic key areas for industrial investment.

Thirdly, solid progress has been made in digital transformation. In terms of digital manufacturing, the Company continued to promote the construction of benchmark factories, and the Passenger Car Branch was selected as one of the national "Intelligent Manufacturing Benchmark Enterprise" (5<sup>th</sup> batch); the Technology Center used digital twin technology to build a digital R&D platform, which was named as one of the "100 typical cases of digital transformation of state-owned enterprises" by the State-owned Assets Supervision and Administration Commission of the State Council, and was selected as one of the national industrial design centers (5<sup>th</sup> batch). In terms of digital services, the online car-hailing business of Xiangdao Mobility has fully covered 6 megalopolis in Yangtze River Delta, ie. "Shanghai, Nanjing, Hangzhou, Hefei, Suzhou-Wuxi-Changzhou and Ningbo", with a platform compliance rate of more than 90%; the "One-Click Taxi" service of Shen Cheng Cab has covered more than 40 communities, hospitals and other public places in Shanghai. In terms of digital ecology, the Company held the world's first automotive SOA developer conference and joined hands with dozens of ecological partners, including Baidu, Alibaba, Tencent, Huawei and OPPO, to carry out cooperation in the fields of intelligent connection, network and data security, 5G empowerment and automotive chips, so as to jointly create a digital ecology of intelligent vehicles and win the future development together.

3. Insist on reform to lead new development, continuously improve mechanism construction and fulfill social responsibilities

Firstly, reshape the vision, mission and values. Focusing on the national strategy of "carbon peaking and carbon neutral", the Company has released a new company logo which means "Blue planet, rising sun", a new vision and mission of "Delivering extraordinary mobility solutions with green and sustainable technology", and the core values of "Focusing on consumers, growing with partners and achieving through innovation", striving to transform to a user-oriented high-tech company with upgraded technology, globalized business, high-end brand and ultimate experience.

Secondly, accelerate the enterprise reform. The Company implements the fixed-term appointment system and contractual management of cadres, optimizes the rank sequence by enhancing the flexibility of dynamic adjustment of ranks and broadening the development channels of cadres; at the same time, the Company strengthens the assessment of cadres and the survival of the fittest, increases the training and selection of young cadres, and makes efforts to optimize the structure of cadres. In terms of promoting the market-oriented reform of innovative enterprises, Z-one Tech has been restructured from a branch to a subsidiary, Rising Auto has achieved independent operation, SHPT has started its spin-off and listing, DIAS Electronic has completed its spin-off, and Zhonghaiting and Xiangdao Mobility have carried out market-oriented financing. In terms of exploring the innovation of incentive and restraint mechanism, the Company formulated and implemented the incentive program for incremental net profit of enterprises and the incentive program for new start-up enterprises, and implemented the equity incentive program for innovative enterprises such as Fin Shine.

Thirdly, actively fulfill social responsibilities. In the face of operation challenges and market fluctuations, the Company insisted on implementing a high proportion of cash dividends and initiated a new round of buybacks. During the reporting period, the Company paid cash dividends of RMB 9.22 billion (including the buy-back amount in 2020), accounting for 45.1% of the Company's net profit attributable to the parent company for the year; In 2021, a total of RMB 740 million was used to repurchase about 34.66 million shares of the Company, safeguarding shareholders' interests and boosting market confidence. At

the same time, the Company deepened its cooperation with Han Hong Love Charity Foundation in public welfare, and supported flood relief in Henan Province by donating cash and vehicles with a total value of approximately RMB 33 million. In addition, SAIC autonomous new energy concept car "Kun" made a stunning appearance at the Dubai World Expo, and SAIC MAXUS became the official vehicle of the China Pavilion in the Dubai World Expo; nine SAIC-owned companies were listed in the "Top Employer China 2022".

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

Since 2018, China's auto industry has experienced "three consecutive declines" in production and sales and a series of severe challenges such as chip shortage in 2021, but driven by new energy vehicles and vehicle exports, China's auto industry achieved 26.275 million vehicle sales, with a year-on-year increase of 3.8%, achieving restorative growth. Under the backdrop of the unprecedented changes in the global auto industry in a century, China's auto industry shows strong resilience and momentum for development.

As the largest domestic auto group in terms of production and sales scale, the Company not only continues to lead the domestic auto industry in terms of new energy vehicle sales, vehicle exports and business quality, but also continues to improve its brand influence and system competitiveness in the global market, focusing on the national strategic goal of "carbon peaking and carbon neutrality", building a new development pattern of "dual circulation" and high-quality development requirements. At present, the Company is grasping the trend changes and accelerating the transformation and upgrading from three aspects: market evolution, technology development and industry reform:

From the perspective of market evolution, as young users represented by post-85/90s "Internet natives" become the main group of automobile consumers, the characteristics of "personalization, diversification and stratification" of users are more obvious, the market is more segmented, and the marketing model and reach mechanism are also changing profoundly; the Company is exploring the use of "digital tools" to speed up the ability to improve direct contact with users, further accurate user profiles and product definitions, and realize accurate reach of users and refined operation.

From the perspective of technology development, the construction of "new track" with electric intelligent connection as the main feature is accelerating, and the trend of "data determines experience and software defines cars" is becoming more and more obvious; the Company is making efforts to master big data, software, chip, artificial intelligence and other core technologies to build a new technological base, so that the next generation of intelligent electric vehicles can become an intelligent mobile terminal with the integration of "cloud, pipe and device" and the ability of "self-learning and self-growing", and continuously improve the user experience.

From the perspective of industry reform, the industry restructuring is promoted by the market and technologies, and the automotive industry presents the development characteristics of "consumer electronics"; the Company is accelerating the change of system and mechanism, accelerating cross-border integration, expanding the "new frontier" of the industry, and comprehensively renewing the business system, and building a new ecology and new development together with partners.

## **III. Businesses engaged by the Company during the reporting period**

The Company's business mainly covers vehicles, auto parts and components, mobility services, finance, overseas business, etc. Through innovative technologies, technical base has been built and business has been empowered. The Company has formed a "5+1" business segment pattern with the vehicle business as the leader and the integration of various segments.

1. Vehicle segment. It is mainly engaged in the R&D, production and sales of passenger and commercial vehicles. SAIC Volkswagen, SAIC GM and SAIC-GM-Wuling are leading Sino-foreign joint ventures in the domestic market segment, among which SAIC-GM-Wuling has become a model of Chinese automobile enterprises in building self-owned brands under the joint venture model; at the same time, the Company has accelerated the construction of the passenger and commercial vehicle businesses of self-owned brands such as Roewe, MG and MAXUS by deepening independent innovation, and innovated to build "IM Motor" and "RISING Auto" during the reporting period, so as to promote the upward development of self-owned brands.

2. Auto parts and components segment. It is mainly engaged in the R&D, production and sales of power drive systems, chassis, interior and exterior trims, and the core components and smart product systems of new energy vehicles such as batteries, electric drives and electronic control. The main auto parts and components enterprises of the Company include HASCO Motor, New Power Technology (formerly known as Shanghai Diesel Engine Co., Ltd.), SAIC Transmission, United electronics, Jieneng, SAIC Shidai, Shidai SAIC, etc. During the reporting period, Shanghai Diesel Engine Co., Ltd. completed significant asset restructuring and supporting financing, and has been renamed "Shanghai New Power Automotive Technology Company Limited".

3. Mobility services segment. It is mainly engaged in logistics and transportation, mobility services, automobile life-support services, energy-saving and charging service, etc. Anji logistics, which subordinate to the Company, is the largest contract logistics enterprise in China and is accelerating the development of a socialized express logistics platform for the public sector; the online car-hailing business of Xiangdao Mobility has fully covered 6 megalopolis in Yangtze River Delta, ie. "Shanghai, Nanjing, Hangzhou, Hefei, Suzhou-Wuxi-Changzhou and Ningbo", with an effective transport capacity of more than 240,000 and a platform compliance rate of more than 90%; The Company is also actively promoting new services such as charging, photovoltaic power generation, hazardous waste disposal and power battery recycling to help achieve the strategic goal of "carbon peaking and carbon neutrality".

4. Finance segment. It is mainly engaged in auto finance, corporate finance, insurance sales and investment business, with an asset management scale of more than RMB 500 billion. Among them, the auto finance business is mainly to provide financing services for dealers and end customers; the corporate finance business is mainly to provide fund deposit and loan, settlement, bills, foreign exchange and various agency services for member enterprises of the Company within the scope allowed by the regulatory authority; the insurance sales business is mainly to provide intermediary services of auto insurance for consumers; the investment business mainly focuses on equity investments in the upstream and downstream of "electricity, intelligent networking, sharing, and internationalization" industry chain. In 2021 alone, 8 invested companies, including Infosec, JD Logistics, Changyuan Lico, Zhuhai CosMX, Sinocat, JEE, Dosilicon and Kotei Informatics, were successfully listed.

5. Overseas business segment. In response to the Belt and Road Initiative, the Company has initially built an overseas automobile industry chain integrating R&D, manufacturing, marketing, finance and logistics; the Company has set up 3 overseas vehicle manufacturing bases in Thailand, Indonesia and India and a KD plant in Pakistan, and 20 regional marketing service centers in Europe, North America, South America, Africa, the Middle East, Australia and New Zealand, more than 1,000 overseas

marketing and service outlets, and 9 "10,000 vehicles" overseas regional markets, six of which reached "50,000 vehicles" sales in 2021.

6. Innovative technology segment. Facing the competition in the "new track" of electric intelligent connection, it is mainly engaged in the R&D of core technologies in new energy, software, chips, artificial intelligence, big data, Internet of Things and other new fields, mainly including Z-one Tech, SHPT, DIAS Electronic, Zhonghaiting, SAIC Infineon, SECCO Intelligent, Fin Shine, SAIC Innovation Center in California, SAIC Innovation Center in Israel, and other "little giants of science and innovation". Among them, SHPT has launched its spin-off and listing in 2021. The Company enables industrial transformation and upgrading through innovative technologies, and will actively promote the industrialization and commercialization of innovation achievements with the help of the capital market.

During the reporting period, the vehicle enterprises subordinating to the Company strived to overcome multiple risks and challenges, adjust the pace of production and sales, optimize product structure and promote the reform of the marketing system; the auto parts and components segment made every efforts to ensure supply and support the vehicle enterprises to develop the market; the finance segment continued to promote the combination between industry and finance, making an important contribution to the Company's profitability; the mobility services segment was fully committed to protect the operation of the industry chain, strengthening the digital application capability of the mobility service business and actively improving the quality of operation; the overseas business segment effectively responded to challenges such as overseas pandemics, capacity constraints and rising freight rates, etc., continuously improved the market share of the base plate and strengthened the development of overseas "new markets" by seizing the opportunities of the strategic window of the overseas market; the innovative technology section focused on empowering major strategic projects, accelerating the development of technology productization, product industrialization and enterprise marketization, and actively planned to break through technology bottlenecks that limit the development of the Company in areas such as chips.; all business segments have been working closely together and empowering each other to ensure steady progress in vehicle sales, steady improvement in quality of economic benefits and steady innovation and transformation, achieving a stable start of the 14th Five-Year Plan.

#### **IV. Analysis of core competitiveness during the reporting period**

Applicable  N/A

Firstly, the Company faces new needs of users and reshapes new advantages of the system. The Company is "user-centered" to speed up the transformation of business model, and efforts are made to improve the operation and service capabilities of online direct users through the use of intelligent and digital technologies. By deepening the marketing reform, the Company continues to promote the transformation and upgrading of organizational structure, business system and operation mechanism, so that the whole business chain will closely focus on the needs of users and better create value for them. In the process of transformation, the Company will give full play to its inherent advantages, such as the largest customer base in China, the widest distribution service network, and the most complete layout of the automobile industry chain, and constantly consolidate the business system foundation and resource support capability, so as to provide users with "one-stop" service in the whole product life cycle.

Secondly, the Company faces new tracks of the industry and creates new technological advantages. Grasping the new trend of "data determines experience, software defines cars", the Company strive to build a new generation of intelligent electric vehicles. Through the construction of "five centers" such as software, cloud computing, artificial intelligence, big data and network security, the strategic layout of



technology base has been realized, and a "cloud, pipe and device" integrated full-stack smart car solution consisting of centralized and domain control electronic architecture, SOA software platform, smart car data factory, artificial intelligence algorithm and smart chip, full-stack OTA and network data security scheme has been initially formed. At the same time, based on independently taking control of core technologies such as battery, electric drive and electronic control system, the Company has made a forward-looking layout of key technologies such as new generation of lithium battery, solid-state battery, IGBT and silicon carbide electric drive module. The technical performance of fuel cell system has taken the lead in the world.

Thirdly, the Company faces new development in the future and builds new advantages of cooperation with others. The Company inherits and carries forward the culture of cooperation, adheres to creating win-win results with global partners at all times, and constantly expands new cooperation space which is wider, higher and deeper. On one hand, the Company continues to improve its international business layout, explores overseas business through the technological innovation advantages of electric intelligent internet connection, and joins hands with partners to accelerate the development of global markets. On the other hand, the Company implements national strategies, focuses on key links such as the upgrading of industrial foundation and the modernization of industrial chain, actively carries out cross-border cooperation in the construction of new energy industrial chain, R & D and application of intelligent vehicles, artificial intelligence algorithms, chip design and manufacturing, big data operation, network information security and internet ecology, and makes full use of market mechanisms and capital strength to continuously expand the "connections", jointly build a new industrial ecology and promote the high-quality of the automobile industry.

## V. Operation conditions in the reporting period

During the reporting period, the Company achieved total operating income of RMB 779.85 billion, an increase of 5.1% year-on-year, net profit attributable to shareholders of listed companies of RMB 24.53 billion, an increase of 20.1% year-on-year, and weighted average ROE of 9.2%, an increase of 1.2 percentage points compared with the previous year.

### (I) Analysis of principal business

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

Unit: RMB

Accounts	2021	2020	Changes (%)
Operating income	759,914,635,560.08	723,042,589,215.28	5.10
Operating costs	686,742,792,553.92	657,765,544,632.29	4.41
Selling expenses	29,505,101,466.14	25,551,327,929.59	15.47
Administrative expenses	24,103,526,327.66	21,818,404,987.48	10.47
Financial expenses	564,183,662.31	516,918,858.15	9.14
R&D expenses	19,668,497,536.95	13,395,044,388.06	46.83
Net cash flow from operating activities	21,615,739,153.91	37,517,935,804.19	-42.39
Net cash flow from investing activities	-1,497,529,157.01	-7,110,266,592.95	78.94
Net cash flow from financing activities	-16,170,026,831.09	-15,851,827,877.23	-2.01

Note: In accordance with the Q&A on Implementation of Accounting Standards for Business Enterprises published by MoF in November 2021, transportation expenses occurred before the transfer of goods' control to clients for the year were relisted from selling expenses to operating costs, and the comparative data of comparable periods were adjusted. The Group has reclassified prior year's selling expenses of RMB 12,515,534,190.16 to operating costs. For details, please refer to the Company's announcement dated April 30, 2022 "Announcement of SAIC Group on Changes to Accounting Policies"(No. 2022-016).

Changes in R&D expenses are mainly because the Company further increases its R&D Investment in technologies like new energy, intelligent connected, digitization.

Changes in net cash flows from operating activities are mainly because SAIC Finance Co., Ltd. ("SFC", a subsidiary of the Company) has issued ABSs to exchange for interbank lending, so as to meet the capital requirements of loan business and lower financing costs.

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

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

Applicable  N/A

## 2. Income and cost analysis

Applicable  N/A

Details are as follows:

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

Unit: RMB

By industry						
By industry	Operating income	Operating costs	Gross margin ratio (%)	Changes in operating income (%)	Changes in operating costs (%)	Changes in gross margin ratio (%)
Automotive manufacturing	759,914,635,560.08	686,742,792,553.92	9.63	5.10	4.41	Increased by 0.60 %
Financing	19,931,150,833.48	4,625,093,592.78	76.79	4.41	-2.05	Increased by 1.52 %
<b>Total</b>	<b>779,845,786,393.56</b>	<b>691,367,886,146.70</b>	<b>11.35</b>	<b>5.08</b>	<b>4.36</b>	<b>Increased by 0.62 %</b>
By product						
By product	Operating income	Operating costs	Gross margin ratio (%)	Changes in operating income (%)	Changes in operating costs (%)	Changes in gross margin ratio (%)
Vehicles	556,966,641,271.70	529,615,693,850.05	4.91	4.91	4.48	Increased by 0.39 %

Parts	159,406,778,327.63	122,379,419,450.29	23.23	2.92	0.51	Increased by 1.85 %
Trading	12,451,221,302.56	11,587,676,466.95	6.94	19.57	15.97	Increased by 2.89 %
Service and others	31,089,994,658.19	23,160,002,786.63	25.51	15.83	21.31	Decreased by 3.36 %
Financial services	19,931,150,833.48	4,625,093,592.78	76.79	4.41	-2.05	Increased by 1.52 %
<b>Total</b>	<b>779,845,786,393.56</b>	<b>691,367,886,146.70</b>	<b>11.35</b>	<b>5.08</b>	<b>4.36</b>	<b>Increased by 0.62 %</b>
<b>By geographical region</b>						
<b>By geographical region</b>	<b>Operating income</b>	<b>Operating costs</b>	<b>Gross margin ratio (%)</b>	<b>Changes in operating income (%)</b>	<b>Changes in operating costs (%)</b>	<b>Changes in gross margin ratio (%)</b>
China	723,111,567,106.77	638,860,995,394.44	11.65	3.72	2.70	Increased by 0.88 %
Others	56,734,219,286.79	52,506,890,752.26	7.45	26.12	29.86	Decreased by 2.66 %
<b>Total</b>	<b>779,845,786,393.56</b>	<b>691,367,886,146.70</b>	<b>11.35</b>	<b>5.08</b>	<b>4.36</b>	<b>Increased by 0.62 %</b>

**(2) Analysis on production and sales volume**

√ Applicable □ N/A

Enterprises	Unit	Production	Sales	Inventories	Changes in production volume (%)	Changes in sales volume (%)	Changes in inventories (%)
SAIC VOLKSWAGEN	Volume	1,246,556	1,242,022	8,825	-16.66	-17.50	63.03
SAIC GM	Volume	1,331,481	1,331,567	2,745	-5.57	-9.26	-5.41
SAIC Passenger Vehicle	Volume	802,328	800,767	2,572	25.21	21.72	61.15
SGMW	Volume	1,671,590	1,660,166	34,313	7.52	3.76	91.02
SAIC Maxus	Volume	242,302	232,844	12,851	26.97	20.88	278.75
SAIC Motor-CP	Volume	31,681	32,531	324	24.98	11.78	-72.64
SAIC GM Wuling Indonesia Co., Ltd.	Volume	26,273	25,650	1,034	257.26	256.65	152.81
MG Motor India Private Limited	Volume	40,641	40,734	449	34.80	35.38	-17.16
Others	Volume	80,641	97,219	4,313	-26.26	-12.09	4.84
<b>Total</b>	<b>Volume</b>	<b>5,473,493</b>	<b>5,463,500</b>	<b>67,426</b>	<b>0.17</b>	<b>-2.45</b>	<b>79.73</b>

Description of production and sales

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

**(3) Implementation of significant purchase and sales contracts**

□ Applicable √ N/A

**(4) Cost analysis**

Unit: RMB

By industry						
By industry	Items	2021	Proportion to total costs (%)	2020	Proportion to total costs (%)	Changes (%)
Automotive manufacturing	Raw materials, labor salaries and wages, depreciation, energy, etc.	686,742,792,553.92	99.33	657,765,544,632.29	99.29	4.41
Financial services	Labor salaries and wages, depreciation, energy, etc.	4,625,093,592.78	0.67	4,721,771,391.51	0.71	-2.05
<b>Total</b>		<b>691,367,886,146.70</b>	<b>100.00</b>	<b>662,487,316,023.80</b>	<b>100.00</b>	<b>4.36</b>
By product						
By product	Items	2021	Proportion to total costs (%)	2020	Proportion to total costs (%)	Changes (%)
Vehicles	Raw materials, labor salaries and wages, depreciation, energy, etc.	529,615,693,850.05	76.60	506,919,757,471.89	76.52	4.48
Parts	Raw materials, labor salaries and wages, depreciation, energy, etc.	122,379,419,450.29	17.70	121,762,480,280.21	18.38	0.51
Trading	Raw materials, labor salaries and wages, depreciation, energy, etc.	11,587,676,466.95	1.68	9,991,690,773.54	1.51	15.97
Service and others	Raw materials, labor salaries and wages, depreciation, energy, etc.,	23,160,002,786.63	3.35	19,091,616,106.65	2.88	21.31
Finance	Labor salaries and wages, depreciation, energy, etc.	4,625,093,592.78	0.67	4,721,771,391.51	0.71	-2.05
<b>Total</b>		<b>691,367,886,146.70</b>	<b>100.00</b>	<b>662,487,316,023.80</b>	<b>100.00</b>	<b>4.36</b>

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

Applicable  N/A

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

Applicable  N/A

**(7) Major customers and suppliers****A. Major sales customers of the Company**

Turnover from top five customers amounts to RMB 69,692.1974 million accounting for 9.17% of the total annual turnover, of which the amount from related parties is RMB 0, accounting for 0% of the total annual turnover.

During the reporting period, the proportion of sales to a single customer exceeds 50% of the total sales. Existence of new customers among the top 5 customers or heavy dependence on a few customers.

Applicable  N/A

**B. Major suppliers of the Company**

Purchase from top five suppliers amounts to RMB 346,069.1761 million, accounting for 50.39% of the total annual purchase amount, of which the amount from related parties is RMB 3,499.9513 million, accounting for 0.51% of the total annual purchase amount.

During the reporting period, the proportion of purchase from a single supplier exceeds 50% of the total purchase amount. Existence of new suppliers among the top 5 suppliers or heavy dependence on a few suppliers.

Applicable  N/A

Unit: RMB 10 Thousand

No.	Supplier	Purchase amount	Proportion to total purchase amount (%)
1	Supplier four	349,995.13	0.51

Note: during the reporting period, one enterprise was newly added among the top five suppliers, which is an associate of the Company.

Other explanations

**3. Expenses**

Applicable  N/A

Unit: RMB

Items	2021	2020	Changes (%)
Selling expenses	29,505,101,466.14	25,551,327,929.59	15.47
Administrative expenses	24,103,526,327.66	21,818,404,987.48	10.47
R&D expenses	19,668,497,536.95	13,395,044,388.06	46.83
Financial expenses	564,183,662.31	516,918,858.15	9.14
Income tax expenses	7,615,900,531.24	6,703,573,806.26	13.61

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

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

√ Applicable □ N/A

Unit: RMB

R&D investments expensed in the current period	19,668,497,536.95
R&D investments capitalized in the current period	926,746,574.77
Total R&D expenditures	20,595,244,111.72
Proportion of R&D expenditures to operating income (%)	2.71
Proportion of capitalization of R&D expenditures (%)	4.50

**(2) R&D personnel**

√ Applicable □ N/A

Number of R&D personnel in the Company	31,748
Proportion of R&D personnel to the total number of employees in the Company (%)	14.4
Education background of R&D personnel	
Category	Number
Doctor degree	1,201
Master degree	11,751
Bachelor degree and below	18,796
Age structure of R&D personnel	
Category	Number
35 years old and below (inclusive)	20,255
35-45 years old (inclusive)	8,855
45 years old and above	2,638

**(3) Explanations**

□ Applicable √ N/A

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

□ Applicable √ N/A

**5. Cash flows**

√ Applicable □ N/A

Items	2021	2020	Changes (%)
Net cash flow from operating activities	21,615,739,153.91	37,517,935,804.19	-42.39
Net cash flow from investing activities	-1,497,529,157.01	-7,110,266,592.95	78.94
Net cash flow from financing activities	-16,170,026,831.09	-15,851,827,877.23	-2.01

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

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

□ Applicable √ N/A

**(III) Analysis of assets and liabilities**

√ Applicable □ N/A

**1. Assets and liabilities**

Unit: RMB

Items	Amount December 31, 2021	Proportion to total assets (%) December 31, 2021	Amount December 31, 2020	Proportion to total assets (%) December 31, 2020	Changes (%)
Prepayments	22,675,148,177.40	2.47	39,101,796,495.91	4.25	-42.01
Other receivables	15,486,319,539.07	1.69	11,191,801,767.53	1.22	38.37
Financial assets purchased under resale agreement	5,881,850,702.79	0.64	9,279,407,143.96	1.01	-36.61
Other debt investments	34,252,527.10	0.00	4,640,259,677.07	0.50	-99.26
Other non-current financial assets	8,200,237,311.05	0.89	1,879,590,033.02	0.20	336.28
Held-for-trading financial liabilities	15,932,323.02	0.00	401,998,111.48	0.04	-96.04
Taxes payable	5,550,414,428.57	0.61	11,790,876,523.91	1.28	-52.93
Interest payable	136,379,101.06	0.01	82,815,028.04	0.01	64.68
Dividends payable	1,146,540,878.06	0.13	2,247,573,969.63	0.24	-48.99
Other current liabilities	2,024,415,579.21	0.22	440,831,849.17	0.05	359.23

**Other explanations**

- 1) The balance of prepayments decreased by 42.01% compared to the closing balance of the previous period, mainly due to the decrease in the prepayments by the Company's subsidiaries to the Company's joint venture vehicle enterprises.
- 2) The balance of other receivables increased by 38.37% compared to the closing balance of the previous period, mainly due to the increase in the new energy subsidies receivable by subsidiaries of the Company.
- 3) The balance of financial assets purchased under resale agreement decreased by 36.61% compared to the closing balance of the previous period, mainly due to the decrease in asset allocation for financial assets purchased under resale agreement by SAIC Finance Co., Ltd., subsidiary of the Company, based on liquidity needs.
- 4) The balance of other debt investments decreased by 99.26% compared to the closing balance of the previous period, mainly due to the decrease in the allocation for negotiable certificate of deposit and bonds by SAIC Finance Co., Ltd., subsidiary of the Company, based on market return and the Company's liquidity condition.
- 5) The balance of other non-current financial assets increased by 336.28% compared compared to the closing balance of the previous period, mainly due to the increase in shareholding of unlisted companies by subsidiaries of the Company.
- 6) The balance of held-for-trading financial liabilities decreased by 96.04% compared to the closing balance of the previous period, mainly due to the decrease in held-for-trading financial liabilities of subsidiaries of the Company.
- 7) The balance of taxes payable decreased by 52.93% compared to the closing balance of the previous period, mainly due to the decrease in VAT payable by subsidiaries of the Company.

- 8) The balance of interest payable increased by 64.68% compared to the closing balance of the previous period, mainly due to the increase in the long-term loan interest of subsidiaries of the Company.
- 9) The balance of dividends payable decreased by 48.99% compared to the closing balance of the previous period, mainly due to the decrease in dividends payable to minority shareholders by subsidiaries of the Company.
- 10) The balance of interest payable increased by 359.23% compared to the closing balance of the previous period, mainly due to the increase in the short-term bonds payable by subsidiaries of the Company.

## 2. Overseas assets

Applicable  N/A

### (1) Asset size

Including: Overseas assets amounting to RMB 65,257,687,800.67, accounting for 7.12% of total assets.

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

Applicable  N/A

## 3. Restriction of significant assets as at December 31, 2021

Applicable  N/A

## 4. Other explanations

Applicable  N/A

### (IV) Analysis on operational data in automotive industry

Applicable  N/A

Details are as follows:

#### Analysis of operation data for automotive manufacturing

##### 1. Production capacity

Applicable  N/A

##### Existing production capacity

Applicable  N/A

Unit: 10 Thousand (vehicles)

Major manufactures	Designed production capacity	Production capacity in the reporting period	Utilization rate (%)
SAIC VOLKSWAGEN	208.8	124.7	60
SAIC GM	190.8	133.1	70
SAIC Passenger Vehicle	80.0	80.2	100
SGMW	176.0	167.2	95
SAIC Maxus	37.5	24.2	65
SAIC Motor-CP	4.0	3.2	79
SAIC-GM-WULING MOTOR INDONESIA	6.0	2.6	44
MG Motor India Private Limited	5.6	4.1	73
Others	13.7	8.1	59



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

### Capacity under construction

√ Applicable □ N/A

Unit: RMB 10 Thousand

Workshop under construction	Planned investment	Amount invested in the period	Accumulated investment	Estimated completion date	Estimated capacity
SAIC Passenger Vehicle Zhengzhou Base, Phase II	535,980	22,500	455,210	2022	240,000

Note: In 2021, Shanghai New Power Automotive Technology Company Limited (formerly known as "Shanghai Diesel"), the Company's holding subsidiary, completed major asset restructuring and supporting financing and obtained the control right of SAIC HONGYAN Automobile Co., Ltd.. For details of the capacity under construction of SAIC HONGYAN, refer to the relevant announcement of NEW POWER TECHNOLOGY.

Capacity calculation criteria

√ Applicable □ N/A

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

## 2. Sales and production of vehicles

√ Applicable □ N/A

### By vehicle type

√ Applicable □ N/A

Categories	Sales (Volume)			Production (Volume)		
	Categories	2021	2020	Changes (%)	2021	2020
Basic passenger car	2,475,437	2,340,036	5.79	2,480,700	2,300,192	7.85
Sports utility vehicle (SUV)	1,456,462	1,595,719	-8.73	1,461,079	1,537,796	-4.99
Multi-purpose vehicle (MPV)	632,997	641,385	-1.31	636,131	604,830	5.18
Cross passenger car	225,912	258,269	-12.53	226,883	257,823	-12.00
Passenger car	114,913	90,303	27.25	117,257	91,150	28.64
Truck	557,779	674,770	-17.34	551,443	672,362	-17.98
<b>Total</b>	<b>5,463,500</b>	<b>5,600,482</b>	<b>-2.45</b>	<b>5,473,493</b>	<b>5,464,153</b>	<b>0.17</b>

### By region

√ Applicable □ N/A

Categories	Sales in domestic market (Volume)			Sales in overseas market (Volume)		
	2021	2020	Changes (%)	2021	2020	Changes (%)
Basic passenger car	2,321,312	2,246,777	3.32	154,125	93,259	65.27
Sports utility vehicle (SUV)	1,019,352	1,349,228	-24.45	437,110	246,491	77.33
Multi-purpose vehicle (MPV)	592,963	631,195	-6.06	40,034	10,190	292.88
Cross passenger car	207,499	247,095	-16.02	18,413	11,174	64.78
Passenger car	100,962	85,783	17.69	13,951	4,520	208.65
Truck	524,163	650,724	-19.45	33,616	24,046	39.80
<b>Total</b>	<b>4,766,251</b>	<b>5,210,802</b>	<b>-8.53</b>	<b>697,249</b>	<b>389,680</b>	<b>78.93</b>

### 3. Sales and production of auto parts

Applicable  N/A

The Company's businesses of auto parts are mainly operated by HASCO (security code: 600741), a subsidiary controlled by the Company. For details of its business in 2021, refer to the annual report 2021 published on [www.sse.com.cn](http://www.sse.com.cn) by HASCO (600741).

#### Categorized by spare parts

Applicable  N/A

#### Categorized by market

Applicable  N/A

### 4. New energy vehicles

Applicable  N/A

#### Production capacity of new energy vehicles

Applicable  N/A

Major workshops	Designed production capacity (Volume)	Production capacity in the period (Volume)	Utilization rate (%)
SAIC VOLKSWAGEN	-	56,954	-
SAIC GM	-	26,187	-
SAIC Passenger Vehicle	-	161,994	-
SGMW	-	458,363	-
SAIC Maxus	-	21,740	-
SAIC Motor-CP Co., Ltd.	-	1,772	-
MG Motor India Private Limited	-	2,549	-
Others	-	3,083	-

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

#### Sales of new energy vehicles

Applicable  N/A

Categories	Sales (Volume)			Production (Volume)		
	2021	2020	Changes (%)	2021	2020	Changes (%)
Passenger vehicles	707,398	307,136	130.32	707,534	291,690	142.56
Commercial vehicles	25,248	12,893	95.83	25,108	13,200	90.21
<b>Total</b>	<b>732,646</b>	<b>320,029</b>	<b>128.93</b>	<b>732,642</b>	<b>304,890</b>	<b>140.30</b>

### Income and subsidies of new energy vehicles

√ Applicable □ N/A

Unit: RMB 10 Thousand

Categories	Income	Subsidy for new energy vehicles	Proportion of subsidy to revenue (%)
Passenger vehicles	4,213,406	228,027	5
Commercial vehicles	294,817	12,872	4

SAIC Group continually accelerates the R&D of new energy vehicles, extends the chart of automotive model of new energy vehicles, and further upgrades the fuel consumption improvement technology of traditional engines according to the latest *Measures for the Parallel Administration of the Average Fuel Consumption and New Energy Vehicle Credits of Passenger Vehicle Enterprises*. In 2021, both oil consumption credits and new energy credits within the Group were in the black, achieving a balance in both credits.

### 5. Automotive finance

√ Applicable □ N/A

#### Details of automotive finance

√ Applicable □ N/A

Unit: RMB 100 million

Name of subsidiary		SAIC Finance Co., Ltd.				
Basic information						
Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit	
153.80	2,162.14	397.74	90.77	54.53	49.57	
Major operating indicators						
Amount of loans		Sum of loans	Balance of loans		Credit impairment loss	
2,312.19		2,331,888	986.60		26.89	
Major regulatory indicators						
Core tier-1 capital adequacy ratio (%)	Tier-1 capital adequacy ratio (%)	Capital adequacy ratio (%)	NPL ratio (%)	Provision coverage (%)	Loan provision ratio (%)	Liquidity ratio (%)
17.15	17.15	18.21	0.22	1,216.73	2.73	91.17

Name of subsidiary		SAIC-GMAC Automotive Finance Co., Ltd.				
Basic information						

<b>Registered capital</b>	<b>Total assets</b>	<b>Net assets</b>	<b>Operating income</b>	<b>Operating profit</b>	<b>Net profit</b>	
85.00	1,406.92	209.62	74.55	47.61	35.68	
<b>Major operating indicators</b>						
<b>Amount of loans</b>	<b>Sum of loans</b>		<b>Balance of loans</b>	<b>Credit impairment loss</b>		
2,584.24	2,083,385		1,250.15	34.23		
<b>Major regulatory indicators</b>						
<b>Core tier-1 capital adequacy ratio (%)</b>	<b>Tier-1 capital adequacy ratio (%)</b>	<b>Capital adequacy ratio (%)</b>	<b>NPL ratio (%)</b>	<b>Provision coverage (%)</b>	<b>Loan provision ratio (%)</b>	<b>Liquidity ratio (%)</b>
13.14	13.14	14.27	0.32	846.14	2.74	137.34

**Distribution of 5-level categories of loans**

√ Applicable □ N/A

Unit: RMB 100 million

<b>Item</b>	<b>SAIC Finance Co., Ltd.</b>		<b>SAIC-GMAC Automotive Finance Co., Ltd.</b>	
	<b>Amount</b>	<b>Ratio (%)</b>	<b>Amount</b>	<b>Ratio (%)</b>
Normal	982.14	99.55	1229.86	98.38
Attention	2.25	0.23	16.25	1.30
Subprime	0.60	0.06	1.69	0.14
Doubtful	1.61	0.16	1.28	0.10
Loss			1.07	0.09
<b>Total</b>	<b>986.60</b>	<b>100.00</b>	<b>1250.15</b>	<b>100.00</b>

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

**6. Other explanations**

□ Applicable √ N/A

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

√ Applicable □ N/A

The Company is an automotive manufacturing enterprise with an extensive business layout and various types of investments. At the end of the reporting period, balance of the Company's long-term equity investment was RMB 60.849 billion, decreased by RMB 1.199 billion or 2.01% compared with opening balance. Details of various investments are set out in the notes to the annual report.

**1. Significant equity investment**

□ Applicable √ N/A

**2. Significant non-equity investment**

□ Applicable √ N/A

**3. Financial assets at fair value**

√ Applicable □ N/A

Unit: RMB

Items	December 31, 2020	December 31, 2021	Changes	Effects on profits of the period
Held-for-trading financial assets	54,800,863,245.58	53,883,499,373.59	-917,363,871.99	1,737,521,822.54
Receivables financing	13,168,746,883.14	11,369,104,594.18	-1,799,642,288.96	
Other current assets - negotiable certificate of deposit	50,002,187,609.98	53,923,058,871.00	3,920,871,261.02	
Other debt investments	4,640,259,677.07	34,252,527.10	-4,606,007,149.97	
Other debt investments due within one year	40,045,800.00	/	-40,045,800.00	
Investments in other equity instruments	20,698,468,429.89	22,543,932,882.53	1,845,464,452.64	
Other non-current financial assets	1,879,590,033.02	8,200,237,311.05	6,320,647,278.03	
<b>Total</b>	<b>145,230,161,678.68</b>	<b>149,954,085,559.45</b>	<b>4,723,923,880.77</b>	<b>1,737,521,822.54</b>

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

□ Applicable √ N/A

##### (VI) Disposal of significant assets and equity

□ Applicable √ N/A

##### (VII) Analysis of major holding companies and joint stock companies

√ Applicable □ N/A

Unit: RMB 10 Thousand

Company name	Business nature	Main products or services	Registered capital	Total assets	Net assets attributable to owners of the company	Total revenue	Net profit attributable to owners of the company
SAIC VOLKSWAGEN	Manufacturing	Manufacturing and sales of vehicles	1,150,000	11,829,071.48	2,738,679.21	15,923,819.16	1,018,600.76
SAIC GM	Manufacturing	Manufacturing and sales of vehicles	USD 108,300	10,653,655.92	2,266,823.16	18,226,423.66	726,113.61
SGMW	Manufacturing	Manufacturing and sales of vehicles	166,808	5,158,739.96	889,423.97	7,894,282.67	113,523.37
HASCO	Manufacturing	Manufacturing and sales of auto-parts	315,272	15,384,676.36	4,954,301.60	13,994,413.96	646,893.99
SFC	Finance	Financial service	1,538,000	35,259,332.24	4,515,299.92	1,869,485.01	566,248.87

##### (VIII) Structured entities controlled by the Company

√ Applicable □ N/A

As at December 31, 2021, the Company directly consolidated six structured entities and included those structured entities over which it had control in its consolidated financial statements, after taking into account its investment decision rights, its exposure to variable returns and the use of its investment decision rights to affect variable returns. Refer to the notes to this report for the relevant information.

## **VI. Discussion and analysis on future development of the Company**

### **(I) Industry structure and development trend**

Applicable N/A

With the reform of global automobile industry speeding up under the combined impact of the pandemic and major global changes both unseen in a century, the automobile industry of China has further strengthened its resilience in development after experiencing a phase adjustment during the demand plateau and multiple challenges such as chip shortage, recurring epidemics, power and production restrictions and sharp increases in raw material prices, and is expected to remain on a recovery growth path.

From the perspective of long-term trends, there are four major points: (1) a new stage with fluctuations in growth will arrive after the passenger car stock exceeds 150 per 1,000 persons, based on the experience of pilot market; (2) China's "common prosperity" policy will bridge the income gap and contribute to the automobile consumption for the long term; (3) under the guidance of "carbon peak and neutrality" national strategy, there will be a long-term positive for new energy vehicle market; (4) based on the vehicle ownership period calculation of 5-8 years for domestic users, the users who bought vehicles in market peak period (2014-2017) are going to trade in their vehicles for new ones, which brings market opportunities for stock conversion.

From the perspective of short-term factors, there are three major points: (1) China has introduced a series of policies to stabilize growth at the end of 2021, such policies will contribute the release of automobile consumer demand; (2) under the combined impact of the rapidly increasing market acceptance and the "advance consuming" probably caused by withdrawal of subsidy policies in 2023, new energy vehicle market will maintain a relatively rapid growth; (3) as the wholesale volumes were lower than retail volumes of this industry in 2021, there are certain inventory replenishment effects in 2022. In addition, although the commercial vehicle market still needs to digest the effect of early overdrafts, its demand recovery will benefit from moderate in-advance infrastructure, overloading management, stricter environmental protection and other policy boost to some extent.

China's automobile industry is expected to sell more than 27.5 million units in 2022 with a year on year increase of approximate 5%, including approximate 23 million passenger vehicles (year on year increase of 7%), approximate 4.5 million commercial vehicles (year on year decrease of 6%), and 5 million new energy vehicles (year on year increase of 42%).

### **(II) The Company's development strategy**

Applicable N/A

The Company will, under market-oriented strategy, firmly grasp the general direction of the "new four modernizations" and core capabilities construction of its own brand. Driven by continuous and rapid implementation of major innovations and supported by digital transformation, the Company will achieve parallel development of manufacturing and services, create a new SAIC Motor with more influential brand, more competitive system and more flexible mechanism. The Company plans to achieve the

optimization and adjustment of business structure according to requirements of high-quality development by 2025, including: brand structure will change from joint venture-based to both self-owned brands and joint ventures brands, with the global sales of self-owned brands accounting for more than 55%; product technology will change from traditional automotive technology to electric intelligent connected upgrading, with the global sales of new energy vehicles accounting for 32% and the sales of the new-generation intelligent electric vehicles featured with "integration of cloud, pipe and device" accounting for 20%; market structure will change from domestic-based to both domestic and overseas marketplaces, with the overseas sales reaching 1.5 million units and accounting for more than 17%; business scope will change from manufacturing to parallel development of manufacturing and services, with the operating income of services (including mobility services, finance) accounting for more than 12%.

The Company will strive to achieve global sales of all brands totally amounting to 8.5 million, rank among the top 5 automotive companies in the world top 500, become a trillion-dollar automobile industry group with global competitiveness and international brand influence, and strive for a world-class automobile enterprise at the end of "14th Five-Year Plan" period.

### (III) Business plan

√Applicable □N/A

The completion of production and sales plan was adversely affected by "supply constraints" like chip shortage in 2021. In 2022, the Company will, adhering to the work keynote of "seeking for improvement on a steady basis and prioritizing progress", improve its quality during making progress in economic operation, fully explore the growth potential, firmly grasp market opportunities, continually improve the production and sales structure, prevent and solve various risks and challenges, and constantly reinforce the resilience and quality of economic operation; pursue practicality while making progress in reform and innovation, continually speed up the implementation of major strategic projects, constantly strengthen the technology base of electric intelligent connections, further deepen the market-oriented reform of institutional mechanisms, and better stimulate team vitality. The Company strives to achieve an annual sales of over 6 million vehicles, representing an increase of over 10% on a year-on-year basis, and has expected a total operating income of RMB 800 billion and an operating cost of RMB 718 billion.

1. The Company will continually make efforts to grasp opportunities and optimize structure by the following ways: (1) further strengthen our own brands, precision marketing through launching new products and strive to achieve a sales growth of over 20% for own brands, continually accounting for over 50% of the Company's total sales; (2) grasp the market opportunities of new energy vehicles, speed up the launch of new products and improve market coverage for targeted market segments, with an annual sales of over 1.1 million and a growth rate over 50% for new energy vehicles; (3) deepen the layout of the high-end luxury car market and further strengthen the product lineup in the luxury brands through the launch of new products such as IM, SAIC Audi and Cadillac; (4) continuously increase efforts to explore overseas markets, combine the characteristics of each regional market and give full play to the product differentiation advantages in electrification and intelligent connection, with an annual sales of over 0.8 million and a growth rate of over 20% for overseas markets, and further improve its leading advantages and operation quality.

2. The Company will continually make efforts to strengthen new growth drivers by the following ways: (1) continuously promote the implementation of major strategic projects such as IM motors, RISING Auto, Robotaxi and intelligent heavy duty trucks; (2) continuously strengthen the technology base of electric intelligent connections, accelerate the localization and mass production application of automotive chips, and continue to promote the digital transformation of the R&D, manufacturing, marketing and service ends; (3) continually deepen the SOEs reform, promote the spin-off listings and

market-based financing of science and technology innovation SMEs as planned, deepen the reform of the cadre and personnel system, expand the coverage of diversified incentive methods such as equity, option, phantom equity, and explore how to build the SAIC Motor Innovation Research and Development Institute as a world-class R&D platform featured with "technical innovation, entrepreneurial team and personal development".

3. The Company will continually make efforts to prevent and solve risks and challenges by the following ways: (1) work tirelessly to prevent and control the pandemic, implement all normal prevention and control measures and improve the response plan for unexpected situations; (2) actively cope with supply chain risks such as chips, continually maintain supply guarantee, accelerate the expansion of local supply chain resources, allocate resources reasonably and optimize scheduling scheme to meet the market demand; (3) enhance the ability to anticipate and respond to risks, grasp the basics of quality, safety, cash flow and foreign exchange management, and continue to practice internal strength to ensure a steady improvement in the operation quality.

**(IV) Potential risks**

Applicable  N/A

Firstly, the pandemic rebounds will increase the uncertainty of automobile production and sales; secondly, the instability of supply chain recovery (such as chips) and geopolitical tensions will have an impact on production and supply, increase the price of raw materials and operating pressure; thirdly, the imbalanced monetary policies of major economies may increase exchange rate fluctuation and risk of overseas operation.

**(V) Other explanations**

Applicable  N/A

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

Applicable  N/A



## Section IV Corporate Governance

### I. Explanations on corporate governance

√ Applicable □ N/A

In accordance with laws and regulations including Corporate Law, Securities Law, Code of Corporate Governance for Listed Companies, Stock Listing Rules of Shanghai Stock Exchange, Articles of Association and relevant normative documents issued by CSRC and SSE, the Company continually optimize its governance system so as to effectively respond to the changes in the external environment, prevent and control risks, and ensure stable operation, accelerate innovative development, promote the realization of sustainable and high-quality development. The Company sticks to regulated operation, strictly fulfills the obligation of information disclosure, actively carries out investors' relationship management, seriously fulfills social responsibility and strive to improve the Company's governance.

#### **Explanations on corporate governance and relevant information**

##### (I) Shareholders and general meeting of shareholders

During the reporting period, the Company strictly followed the relevant provisions of *Code of Corporate Governance for Listed Companies*, *Stock Listing Rules of Shanghai Stock Exchange*, *Articles of Association and Rules of Procedure for General Meeting of Shareholders* to convene general meetings of shareholders, combine online voting with on-site voting. At the same time, the Company commissioned an attorney to attend general meetings of shareholders to witness and verify meeting procedures, and the identification of the attendants, proposal to be deliberated, and voting related matters to ensure the validity of the general meetings of shareholders and the equal status and rights of all shareholders to exercise their rights. The Company held one general meetings of shareholders in 2021, and please refer to "general meeting of shareholders review" for further details.

##### (II) Directors and Board

There are 7 directors of the Company including 1 external director (no other duty role in the Company except for director and is not an independent director) and 3 independent directors. Strategic committee, audit committee as well as nomination, remuneration and assessment committee are established under the Board of the Company, of which external directors and independent directors account for three fifths, and comprise audit committee and nomination, remuneration and assessment committee with the independent director acting as chairman of the committee. During the reporting period, the board of directors held 11 board meetings, 3 meeting of the strategic committee, 7 meetings of audit committee and 3 meetings of nomination, remuneration and appraisal committee, please refer to "Particulars about board meetings convened during the reporting period" and "Particulars about special committees under the board of directors" for details. All the directors performed their obligations and duties in a faithful, diligent and prudent manner. They devoted continuous attention to the operation and management of the Company and actively participated in on-site interviews and investigations. They carefully deliberated on the proposals, carried out thorough discussion and exchange and made scientific decisions on all meetings. No circumstances of violating against laws and regulations or the damaging the interests of the Company or shareholders were found.

##### (III) Supervisors and board of supervisors

The Company's board of supervisors and supervisors have earnestly performed the supervisory and examination responsibilities endowed by the general meeting of shareholders in a spirit of being highly responsible for all the shareholders according to the provisions of the *Articles of Association* and *Rules of Procedure for the Board of Supervisors* and implemented effective supervision on the Company's standard operation, financial condition, internal control construction and duty-performing of directors

and senior management. During the reporting period, the board of supervisors held 9 meetings in total, during which they have deliberated and supervised on important matters such as regular reports, construction for internal control, related party transactions, general election of board of supervisors, repurchase of corporate shares, management of the raised funds, and changes in accounting policies etc., and no situations such as violation of laws or regulations or damage to the interests of shareholders was identified.

(IV) Corporate governance system

During the reporting period, considering the changes in regulatory requirements and actual demands, the Company continually optimized the systems, revised the *Articles of Association*, the *Rules of Procedure of the General Meeting of Shareholders* and the *Rules of Procedure of the Board of Supervisors*, improved business process, and effectively enhanced internal control. In the aspects of proposal decision, information disclosure, investor relationship management, dividends distribution, fund raising and share repurchase, the Company strictly implemented relevant systems and regulated various work procedures. Meanwhile, the Company carried out registration management system for insiders to continue its good work in management including training, registering, reporting, and etc., to maintain fair disclosure of company information.

(V) Performance evaluation, incentive and restraining mechanism

The Company has selected managerial personnel according to the principle of ability and integrity, equality and fairness and implemented tenure system. In the meantime, the Company has established a performance evaluation and remuneration system which links remuneration of management with the Company's operating performance and individual's performance. Meanwhile, in order to further stimulate innovation vitality of the senior management, the 16<sup>th</sup> session of the sixth board of directors has approved the new round of *Incentive Fund Plan of the Company* and *Proposal on the Implementation of the Company's Professional Managers Scheme*. During the reporting period, the 18<sup>th</sup> session of the seventh board of directors deliberated and approved *Proposal on 2018-2020 Tenure and 2020 Performance Assessment for the Company's Professional Managers*.

(VI) Stakeholders

The Company has fully demonstrated due respect to maintain legal rights of stakeholders and actively perform social responsibilities to balance interest in shareholders, employee and society, etc. to promote sustainable and healthy development of the Company eventually. (Please refer to the Company's social responsibility report of 2021).

(VII) Information disclosure and transparency

During the reporting period, the Company took initiative to work on investors' relationship in accordance with the requirements as set forth in *Investors Relationship Management System* and *Information Disclosure Management System*, and has obtained "A" in the evaluation of information disclosure by Shanghai Stock Exchange for years. In 2021, the Company received over 100 investment agents' visits, over 1600 individual investors' visits and more than 900 enquiry calls online or offline. In addition, 2 meetings for communication of financial performance and more than 60 attendance in investors communication meetings organized by security traders were organized to facilitate investors' understanding of the Company's operating results timely and accurately.

During the reporting period, the Company disclosed 4 periodic reports, made 70 temporary announcements, and made no announcement of correction, so that the investors could be informed of the true status of the Company on a timely, fair, accurate, effective and comprehensive basis.

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

Applicable  N/A

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

Applicable  N/A

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

Applicable  N/A

## III. Brief introduction of general meeting of shareholders

Sequence of the Meeting	Date	Designated website of resolutions publicized	Disclosure date of resolutions	Resolutions
General meeting of shareholders in 2020	June 30, 2021	Shanghai Stock Exchange Website <a href="http://www.sse.com.cn">http://www.sse.com.cn</a>	July 1, 2021	Deliberate and approve the <i>Work Report of the Board of Directors for 2020</i> , the <i>Work Report of the Board of Supervisors for 2020</i> , the <i>Debriefing of the Independent Director for 2020</i> , the <i>Plan on the Profit Distribution for 2020</i> , the <i>Final Account Report for 2020</i> , the <i>Annual Report and Summary for 2020</i> , the <i>Proposal on the Preparation of the 'Planning of the Company on the Returns for Shareholders for the Following Three Years (2021-2023)'</i> , the <i>Proposal on the Forecast of the Daily Related-party Transaction Amount for 2021</i> , the <i>Proposal to Close and Terminate Part of the Fund-Raising Investment Projects and to Permanently Replenish the Working Capital with the Surplus Raised Fund</i> , the <i>Proposal on the Guarantee Provided for SAIC-GMAC Automotive Finance Co., Ltd.</i> , the <i>Proposal on the Guarantee Provided by Global Car Sharing and Rental Co., Ltd. for its Holding Subsidiaries</i> , the <i>Proposal on the Guarantee Provided by Anji Automotive Logistics Co., Ltd. for Guangzhou Harbour Haijia Vehicle Dock Co., Ltd.</i> , the <i>Proposal on the Repurchase Guarantee Provided by Affiliated Commercial Vehicle Sector Company for Its Vehicle Sales Business</i> , the <i>Proposal to Maintain Liability Insurance for the Directors, Supervisors and Senior Management Staffs</i> , the <i>Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Financial Auditor of the Company</i> , the <i>Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Internal Control Auditor of the Company</i> , the

				<p><i>Proposal on the Amendment to the 'Article of Association of the Company', the Proposal on the Amendment to the 'Rules of Procedure for the General Meeting of Shareholders of the Company', the Proposal on the Amendment to the 'Rules of Procedure for the Board of Supervisors of the Company', the Proposal on the General Election of the Board of Directors of the Company, the Proposal on the General Election of the Board of Supervisors of the Company.</i></p>
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Extraordinary general meetings requested by preferred shareholders with restored voting rights

Applicable  N/A

Explanations on general meeting of shareholders

Applicable  N/A

#### IV Directors, Supervisors, Senior Management

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

√ Applicable □ N/A

Unit: share

Name	Position (note)	Gender	Age	Beginning date of term	Ending date of term	Shares held at the beginning of the year	Shares held at the end of the year	Increase/decrease of number of shares held	Reason for the change	Total remuneration before tax received from the Company during the reporting period (RMB 10 Thousand)	Whether received remuneration from related parties of the Company
Chen Hong	Chairman of the Board	Male	60	2021-6-30	2024-6-29	8,380	8,380	0		194.40	No
Wang Xiao Qiu	Director, president	Male	57	2021-6-30	2024-6-29					295.18	No
Wang Jian	Director	Male	67	2021-6-30	2024-6-29					0	No
Li Ruo Shan	Independent director	Male	72	2021-6-30	2022-5-25					10	No
Zeng Sai Xing	Independent director	Male	55	2021-6-30	2024-6-29					10	No
Chen Nai Wei	Independent director	Male	64	2021-6-30	2024-6-29					5.83	No
Zhong Li Xin	Employee representative director	Male	58	2021-6-30	2024-6-29					176.36	No
Shen Xiao Su	Chairman of board of supervisors	Male	61	2021-6-30	2024-6-29					0	No
Yi Lian	Supervisor	Male	55	2021-6-30	2024-6-29					0	No
Xia Ming Tao	Supervisor	Male	44	2021-6-30	2024-6-29					59.76	No

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Jiang Bao Xin	Employee representative supervisor	Male	52	2021-6-30	2024-6-29					189.85	No
Xu Wen Hui	Employee representative supervisor	Female	52	2021-6-30	2024-6-29	800	800	0		65.40	No
Zhou Lang Hui	Vice president	Male	50	2021-6-30	2024-6-29					268.86	No
Chen De Mei	Vice president	Male	59	2021-6-30	2024-6-29					254.42	No
Lan Qing Song	Vice president	Male	56	2021-6-30	2024-6-29					260.34	No
Wei Yong	Vice president, acting CFO	Male	49	2021-6-30	2024-6-29					254.34	No
Zu Si Jie	Vice president, chief engineer	Male	53	2021-6-30	2024-6-29					254.34	No
Yang Xiao Dong	Vice president	Male	51	2021-6-30	2024-6-29					254.34	No
Chen Xun	Secretary of the Board	Male	41	2021-6-30	2024-6-29					58.94	No
Tao Xin Liang	Former Independent director	Male	71	2018-6-26	2021-6-29					5	No
Zhu Pei Li	Former employee representative supervisor	Female	48	2018-6-26	2021-6-29					86.97	No
Shen Yang	Former vice president	Male	59	2018-6-26	2021-6-29					0	No
Chen Xiao Dong	Former secretary of the Board	Male	44	2019-8-5	2021-6-29					103.89	No
<b>Total</b>	/	/	/	/	/	<b>9,180</b>	<b>9,180</b>	<b>0</b>	/	<b>2,808.22</b>	/

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

Name	Major working experience
Chen Hong	He is the chairman of the Board and secretary of the Party Committee of SAIC Motor Corporation Limited.
Wang Xiao Qiu	He served as executive vice president of SAIC Motor Corporation Limited and general manager of passenger vehicle branch, Head of Technical Center. He is currently director, president and deputy secretary of the Party Committee of SAIC Motor Corporation Limited.
Zhong Li Xin	He served as chairman of the labor union and director of the Party Committee Office of SAIC Motor Corporation Limited. He is currently employee representative director and chairman of the labor union of SAIC Motor Corporation Limited.
Wang Jian	He served as chairman of the Board and deputy secretary of the Party Committee of Shenergy Group Company Limited; secretary of the Party Committee and chairman of the Board; the vice chairman of the Board of China Pacific Insurance (Group) Co., Ltd. He is currently director of SAIC Motor Corporation Limited.
Li Ruo Shan	He served as deputy dean and academic director of master of accounting of School of Management, director of accounting department and director of finance department of Fudan University; and deputy president of Shanghai Institute of Accounting and deputy president of Shanghai Institute of Audit, academic director of Professional Master of Accounting of School of Management of Fudan University. He is currently member of the listed company expert committee of Shanghai Stock Exchange, member of budget committee of Shanghai SASAC and an independent director of SAIC Motor Corporation Limited.
Zeng Sai Xing	Former head of discipline of Department of Management Science and Department of Innovation and Strategy of Antai College of Economics & Management, Shanghai Jiao Tong University. Current distinguished professor and doctoral advisor of Antai College of Economics & Management, Shanghai Jiao Tong University. Independent director of SAIC Motor Corporation Limited.
Chen Nai Wei	Former director of the Law Department of Shanghai Jiao Tong University, senior partner of Shanghai Allbright Law firm, and professor of Fudan University Law School. Current executive dean of Fudan Shanghai Advanced Institute of Lawyers, president of China (Shanghai) Pilot Free Trade Zone Intellectual Property Association, executive vice president of China Law Association on Science & Technology, and independent director of Shanghai Motor Corporation Limited.
Shen Xiao Su	Former director and secretary of the Leading Party Members' Group of Shanghai Municipal Civil Defense Office. Current chairman of board of supervisors of SAIC Motor Corporation Limited, chairman of board of supervisors of Shanghai Land (Group) Co., Ltd.
Yi Lian	He served as deputy director general of Economic Responsibility Audit Division (Internal Audit Guidance Office) of Shanghai Municipal Audit Bureau. He is currently supervisor of SAIC Motor Corporation Limited.
Xia Ming Tao	He served as manager of budget control division, senior director of budget control, senior director of budget control and senior director of accounting in the finance department of Shanghai Motor Corporation Limited. He is currently the general manager of the finance department of Shanghai Automotive Industry Corporation (Group), CFO of Shanghai Rui Chuang Automobile Sales Co., Ltd. and the supervisor of Shanghai Motor Corporation Limited.
Jiang Bao Xin	He currently serves as employee representative supervisor, head of audit office and general manager of risk management department in Shanghai Motor Corporation Limited.

Xu Wen Hui	He served as secretary of the Party Committee, secretary of the Commission for Discipline Inspection, chairman of the trade union of Yanfeng Plastic Omnium Automotive Exterior Trimming System Co., Ltd., and assistant to the minister of Organization Cadre Department of SAIC Motor Corporation Limited. He is currently employee representative supervisor, secretary of the headquarters Party Committee, vice minister of the Organization Department, and vice head of the office of leading group for Party Committee inspection of SAIC Motor Corporation Limited.
Zhou Lang Hui	He is currently vice president and vice secretary of the Party Committee of SAIC Motor Corporation Limited.
Chen De Mei	He is currently vice president of SAIC Motor Corporation Limited.
Lan Qing Song	He served as general manager of SAIC Maxus Vehicle Co., Ltd... He is currently vice president of SAIC Motor Corporation Limited and general manager of department of commercial vehicle.
Wei Yong	Former head of Board Office, Board Secretary, general manager of securities affairs & investor relations Department, securities affairs representative and general manager of Finance Business Department of SAIC Motor Corporation Limited. Current vice president, acting CFO of SAIC Motor Corporation Limited, general manager of SAIC HK Investment Co., Ltd.
Zu Si Jie	Former executive director, general manager of Planning Department, former deputy general engineer of SAIC Motor Corporation Limited. Current vice president, general engineer of SAIC Motor Corporation Limited.
Yang Xiao Dong	Former director (administration), executive director, general manager of International Business Department of SAIC Motor Corporation Limited, general manager of SAIC International Trade Co., Ltd., general manager of Shanghai Automobile Import & Export Company. Current vice president of SAIC Motor Corporation Limited and general manager of Passenger Vehicle Branch, Head of Technical Center.
Chen Xun	Former manager of general division, senior director of general management and assistant of the director of the president office of SAIC Motor Corporation Limited. Current secretary of the board of directors, deputy general manager (administration) of the securities affairs & investor relations Department and the vice head of the president office of SAIC Motor Corporation Limited.

Other explanations

Applicable  N/A

**(II) Information of appointed and resigned directors, supervisors and senior management during the reporting period**

**1. Positions held in shareholders' entity**

Applicable  N/A

Name	Name of shareholder entity	Position held	Starting date of term	Ending date of term
Chen Hong	Shanghai Automotive Industry Corporation (Group)	Chairman of the Board	2021-3-23	2024-3-22
Zhou Lang Hui	Shanghai Automotive Industry Corporation (Group)	Supervisor	2021-3-23	2024-3-22
Chen De Mei	Shanghai Automotive Industry Corporation (Group)	Director	2021-3-23	2024-3-22



Xia Ming Tao	Shanghai Automotive Industry Corporation (Group)	General manager of the finance department	2021-3-23	2024-3-22
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## 2. Positions held in other entities

√ Applicable □ N/A

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

## (III) Remuneration of directors, supervisors and senior management personnel

√ Applicable □ N/A

<b>Decision-making process for remuneration of directors, supervisors and senior management</b>	The allowance of independent directors shall be decided by the Board and subject to the approval of general meeting of shareholders. Each independent director may receive allowance of RMB 100,000 and the necessary and reasonable costs arising from performing the duties shall be borne by the Company. The Company's non-independent directors shall not receive remuneration for the position of directors. The Company's supervisors shall not receive remuneration for the position of supervisors.
<b>Determination basis of remuneration of directors, supervisors and senior management</b>	According to the Company's medium and long-term strategic planning, annual key work arrangements, and the division of responsibilities of senior management personnel, etc., the performance assessment targets are clarified and assessments are conducted. Senior management personnel' performance pay is related to the corporate performance and the results of performance assessment.

<b>Actual payment of remuneration of directors, supervisors and senior management</b>	According to the "Proposal on 2018-2020 Tenure and 2020 Annual Performance Assessment for the Company's Professional Manager" approved by the 18 <sup>th</sup> session of seventh board of directors, the Company's professional managers cashed 2020 performance annual pay and 2020 medium- and long-term incentive during the reporting period. According to 2018-2020 tenure assessment results, the Company's senior management cashed part of 2018-2020 incentives within their tenure during the reporting period. The specific amount have been included in the total annual remuneration payable.
<b>Total remuneration of all directors supervisors and senior management received by the end of the reporting period</b>	RMB 28.0822 million

**(IV) Alteration of directors, supervisors and senior management personnel**√ Applicable  N/A

Name	Position held	Alteration	Reason for alteration
Chen Hong	Chairman of the board	Election (by vote)	Elected as director by the general meeting of shareholders and chairman of the board by the board of directors during the change of term of the board of directors
Wang Xiao Qiu	Director, president	Election (by vote)	Elected as director by the general meeting of shareholders and president by the board of directors during the change of term of the board of directors
Wang Jian	Director	Election (by vote)	Elected by the general meeting of shareholders during the change of term of the board of directors
Li Ruo Shan	Independent director	Election (by vote)	Elected by the general meeting of shareholders during the change of term of the board of directors
Zeng Sai Xing	Independent director	Election (by vote)	Elected by the general meeting of shareholders during the change of term of the board of directors
Chen Nai Wei	Independent director	Election (by vote)	Elected by the general meeting of shareholders during the change of term of the board of directors
Zhong Li Xin	Employee representative director	Election (by vote)	Elected by the sixth joint meeting of the third employee congress of the Company
Shen Xiao Su	Chairman of board of supervisors	Election (by vote)	Elected as supervisor by the general meeting of shareholders and chairman of board of supervisors by the board of supervisors during the change of term of the board of supervisors
Yi Lian	Supervisor	Election (by vote)	Elected by the general meeting of shareholders during the change of term of the board of supervisors
Xia Ming Tao	Supervisor	Election (by vote)	Elected by the general meeting of shareholders during the change of term of the board of supervisors
Jiang Bao Xin	Employee representative supervisor	Election (by vote)	Elected by the sixth joint meeting of the third employee congress of the Company
Xu Wen Hui	Employee representative supervisor	Election (by vote)	Elected by the sixth joint meeting of the third employee congress of the Company

Zhou Lang Hui	Vice president	Appointment	Appointed by the board of directors
Chen De Mei	Vice president	Appointment	Appointed by the board of directors
Lan Qing Song	Vice president	Appointment	Appointed by the board of directors
Wei Yong	Vice president, acting CFO	Appointment	Appointed by the board of directors
Zu Si Jie	Vice president, chief engineer	Appointment	Appointed by the board of directors
Yang Xiao Dong	Vice president	Appointment	Appointed by the board of directors
Chen Xun	Secretary of the Board	Appointment	Appointed by the board of directors
Tao Xin Liang	Former independent director	Dimission	Change of term of the board of directors
Zhu Pei Li	Former employee representative supervisor	Dimission	Change of term of the board of supervisors
Shen Yang	Former vice president	Dimission	Dimission upon expiration
Chen Xiao Dong	Former secretary of the Board	Dimission	Dimission upon expiration

**(V) Penalty by regulators in recent three years**

Applicable  N/A

**(VI) Others**

Applicable  N/A

**V. Particulars about board meetings convened during the reporting period**

Meeting times	Convening date	Resolutions
The 16 <sup>th</sup> meeting of the seventh session of the board of directors	January 4, 2021	Deliberate and approve the <i>Proposal on the Company's Participation in the Issue of Shares by Shanghai Diesel Engine Co., Ltd. and Cash Payment for the Acquisition of Assets with 50% of Equity Interests in SAIC-IVECO Commercial Vehicle Investment Co., Ltd. and 56.96% of Equity Interests in SAIC-IVECO Hongyan Commercial Vehicle Co., Ltd.</i>
The 17 <sup>th</sup> meeting of the seventh session of the board of directors	March 24, 2021	Deliberate and approve the <i>Work Report of the Board of Directors for 2020, the Work Report of the President for 2020, the Debriefing of the Independent Director for 2020, the Proposal on the Report of the Audit Committee of the Board of Directors on the Performance of Duties for 2020, the Proposal on the 'Special Report of the Company for the Deposit and Actual Use of the Raised Funds for 2020', the Plan on the Profit Distribution for 2020, the Final Account Report for 2020, the Annual Report and Summary for 2020, the Proposal on the 'Social Responsibility Report of the Company for 2020, the Proposal on the Internal Control Evaluation Report for 2020, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Financial Auditor of the Company, the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Internal Control Auditor of the Company, the "14<sup>th</sup> Five-Year" Development Plan of the Company, the Proposal to Maintain Liability Insurance for the Directors, Supervisors and Senior Management Staffs, the Proposal on the Forecast of the Daily Related-party Transaction Amount for 2021, the Proposal on the External Guarantee Provided for 2021, the Proposal on the Guarantee Provided for SAIC-GMAC Automotive Finance Co., Ltd., the Proposal on the Guarantee Provided by Global Car Sharing and Rental Co., Ltd. for its Holding Subsidiaries, the Proposal on the Guarantee Provided by Anji Automotive Logistics Co., Ltd. for Guangzhou Harbour Haijia Vehicle Dock Co., Ltd., and the Proposal on the Repurchase Guarantee Provided by Affiliated Commercial Vehicle Sector Company for Its Vehicle Sales Business.</i>
The 18 <sup>th</sup> meeting of the seventh session of the board of directors	April 28, 2021	Deliberate and approve the <i>Report 2021Q1, the Proposal on the Changes in Accounting Policies of the Company, the Proposal on the 2018-2020 Tenure and 2020 Annual Performance Assessment for the Company's Professional Manager, and the Proposal on the Preparation of Standby Syndication.</i>
The 19 <sup>th</sup> meeting of the seventh session of the board of directors	June 9, 2021	Deliberate and approve the <i>Proposal on the Donation to Han Hong Love Charity Foundation, the Proposal to Close and Terminate Part of the Fund-Raising Investment Projects and to Permanently Replenish the Working Capital with the Surplus Raised Fund, the Proposal on the Preparation of the 'Planning of the Company on the Returns for Shareholders for the Following Three Years (2021-2023)', and the Proposal to Convene the General Meeting of Shareholders of the Company in 2020.</i>
The 20 <sup>th</sup> meeting of the seventh session of the board of directors	June 16, 2021	Deliberate and approve the <i>Proposal on the Amendment to the 'Article of Association of the Company', the Proposal on the Amendment to the 'Rules of Procedure for the General Meeting of Shareholders of the Company', and the Proposal on the General Election of the Board of Directors of the Company.</i>

The 1 <sup>st</sup> meeting of the eighth session of the board of directors	June 30, 2021	Deliberate and approve the <i>Proposal on the Election of the Board Chairman of the Company</i> , the <i>Proposal on the Election of the Members of the Strategic Committee of the Board of Directors of the Company</i> , the <i>Proposal on the Election of the Chairman of the Strategic Committee of the Board of Directors of the Company</i> , the <i>Proposal on the Election of the Members of the Audit Committee of the Board of Directors of the Company</i> , the <i>Proposal on the Election of the Chairman of the Audit Committee of the Board of Directors of the Company</i> , the <i>Proposal on the Election of the Members of the Nomination, Remuneration &amp; Appraisal Committee of the Board of Directors of the Company</i> , the <i>Proposal on the Election of the Chairman of the Nomination, Remuneration &amp; Appraisal Committee of the Board of Directors of the Company</i> , the <i>Proposal on the Appointment of the President of the Company</i> , the <i>Proposal on the Appointment of the Vice President</i> , the <i>Acting Financial Controller and the Chief Engineer of the Company</i> , the <i>Proposal on the Appointment of the Board Secretary of the Company</i> , and the <i>Proposal on the Appointment of the Securities Affairs Representative of the Company</i> .
The 2 <sup>nd</sup> meeting of the eighth session of the board of directors	July 22, 2021	Deliberate and approve the <i>Proposal on the Donation to Support Flood Control and Disaster Relief in Henan</i> .
The 3 <sup>rd</sup> meeting of the eighth session of the board of directors	August 25, 2021	Deliberate and approve the <i>Proposal on the 'Special Report of the Company for the Deposit and Actual Use of the Raised Funds in the First Half of 2021'</i> , the <i>2021 Half-Year Interim Report and Summary</i> , the <i>Proposal on the '2021 Half-Year Interim Internal Control Evaluation Report'</i> , and the <i>Proposal on the Investment to Establish Jiaxing Dongxizhixing Equity Investment Partnership (Limited Partnership)</i> .
The 4 <sup>th</sup> meeting of the eighth session of the board of directors	September 9, 2021	Deliberate and approve the <i>Proposal to Repurchase the Shares of the Company through Centralized Competitive Bidding</i>
The 5 <sup>th</sup> meeting of the eighth session of the board of directors	October 28, 2021	Deliberate and approve the <i>Report 2021Q3</i> , the <i>Proposal on the Investment to Establish Rising Automotive Technology Co., Ltd.</i> , the <i>Proposal on the Transformation of Shanghai Motor Corporation Limited Lingshu Branch to A New Subsidiary</i> .
The 6 <sup>th</sup> meeting of the eighth session of the board of directors	November 25, 2021	Deliberate and approve the <i>Proposal on the Compliance with Relevant Laws and Regulations in relation to the Spin-off of the Subsidiary to be Listed on the Science and Technology Innovation Board (STAR Market)</i> , the <i>Proposal on the Plan on the Spin-off of the Subsidiary Shanghai Hydrogen Propulsion Technology Co., Ltd. to be Listed on the Science and Technology Innovation Board (STAR Market)</i> , the <i>Proposal on the 'Preplan of SAIC Motor Corporation Limited on the Spin-off of the Subsidiary Shanghai Hydrogen Propulsion Technology Co., Ltd. to be Listed on the Science and Technology Innovation Board (STAR Market)'</i> , the <i>Proposal on the Compliance with the 'Several Provisions on the Pilot Program of Listed Companies' Spin-off of Subsidiaries for Domestic Listing' in relation to the Spin-off of the Subsidiary to be Listed on the Science and Technology Innovation Board (STAR Market)</i> , the <i>Proposal on the Spin-off of the Subsidiary to be Listed on the Science and Technology Innovation Board (STAR Market) in favor of Safeguarding the Legitimate Interests of Shareholders and Creditors</i> , the <i>Proposal on the Maintenance of the Independence and Ability to Operate on a Going-concern Basis of the Company</i> , the <i>Proposal on the Capability of Shanghai Hydrogen Propulsion Technology Co., Ltd. for Standardized Operation</i> , the <i>Proposal on the Explanation on the Completeness and Compliance of Legal Procedures and Effectiveness of Legal Documents for this Spin-off Listing</i> , the <i>Proposal on the Background and Purpose, and Commercial Rationality, Necessity and</i>

		<i>Feasibility Analysis of this Spin-off Listing, and the Proposal to Request the General Meeting of Shareholders to Authorize the Board of Directors and the persons authorized by the Board of Directors to Handle Matters relating to this Spin-Off Listing of the Company.</i>
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## VI. Duty performance of directors

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

Name of director	Independent director (yes or no)	Attendance of board meetings						Attendance of general meeting of shareholders
		Number of board meetings should be attended (Times)	Attended in person (Times)	Attended via communication tools (Times)	Attended by delegation (Times)	Absence (Times)	Absence twice consecutively (yes or no)	Number of attendance in general meeting of shareholders
Chen Hong	No	11	11	7	0	0	No	1
Wang Xiao Qiu	No	11	11	7	0	0	No	1
Wang Jian	No	11	11	7	0	0	No	1
Zhong Li Xin	No	11	11	7	0	0	No	1
Li Ruo Shan	Yes	11	11	7	0	0	No	0
Zeng Sai Xing	Yes	11	11	7	0	0	No	1
Chen Nai Wei	Yes	6	6	3	0	0	No	0
Tao Xin Liang	Yes	5	5	4	0	0	No	0

Note: In the 2020 General Meeting of Shareholders of the Company on June 30, 2021, the Company deliberated and approved the *Proposal on the General Election of the Board of Directors of the Company* by which Director Chen Hong, Director Wang Xiao Qiu, Director Wang Jian, Employee Representative Director Zhong Lixin, Independent Director Li Ruo Shan, Independent Director Zeng Sai Xing and Independent Director Chen Nai Wei consisted of the eighth session of the board of directors of the Company in which Employee Representative Director Zhong Li Xin was elected and enrolled in the new session of the board of directors by the 6<sup>th</sup> Joint Meeting of the third session of Congress of Workers and Staff of the Company, and Tao Xin Liang who was the former member of the board of directors of the Company ceased to assume the posts of the independent director, the member of Strategic Committee, and the Chairman of Nomination, Remuneration & Appraisal Committee of the Company.

Reasons for not attending board meeting in person twice consecutively

Applicable  N/A

Number of board meetings during the year	11
Including: Number of on-site meetings	4
Number of meetings via communication tools	7
Number of meetings on-site and via communication tools simultaneously	0

### (II) Circumstance where independent directors raised different opinions

Applicable  N/A

**(III) Others**

□ Applicable √ N/A

**VII. Particulars about special committees under the board of directors**

√ Applicable □ N/A

**(1) Members of special committees under the board of directors**

Type of special committee	Name of members
Strategic Committee	The seventh session: Chen Hong, Wang Xiao Qiu, Wang Jian, Tao Xin Liang and Zeng Sai Xing The eighth session: Chen Hong, Wang Xiao Qiu, Wang Jian, Zeng Sai Xing, and Chen Nai Wei
Audit Committee	The seventh session: Li Ruo Shan, Wang Jian, and Zeng Sai Xing The eighth session: Li Ruo Shan, Wang Jian, and Zeng Sai Xing
Nomination, Remuneration & Appraisal Committee	The seventh session: Tao Xin Liang, Wang Jian, and Li Ruo Shan The eighth session: Chen Nai Wei, Wang Jian, and Li Ruo Shan

**(2) Strategic Committee convened 3 meetings during the reporting period**

Convening date	Content	Important advices	Other particulars
March 22, 2021	1 <sup>st</sup> meeting in 2021	Deliberate and approve the ' <i>14<sup>th</sup> Five-Year Development Plan of the Company</i> ', and approve to submit such proposal to the board of directors for deliberation	Recommend that during the 14 <sup>th</sup> Five-Year Plan period, in the face of the new trends in the development of the global automotive industry and the new competition track, the Company should accelerate the implementation of major strategic initiatives such as the new generation of intelligent vehicles, mobility and services, finance, international operations, digital transformation and the comprehensive reform of state-owned enterprises, and strive to build a new SAIC with a more influential brand, a more competitive system and a more flexible institutional mechanism.
April 27, 2021	2 <sup>nd</sup> meeting in 2021	Deliberate and approve the <i>Proposal on the Preparation of Standby Syndication</i> , and approve to submit such proposal to the board of directors for deliberation	
November 25, 2021	3 <sup>rd</sup> meeting in 2021	Deliberate and approve the <i>Proposal on the Compliance with Relevant Laws and Regulations in relation to the Spin-off of the Subsidiary to be Listed on the Science and Technology Innovation Board (STAR Market)</i> , the <i>Proposal on the Plan on the Spin-off of the Subsidiary Shanghai Hydrogen Propulsion Technology Co., Ltd. to be Listed on the Science and Technology Innovation Board (STAR Market)</i> , the <i>Proposal on the Preplan of SAIC Motor Corporation Limited on the Spin-off of the Subsidiary Shanghai Hydrogen Propulsion Technology Co.,</i>	It was believed that Shanghai Hydrogen Propulsion Technology Co., Ltd. has complete business system and ability for direct-to-market independent operation. This spin-off listing would be a drive force for such company to further improve its corporate governance structure and inducement to strengthen its business system completeness and ability for direct-to-market independent operation so as to acquire better development and innovation ability to enhance comprehensive competitiveness of the company.

		<p><i>Ltd. to be Listed on the Science and Technology Innovation Board (STAR Market)', the Proposal on the Compliance with the 'Several Provisions on the Pilot Program of Listed Companies' Spin-off of Subsidiaries for Domestic Listing' in relation to the Spin-off of the Subsidiary to be Listed on the Science and Technology Innovation Board (STAR Market), the Proposal on the Spin-off of the Subsidiary to be Listed on the Science and Technology Innovation Board (STAR Market) in favor of Safeguarding the Legitimate Interests of Shareholders and Creditors, the Proposal on the Maintenance of the Independence and Ability to Operate on a Going-concern Basis of the Company, the Proposal on the Capability of Shanghai Hydrogen Propulsion Technology Co., Ltd. for Standardized Operation, and the Proposal on the Background and Purpose, and Commercial Rationality, Necessity and Feasibility Analysis of this Spin-off Listing, and approve to submit the above proposals to the board of directors for deliberation</i></p>	
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**(3) Audit Committee convened 7 meetings during the reporting period**

Convening date	Content	Important advices	Other particulars
March 22, 2021	1 <sup>st</sup> meeting in 2021	<p>Deliberate and approve the <i>Proposal on the 'Special Report of the Company for the Deposit and Actual Use of the Raised Funds for 2020'; the Annual Report and Financial Statements 2020 of the Company; the Reporting of Deloitte Touche Tohmatsu Certified Public Accountants LLP on the Audit of the Annual Report 2020 of the Company; the Reporting on the Supervision and Inspection of the Internal Control of the Company for 2020; the Reporting of Deloitte Touche Tohmatsu Certified Public Accountants LLP on the Audit of the Internal Control of the Company for 2020; the Proposal on the Report on Evaluation of the Internal Control of the Company for 2020; the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Financial Auditor of the Company; the Proposal to Re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Internal Control Auditor of the Company; the</i></p>	<p>Recommend that the Company should keep optimizing management mechanism and risk control in relation to the common new problems and new risks occurring in the innovation and transformation progress.</p>



		<i>Proposal on the Forecast of the Daily Related-party Transaction Amount for 2021; and the Report of the Audit Committee of the Board of Directors on the Performance for 2020, and approve to submit the above proposals to the board of directors for deliberation</i>	
April 27, 2021	2 <sup>nd</sup> meeting in 2021	Deliberate and approve the <i>Report 2021Q1</i> and the <i>Proposal on the Changes in Accounting Policies of the Company</i> , and approve to submit the above proposals to the board of directors for deliberation	
June 9, 2021	3 <sup>rd</sup> meeting in 2021	Deliberate and approve the <i>Proposal to Close and Terminate Part of the Fund-Raising Investment Projects and to Permanently Replenish the Working Capital with the Surplus Raised Fund</i> , and approve to submit such proposal to the board of directors for deliberation	
August 23, 2021	4 <sup>th</sup> meeting in 2021	Deliberate and approve the <i>Proposal on the 'Special Report of the Company for the Deposit and Actual Use of the Raised Funds for the half year of 2021, the 2021 Half-Year Interim Report and Summary, the Proposal on the 2021 Half-Year Interim Report of Internal Control Evaluation</i> , and approve to submit the above proposals to the board of directors for deliberation	
September 9, 2021	5 <sup>th</sup> meeting in 2021	Deliberate and approve the <i>Proposal to Repurchase the Shares of the Company through Centralized Competitive Bidding</i> , and approve to submit such proposal to the board of directors for deliberation	It was believed that the Company repurchased the shares with its own capital, which had no significant impact on the operation and financial status of the Company.
October 27, 2021	6 <sup>th</sup> meeting in 2021	Deliberate and approve the <i>Report 2021Q3</i> , and approve to submit such proposal to the board of directors for deliberation	Listen to the discussion of Deloitte Touche Tohmatsu Certified Public Accountants LLP on the key audit matters of the Company for year 2021
December 16, 2021	7 <sup>th</sup> meeting in 2021	Deliberate and approve the <i>Reporting of Deloitte Touche Tohmatsu Certified Public Accountants LLP on the Audit Work Plan for Finance and Internal Control for Year 2021, and the Reporting on the Supervision and Inspection Work Plan for Internal Control of the Company for Year 2021</i>	Recommend to focus on the audit quality of the auditors for annual audit of affiliated companies not audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP

**(4) Nomination, Remuneration & Appraisal Committee convened 3 meetings during the reporting period**

Convening date	Content	Important advices	Other particulars
March 22, 2021	1 <sup>st</sup> meeting in 2021	Deliberate and approve the <i>Report on the Remuneration of the Directors, Supervisors and Senior Management Staffs of the Company for 2020</i> , and the <i>Proposal to Maintain Liability Insurance for the Directors, Supervisors and Senior Management Staffs</i> , and approve to submit the above proposals and related content to the board of directors for deliberation	Accept that the Company encouraged fault-tolerant innovation and intensified risk management through liability insurance
April 27, 2021	2 <sup>nd</sup> meeting in 2021	Deliberate and approve the <i>Proposal on the 2018-2020 Tenure and 2020 Annual Performance Assessment for the Company's Professional Manager</i> , and approve to submit such proposal to the board of directors for deliberation	
June 16, 2021	3 <sup>rd</sup> meeting in 2021	Deliberate and approve the <i>Proposal on the General Election of the Board of Directors of the Company</i> , and the <i>Proposal on the Senior Management Candidates of the Company</i> , and approve to submit the above proposals and related content to the board of directors for deliberation	It was believed that the new session of senior management candidates of the Company had rich experience in automotive industry and were capable and qualified to assume the post of the senior management staff of the Company

**(5) Particulars about matters where there are objections**

Applicable  N/A

**VIII. Explanations on the risks of the Company identified by the board of supervisors**

Applicable  N/A

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

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

Number of employees of parent company	15,059
Number of employees of major subsidiaries	192,187
Total number of employees on active duty	207,246
Number of resigned and retired employees whose expenses be undertaken by the parent company and major subsidiaries	40,725
<b>Composition of employees</b>	
<b>Categories</b>	<b>Headcounts (persons)</b>
Production personnel	4,925
Marketing and sales personnel	782
Engineering technical personnel	7,920

Finance personnel	152
Administrative personnel	855
Other personnel	425
Total	15,059
<b>Education level</b>	
<b>Categories</b>	<b>Headcounts (persons)</b>
Postgraduate and above	5,162
University graduate	6,882
Secondary school diploma and below	3,015
Total	15,059

**(II) Remuneration policy**√ Applicable  N/A

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

In the aspect of employee incentive, the Company improved incentive mechanisms and made more efforts to attract and retain talents as follows: 1) to implement SAIC innovation incentive fund on technology and management for key talents; 2) to implement great contribution incentives for the employees awarded with the national and industrial, and provincial/ministerial award for scientific and technological advancement, the title of skill master, the title of Chief Mechanic, the title of model worker, the Shanghai May 1 Labor Medal and other honors, and the employees awarded with SAIC Technological Innovation Award, Patent Award and Software Award in 2020; and 3) to promote talent development and complete various awards and merits appraisal. In 2021, 2 employees from SAIC won the honor of "Shanghai Outstanding Technical Leader" and "Outstanding Scientific and Technological Talent in China's Automotive Industry", respectively.

**(III) Training plan**√ Applicable  N/A

SAIC, focused on new vision, mission, value and “new four modernizations” innovation and transformation development strategy, vigorously advanced the vocational education for employees and

devoted more efforts to trainings to enable faster employee capacity and quality improvement and stimulate employees for innovation. 2021 witnessed 1,910,000 man-time attendances to trainings at all levels and 830,000 man-day learning hours accumulatively. Meanwhile, SAIC accelerated the construction of SAIC's talent team in conjunction with the deployment of key projects based on the "two bases"—the training base for automotive engineers and the training base for highly skilled personnel.

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

Secondly, the Company has held induction training for new employees. The Company organized 10 induction trainings for all university graduates newly employed by SAIC in 2021 through online and offline activities to help them understand and fulfill SAIC's new development direction, culture and mission so as to complete their better transition to workplace role.

Thirdly, the Company has developed professional technicians in a deep-going way. In 2021, through continuing education for automotive engineers divided into 174 classes, SAIC provided 22,000 man-time trainings, including 4,000 man-time online trainings. In 2021, the Company focused on building a digital factory curriculum, collating 108 courses in R&D, manufacturing, O&M, IT and planning, and achieving breakthroughs in emerging technologies such as smart chips, software architecture, domain controllers and AUTOSAR, integrating 168 courses; and nearly 28 new teachers joined in the teaching team and now SAIC has more than 230 teachers in total. SAIC organized 4 senior seminars in Shanghai, 1 professional training course at the grassroots level and 4 training courses for urgently needed talents.

Fourthly, the Company has strengthened the development of skilled personnel. In 2021, SAIC's highly skilled personnel were once again awarded 1 additional grant for the "Shanghai Skill Master Studio", 3 additional grants for the "Chief Technician Project" and 3 additional grants for the "Shanghai Technical Expert"; so far, SAIC has established nine national Skill Master Studios and eleven Shanghai Skill Master Studios, and over one hundred technicians have been awarded grants for the Shanghai Chief Technician Project. The Company carried out the technical update training for technicians and over one hundred high-skilled talents participated in industrial evaluation staff training; it also deepened the professional skills competitions and carried out 12 competitions at all levels. In 2021, over 4,000 skilled personnel have achieved professional-skill-level promotion through professional skills training and accreditation, among which, nearly 500 were senior staff or above. Since the high-skilled personnel training base was approved in 2011, SAIC Group has continuously increased the investment in the construction of training bases. The total construction area of the training base has been built to approximately 35,500 square meters.

**(IV) Labor outsourcing**

□ Applicable √ N/A

**X. Preplan for distribution of profits or capitalization of capital reserve****(I) Formulation, implementation or adjustment of policies on cash dividends policies**

√ Applicable □ N/A

During the reporting period, the Company implemented and completed profit distribution for 2020 strictly in accordance with the *Articles of Association* and the *Planning of SAIC Motor Corporation Limited on the Returns for Shareholders for the Following Three Years (2021-2023)*. The Company developed explicit and clear dividends criteria and proportion and prepared complete related decision-making procedures and mechanism so as to enable independent directors to perform their duties and play their proper roles and provide the minority shareholders adequate opportunities to express their views and demands, adequately protecting the legitimate rights and interests of investors.

In the 8<sup>th</sup> meeting of the eighth session of the board of directors on April 28, 2022, the Company approved the cash dividends distribution plan as below: The Company plans to distribute cash dividends of RMB 6.82 (inclusive of tax) per 10 shares, amounting to RMB 7,846,983,360.13 in total based on 11,505,840,704 shares, that is, the total shares of 11,683,461,365 net of the number of shares (177,620,661 shares) on the special securities account for repurchase as of the disclosure date of the annual report. The Company has no plan of capitalization of capital reserve this year. During the period from the disclosure date of the annual report to the registration date of equity allocation, if there is any change in the number of shares which the Company are entitled to due to situations such as repurchase of shares, the total amount of profit distribution is maintained unchanged and the amount allocated per share is adjusted accordingly. The above profit distribution plan will be implemented after approval of the general meeting of shareholders.

**(II) Special instructions on cash dividends policies**

√ Applicable □ N/A

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

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

□ Applicable √ N/A

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

**(I) Related incentive schemes that have been disclosed in the temporary announcement but have no progress or change subsequently**√ Applicable  N/A

Description of event	Search index
Employee stock ownership plan	No. 2021-006 temporary Announcement of SAIC Group on the Completion of Sale of Shares under the Core Staff Shareholding Plan and its Termination

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

Share option incentive scheme

 Applicable  N/A

Employee stock ownership plan

 Applicable  N/A

Other incentive schemes

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

During the reporting period, in order to further stimulate the innovation vitality of senior management, according to the "Proposal on the 2018-2020 Tenure and 2020 Annual Performance Assessment for the Company's Professional Manager" approved by the 18<sup>th</sup> meeting of the seventh session of the board of directors, the Company's professional managers cashed 2020 performance annual pay and 2020 medium- and long-term incentive during the reporting period. According to 2018-2020 tenure assessment results, the Company's senior management cashed part of 2018-2020 incentives within their tenure.

**XII. Establishment and implementation of internal control systems during the reporting period**√ Applicable  N/A

Guided by the Internal Control-Integrated Framework (COSO), the Company kept improving internal control system and carried out semi-annual internal control evaluation on a regular basis in accordance with relevant regulatory requirements and other regulations including the Basic Internal Control Norms for Enterprises and the Guidelines for Enterprise Internal Controls. As at December 31, 2021, the Company has established 196 management systems and 127 internal control sub-processes covering

major business fields including organizational structure, strategic planning, human resource, budget management, cash and bank balances, sales and collection, procurement and payment, contract management, IT, product quality and production safety. During the reporting period, the Company implemented the internal control effectively, without any significant and material deficiencies identified in the financial reporting internal control and non-financial reporting internal control. As the internal control auditor engaged by the Company, Deloitte Touche Tohmatsu Certified Public Accountants LLP has audited the effectiveness of the Company's financial reporting internal control for the year 2021 and issued the Auditors' Report on Internal Control with standard unmodified opinion.

Explanations on significant deficiencies in internal control during the reporting period

Applicable  N/A

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

Applicable  N/A

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

### **XIV. Auditors' report on internal control**

Applicable  N/A

Deloitte Touche Tohmatsu Certified Public Accountants LLP issued "Auditors' Report on Internal Control of SAIC Motor Corporation Limited" (De Shi Bao Shen Zi (22) No. S00045). For details, please refer to relevant announcement of the Company.

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

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

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

N/A

### **XVI. Others**

Applicable  N/A

## Section V Environment and Social Responsibility

### I. Environmental information

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

Applicable  N/A

##### 1. Pollution discharge

Applicable  N/A

SAIC Motor attached great importance to environment protection work, and has set up environmental protection leading group and work group especially to advance environmental protection institution and system construction and implement environmental protection policies strictly. During the reporting period, the relevant environmental protection information of the important subsidiaries of the Company (mainly refer to the holding companies) such as SAIC Passenger Vehicle, SAIC VOLKSWAGEN, SAIC GM and SGMW is as follows: the pollutants involve the categories including wastewater, exhaust gas and solid waste, and major pollutants include chemical oxygen demand (COD), ammonia nitrogen (NH<sub>3</sub>-N), nitric oxide (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>) and etc. Wastewater, including industrial wastewater and sanitary wastewater, when meeting the standards after treatment, should be discharged to local sewage treatment plant through connecting facility for processing in a centralized manner, exhaust gas should be discharged at high altitude after collection and treatment, and solid wastes should be disposed properly through separation and collection. Hazardous waste shall be entrusted to eligible unit for treatment. The Company strictly implements duplicate form system and standing book management system.

The implemented discharge standards of pollutants include state standards, local standards where the enterprise is located and industrial standard. The major standards implemented include: wastewater discharge is applicable to *Comprehensive Sewage Discharge Standards (GB8978-1996)*: maximum acceptable emission concentration standard of class-2 pollutants, COD≤500mg/L; *Wastewater Quality Standards for Discharge to Municipal Sewers (GB/T 31962-2015)*: COD≤500mg/L, NH<sub>3</sub>-N≤45mg/L; exhaust emission is applicable to *Integrated Emission Standard of Air Pollutants (GB16297-1996)* Grade II Standard: SO<sub>2</sub>≤550mg/m<sup>3</sup>, NO<sub>x</sub> ≤240mg/m<sup>3</sup>; *Integrate Emission Standards of Air Pollutants (DB31/933-2015)*: SO<sub>2</sub>≤100mg/m<sup>3</sup>, NO<sub>x</sub> ≤150mg/m<sup>3</sup>; *Emission Standard of Air Pollutants for Industrial Furnaces and Kilns (DB31/860-2014)*: NO<sub>x</sub> ≤200mg/m<sup>3</sup>, SO<sub>2</sub>≤100mg/m<sup>3</sup>; *Emission Standard of Air Pollutants for Boiler (GB13271-2014)* gas-fired boiler standard: SO<sub>2</sub> ≤50mg/m<sup>3</sup>, NO<sub>x</sub> ≤200mg/m<sup>3</sup>; *Emission Standard of Air Pollutants for Boilers (DB31/387-2018)*: NO<sub>x</sub> ≤150mg/m<sup>3</sup>, SO<sub>2</sub>≤20mg/m<sup>3</sup>, etc.

During the reporting period, the Company's significant subsidiaries (share-holding or share-participating companies, excluding Huayu Automobile) have 29 wastewater discharge outlets which are located in Minfeng Road, Hejing Road, Changji Road, Miquan Road, Tashan Road, Yutian Road, Zepu Road, Cao'an Road, Jinjing Road, Jinsui Road, Dongjing Road, Xihuan Road, Shuangren Road, etc. There are 853 exhaust discharge outlets, which are distributed in painting workshop, vehicle body workshop, GA workshop, engine workshop, energy center, technology center, and canteens, etc. The certified emissions and actual emissions for key pollutant chemical oxygen demand ("COD") are 1559 tonnes and 319 tonnes respectively. The certified emissions and actual emissions for ammonia nitrogen (NH<sub>3</sub>-N) are 120 tonnes and 17 tonnes, respectively. The certified emissions and actual emissions for nitrogen oxides (NO<sub>x</sub>) are 420 tonnes and 176 tonnes, respectively. The certified emissions and actual emissions for sulphur dioxide (SO<sub>2</sub>) are 66 tonnes and 8 tonnes, respectively. SAIC Passenger Vehicle mainly had the



pollutants including COD with average emission concentration of 78.18 mg/L, NH<sub>3</sub>-N with average emission concentration of 1.97 mg/L, NO<sub>x</sub> with average emission concentration of 56.34 mg/m<sup>3</sup> and SO<sub>2</sub> with average emission concentration of 1.5 mg/m<sup>3</sup>. SAIC Volkswagen mainly had the pollutants including COD with average emission concentration of 61.25 mg/L, NH<sub>3</sub>-N with average emission concentration of 3.79 mg/L, NO<sub>x</sub> with average emission concentration of 32.25 mg/m<sup>3</sup> and SO<sub>2</sub> with average emission concentration of 1.49 mg/m<sup>3</sup>. SAIC GM mainly had the pollutants including COD with average emission concentration of 40.76mg/L for North Plant and South Plant and 160.68mg/L for Cadillac Plant, NH<sub>3</sub>-N with average emission concentration of 0.35mg/L for North Plant and South Plant and 8.12mg/L for Cadillac Plant, NO<sub>x</sub> with average emission concentration of 6.89mg/m<sup>3</sup> for North Plant and South Plant and 7.83mg/m<sup>3</sup> for Cadillac Plant; SO<sub>2</sub> with average emission concentration of 0.02mg/m<sup>3</sup> for North Plant and South Plant and 0.02mg/m<sup>3</sup> for Cadillac Plant. SGMW mainly had the pollutants including COD with average emission concentration of 67mg/L for Hexi Base and 31.6mg/L for Baojun Base; NH<sub>3</sub>-N with average emission concentration of 4.36mg/L for Hexi Base and 0.13mg/L for Baojun Base; NO<sub>x</sub> with average emission concentration of 113.59mg/m<sup>3</sup> for Hexi Base and 61.5mg/m<sup>3</sup> for Baojun Base; SO<sub>2</sub> with average emission concentration of 2.63mg/m<sup>3</sup> for Hexi Base and 3mg/m<sup>3</sup> for Baojun Base. The major pollutants were discharged in accordance with the emission standard specified by environmental protection laws and regulations.

## 2. Construction and operation of pollution prevention facilities

Applicable  N/A

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

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

Applicable  N/A

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

## 4. Emergency plans for environmental emergencies

Applicable  N/A

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

#### **5. Environmental self-monitoring plan**

Applicable  N/A

The Company and affiliated companies implemented the Self-monitoring Technology Guidelines for Pollution Sources—General Rule issued by the Ministry of Ecology and Environment of the People’s Republic of China, prepared self-monitoring plan, and entrusted an eligible monitoring unit to monitor the relevant pollutant discharge outlets as required to ensure that the discharge of all the pollutants have met the standards and requirements. The key monitor enterprise disclosed the environmental monitoring data on the environmental information platform of local environmental protection bureau.

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

Applicable  N/A

#### **7. Other environmental information that should be disclosed**

Applicable  N/A

### **(II) Explanations on the environmental protection of the companies other than key pollutant discharging units**

Applicable  N/A

#### **1. Administrative penalties received due to environmental problems**

Applicable  N/A

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

Applicable  N/A

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

#### **3. Reasons for not disclosing other environmental information**

Applicable  N/A

**(III) Relevant information which is conducive to protecting the ecology, preventing pollution, and fulfilling the environmental responsibility**√ Applicable  N/A

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

**(IV) Measures and effects that have taken to reduce carbon emissions during the reporting period**√ Applicable  N/A

SAIC Group implemented key projects on green and low-carbon energy saving and emission reduction systems, technologies, facilities and equipment, comprehensively promoted the research and development and introduction of advanced energy saving and low-carbon technologies, the promotion of advanced low-carbon technologies and the construction of advanced institutional mechanisms, strengthened the management of total energy consumption of key energy-using enterprises and unit energy consumption of products, continuously promoted the construction of green manufacturing and energy efficiency benchmarking projects, promoted more than 70 energy saving projects. The annual energy saving reached 24,000 tonnes of standard coal, and the unit consumption of passenger cars in Shanghai was 0.44 tonnes of carbon dioxide per vehicle (164 kg of coal per vehicle), reducing total carbon emissions by approximately 1%, and leading the industry in energy efficiency at major production bases.

In terms of products, the Group continuously provided the users with competitive new energy automobile products and services that enjoyed technical advantages, together with better capability of new energy products and larger sales scale achieved by self-owned brands and joint ventures, guaranteeing a constant leading position of SAIC Group in the domestic NEV market.

In terms of manufacturing, under the leadership of the Environmental Protection Leading Team and Working Force, SAIC Group has comprehensively promoted the construction of an environmental protection system, strictly implemented various environmental protection policies, explored the goal of forming a full lifetime green management for the industry, continuously increased the proportion of "green power" usage, utilized the roofs of plants for photovoltaic power generation, actively purchased hydropower in direct power supply transactions, and increased the purchase and use of clean energy to ensure the sustainable development of SAIC. In the operation of the energy management system, key emission enterprises implemented the management of carbon emission elements, implemented the "Greenhouse Gas Emission Report" system, and strived to achieve the advanced level of carbon intensity of major products in the industry; in the construction of intelligent energy, key enterprises have been improving the integration function of energy platform forecasting and production management decision-making.

In terms of use, SAIC Group has explored and developed new energy sharing mobility business since 2016 and has reduced carbon emissions by nearly 130,000 tonnes through the promotion of new energy sharing mobility in the past five years, based on the carbon emissions of traditional fuel vehicles at the same mileage.

**II. Achievement of fulfilling social responsibility**

Applicable  N/A

For details, refer to the Company's 2021 Social Responsibility Report (announced at [www.sse.com.cn](http://www.sse.com.cn)).

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

Applicable  N/A

In 2021, SAIC Group and its affiliated companies actively devoted themselves to rural revitalization, anti-epidemic protection, disaster relief and social welfare actions, and donated funds and vehicles approximating to over RMB 64,000,000 throughout the year. For details, refer to the Company's 2021 Social Responsibility Report (announced at [www.sse.com.cn](http://www.sse.com.cn)).

## Section VI Important Events

### I. Performance of commitment matters

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

Applicable  N/A

In 2021, Shanghai New Power Automotive Technology Company Limited (formerly known as "Shanghai Diesel", hereinafter referred to as "New Power Technology", security code: 600841), the Company's holding subsidiary, completed major asset restructuring and supporting financing and obtained the control right of SAIC HONGYAN Automobile Co., Ltd. For details of commitments issued by SAIC, the controlling shareholder of New Power Technology, for the major asset restructuring, refer to the annual report 2021 published on [www.sse.com.cn](http://www.sse.com.cn) by SSE.

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

Achieved  Not achieved  N/A

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

Applicable  N/A

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

Applicable  N/A

### III. Illegal guarantee

Applicable  N/A

### IV. Explanations of the board of directors on "Non-standard Auditors' Report" issued by certified public accountants

Applicable  N/A

### V. Analysis and explanation of the Company on reasons and effects of changes in accounting policies and accounting estimates and correction of significant accounting errors

#### (I) Analysis and explanation of the Company on reasons and effects of changes in accounting policies and accounting estimates

Applicable  N/A

In 2018, the Ministry of Finance revised and issued "Accounting Standard for Business Enterprises No. 21 - Leases". In accordance with the above amendments to the accounting standards and implementation deadline requirements, the Company made corresponding changes to the original accounting policies with application starting from January 1, 2021. The above changes have been considered and approved by the 18<sup>th</sup> session of the seventh board of directors, the 16<sup>th</sup> session of the seventh board of supervisors, and the independent directors have expressed their opinions hereon. The changes in accounting policy do not require retroactive adjustments to the Company's comparative financial statements, will not have material impact on the Company's financial position, results of operations and cash flows. For details, please refer to the Company's announcement dated April 30, 2021 "Announcement of SAIC Group on Changes to Accounting Policies"(No. 2021-024).

In accordance with the fifth batch Q&A on the implementation of ASBEs for 2021 issued by the Accounting Regulatory Department of the Ministry of Finance on November, 2021, transportation costs incurred by the Company for transportation services that do not constitute a single performance obligation for the purpose of fulfilling a contract with the customer before the transfer of control of the goods to the customer are treated as costs of fulfilling a contract and amortized to profit or loss on the same basis as revenue recognition of goods and are presented in the line item of "Operating costs" in the income statement. The Company has implemented the changes since January 1, 2021. The above changes have been considered and approved by the 8th session of the eighth board of directors, the 6th session of the eighth board of supervisors, and the independent directors have expressed their opinions hereon. The changes in accounting policies reclassify the data for the comparable period and will not have material impact on the Company's financial position, results of operations and cash flows. For details, please refer to the Company's announcement dated April 30, 2022 "Announcement of SAIC Group on Changes to Accounting Policies"(No. 2022-016).

In accordance with the Interpretation No.15 of the Accounting Standards for Business Enterprises (Cai Kuai [2021] No. 35) issued by the MoF on December 30, 2021, the Company made corresponding changes to the original accounting policies with application starting from December 31, 2021. The funds collected from fund pool are presented in the line item of "Other payables". The above changes have been considered and approved by the 8th session of the eighth board of directors, the 6th session of the eighth board of supervisors, and the independent directors have expressed their opinions hereon. The changes in accounting policies reclassify the data for the comparable period and will not have material impact on the Company's financial position, results of operations and cash flows. For details, please refer to the Company's announcement dated April 30, 2022 "Announcement of SAIC Group on Changes to Accounting Policies"(No. 2022-016).

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

Applicable  N/A

**(III) Communication with the previous certified public accountants**

Applicable  N/A

**(IV) Other explanations**

Applicable  N/A

**VI. Appointment and dismissal of certified public accountants**

Unit: RMB 10 Thousand

	Current auditor
Domestic certified public accountants	Deloitte Touche Tohmatsu Certified Public Accountants LLP
Remuneration paid to domestic certified public accountants	910
Audit period of domestic certified public accountants	16 years

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

Explanations on the appointment and dismissal of certified public accountants

Applicable  N/A

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

Applicable  N/A

## **VII. Risk exposure to delisting**

### **(I) Reasons for delisting**

Applicable  N/A

### **(II) Measures adopted by the Company**

Applicable  N/A

### **(III) Circumstances and reasons for termination of listing**

Applicable  N/A

## **VIII. Bankruptcy and reorganization**

Applicable  N/A

## **IX. Significant lawsuit and arbitration**

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

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

Applicable  N/A

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

Applicable  N/A

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

## **XII. Significant related party transactions of the Company during the reporting period**

### **(I) Significant related party transactions related to daily operations**

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

Applicable  N/A

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

Applicable  N/A

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

(1) From January 1, 2021 to December 31, 2021, the major related parties are listed as below:

Controlling shareholder: SAIC

## Enterprises related to the controlling shareholder:

Shanghai Automotive Industry Development Co., Ltd.	Subsidiary of SAIC
SAIC Property Development Co., Ltd.	Subsidiary of SAIC
SAIC Sodexo Service Co., Ltd.	Subsidiary of SAIC
Shanghai Shangkai Real Estate Development Co., Ltd.	Subsidiary of SAIC
Shanghai Automotive Electronics Factory	Subsidiary of SAIC
Shanghai Internal Combustion Engine Research Institute	Subsidiary of SAIC
Changzhou SAIKC Mobility Investment Partnership (Limited Partnership)	Subsidiary of SAIC
Shanghai Saikemobility Technology Service Co., Ltd.	Subsidiary of SAIC
Shanghai International Automobile City Development Co., Ltd.	Associate of SAIC
Shanghai Qiyuan Human Resources Consulting Co., Ltd.	Subsidiary of SAIC
Shanghai Automotive Industry Real Estate Development Co., Ltd.	Subsidiary of SAIC
Shenzhen SAIC South Industrial Co., Ltd.	Subsidiary of SAIC
Shenzhen SAIC South Automobile Sales Service Co., Ltd.	Subsidiary of SAIC
Suzhou Wanlong Huayu Logistics Co., Ltd.	Subsidiary of SAIC
Shanghai Huazhen Logistics Co., Ltd.	Subsidiary of SAIC
Shanghai Huazhen Transportation Co., Ltd.	Subsidiary of SAIC
Zhejiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC
Wuhan Sanjiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC
Guangzhou Wanlong Huajiang Logistics Co., Ltd.	Subsidiary of SAIC
Anji Car Rental & Leasing Co., Ltd.	Subsidiary of SAIC
Suzhou Xiangdao Car Leasing Co., Ltd.	Subsidiary of SAIC
Wuxi Xiangdao Car Leasing Co., Ltd.	Subsidiary of SAIC
Zhengzhou SAIC New Energy Leasing Automotive Co., Ltd.	Subsidiary of SAIC
Beijing Saikemobility Travel Technology Service Co., Ltd.	Subsidiary of SAIC
Shanghai Rui Chuang Automobile Sales Co., Ltd.	Subsidiary of SAIC
Liyang Aiweitugou Equity Investment Partnership (Limited Partnership)	Subsidiary of SAIC
RV Life Home Technology Co., Ltd.	Subsidiary of SAIC
RV Life Home (Shanghai) International Travel Service Co., Ltd.	Subsidiary of SAIC
RV Life Home (Fujian) Travel Service Co., Ltd.	Subsidiary of SAIC
Shanghai Saikemobility Intelligent Transportation Technology Co., Ltd.	Subsidiary of SAIC
Shanghai Automotive Industry Co., Ltd.	Subsidiary of SAIC
Shanghai Automotive Industry Environmental Engineering Co., Ltd.	Subsidiary of SAIC
Shanghai Shangfa Real Estate Development Co., Ltd.	Subsidiary of SAIC
Shanghai Kaihong Investment Management Co., Ltd.	Subsidiary of SAIC
SAIC Housing Exchange Co., Ltd.	Subsidiary of SAIC
Shanghai Engineering Industry Internal Combustion Engine Detection Bureau	Subsidiary of SAIC
SAIC Japan Co., Ltd.	Subsidiary of SAIC
Shanghai Kuobu Industry Co., Ltd.	Subsidiary of SAIC



Shanghai Automobile Nonferrous Casting Plant	Subsidiary of SAIC
Shanghai Huizhong Automobile Manufacturing Co., Ltd.	Subsidiary of SAIC
Jiaying Xinsheng Investment Partnership (Limited Partnership)	Subsidiary of SAIC
Anji Huayu Logistics Technology (Shanghai) Co., Ltd.	Subsidiary of SAIC
Shihe Natong (Shanghai) Industry Co., Ltd.	Subsidiary of SAIC
Jiangsu Tiandi Huayu IOT Technology Co., Ltd.	Subsidiary of SAIC
Shanghai Dudu Supply Chain Management Co., Ltd.	Subsidiary of SAIC
Duilong Deqing Tongli Venture Capital Management Centre (Limited Partnership)	Subsidiary of SAIC
Intelligent Vehicle Innovation and Development Platform (Shanghai) Co., Ltd.	Associate of SAIC
Global Car Sharing and Rental Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Chengdu Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Suzhou) Co., Ltd.	Subsidiary of SAIC
Shanghai International Automobile City New Energy Automobile Operation Service Co., Ltd.	Subsidiary of SAIC
Zhejiang Lishui Yidong New Energy Automobile Operation Service Co., Ltd.	Subsidiary of SAIC
Zhejiang Quzhou Yidong New Energy Automobile Operation Service Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Changzhou) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Guangzhou) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Haikou) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Jinhua) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Kunming) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Qingdao) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Chongqing) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Hefei Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Jiaying Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Nanchang Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Zhenjiang Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Sanming) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Xinzhou) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Zhengzhou Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Huangshan Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Nantong Co., Ltd.	Subsidiary of SAIC
Shanghai Zhiji Information Technology Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Xuzhou Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Guiyang Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Changsha) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Sanya) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Weifang) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Tianjin) Co., Ltd.	Subsidiary of SAIC

Global Car Sharing and Rental Wuhan Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Chizhou Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Zhuji Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Yangzhou Co., Ltd.	Subsidiary of SAIC
Wuxi Saike Car Rental Co. Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Mianyan Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Ningbo Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Jining) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Yantai) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Fuzhou) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Taiyuan) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Jinan) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Hangzhou) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Fujian) Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Linxi) Co., Ltd.	Subsidiary of SAIC
Shanxi Saike Car Rental Co. Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Liyang Co., Ltd.	Subsidiary of SAIC
Shanghai Saike Car Rental Co. Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental (Xiamen) Co., Ltd.	Subsidiary of SAIC

Others:

Banma Network Technology Co., Ltd.	Joint-stock company of SAIC
Shidai SAIC Power Battery Co., Ltd	Joint-stock company of SAIC
Shanghai Motor Vehicle Inspection Certification & Tech Innovation Center Co., Ltd.	Company of SAIC's management

## (2) Daily related party transactions

On June 30, 2021, the *Proposal on Estimating the Amount of Daily Related Party Transactions in 2021* was deliberated and approved at the Company's 2020 Annual General Meeting of Shareholders. The below represents the estimated amounts and actual amounts for 2021 under the four types of framework agreements on daily related party transactions, that is, the *Framework Agreement on Supply of Commodities*, the *Framework Agreement on Integrated Services*, the *Framework Agreement on Leasing of Housing, Land and Vehicles* and the *Framework Agreement on Financial Services*, entered into by and between the Company and its related parties.

### A. Framework Agreement on Supply of Commodities

<i>Framework Agreement on Supply of Commodities</i>	Estimated amount for 2021 (RMB 10 Thousand)	Actual amount for 2021 (RMB 10 Thousand)
Commodities supplied by SAIC Group and its subsidiaries to the related parties	2,650,000	168,637
Commodities supplied by the related parties to SAIC Group and its subsidiaries	1,180,000	680,127
<b>Total</b>	<b>3,830,000</b>	<b>848,764</b>

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

*B. Framework Agreement on Integrated Services*

<i>Framework Agreement on Integrated Services</i>	<b>Estimated amount for 2021 (RMB 10 Thousand)</b>	<b>Actual amount for 2021 (RMB 10 Thousand)</b>
Services supplied by SAIC Group and its subsidiaries to the related parties	40,000	12,416
Services supplied by the related parties to SAIC Group and its subsidiaries	200,000	125,035
<b>Total</b>	<b>240,000</b>	<b>137,451</b>

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

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

<i>Framework Agreement on Leasing of Housing, Land and Vehicles</i>	<b>Estimated amount for 2021 (RMB 10 Thousand)</b>	<b>Actual amount for 2021 (RMB 10 Thousand)</b>
Rents paid by SAIC Group and its subsidiaries to the related parties	25,000	13,154
Rents paid by the related parties to SAIC Group and its subsidiaries	20,000	7,724
<b>Total</b>	<b>45,000</b>	<b>20,878</b>

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

*D. Framework Agreement on Financial Services*

<i>Framework Agreement on Financial Services</i>	<b>Estimated amount for 2021 (RMB 10 Thousand)</b>	<b>Actual amount for 2021 (RMB 10 Thousand)</b>
<b>Total</b>	<b>385,000</b>	<b>275,280</b>

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

**3. Events that not been disclosed in the temporary announcement**

Applicable  N/A

**(II) Significant related party transactions related to acquisition and disposal of assets or equity****1. Events that have been disclosed in the temporary announcement but have no progress or change subsequently**

Applicable  N/A

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

Applicable  N/A

In accordance with the “Announcement of SAIC on Capital Increase and Related Transactions of Global Car Sharing and Rental Co., Ltd.” disclosed by the Company on October 31, 2020, due to the integration needs of the Company's smart travel platform, Global Car Sharing, the Company's holding subsidiary, planned to adjust its equity and increase its share capital. Changzhou Saike Mobile Travel Investment Partnership (Limited Partnership) (hereinafter referred to as “Changzhou Travel Fund”), subsidiary of SAIC, planned to participate in the capital increase plan. The capital increase was completed in 2021, and Changzhou Travel Fund became the largest shareholder of Global Car Sharing. The shares of Global Car Sharing held by the Company decreased to 27.82%, thus the Global Car Sharing was no longer included in the consolidated statements of listed companies.

**3. Events that not been disclosed in the temporary announcement**

Applicable  N/A

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

Applicable  N/A

**(III) Significant related party transactions related to external joint investment****1. Events that have been disclosed in the temporary announcement but have no progress or change subsequently**

Applicable  N/A

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

Applicable  N/A

**3. Events that not been disclosed in the temporary announcement**

Applicable  N/A

**(IV) Balances due from/to related parties****1. Events that have been disclosed in the temporary announcement but have no progress or change subsequently**

Applicable  N/A

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

Applicable  N/A

**3. Events that not been disclosed in the temporary announcement**

□ Applicable √ N/A

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

√ Applicable □ N/A

SAIC Finance Co., Ltd. is the holding finance company of the Company

**1. Deposits**

√ Applicable □ N/A

Unit: RMB 10 Thousand

Related party	Relationship	Maximum daily deposit limit	Range of deposit interest rates	December 31, 2020	Increase due to changes in scope of consolidation	Amount incurred		December 31, 2021
						Deposit	Withdrawal	
SAIC	Controlling shareholder	None	0.42%-2.025%	2,021,528.94		643,221.29	824,317.62	1,840,432.62
Subsidiary of SAIC	Subsidiary of controlling shareholder	None	0.42%-2.025%	445,689.53	2,349.18	547,356.78	758,822.98	236,572.51
Company of SAIC's management	Company of SAIC's management	None	0.42%-2.025%	81.12		0.51		81.63
<b>Total</b>	/	/	/	<b>2,467,299.59</b>	<b>2,349.18</b>	<b>1,190,578.58</b>	<b>1,583,140.60</b>	<b>2,077,086.76</b>

**2. Loans**

√ Applicable □ N/A

Unit: RMB 10 Thousand

Related party	Relationship	Line of credit	Range of loan interest rates	December 31, 2020	Increase due to changes in scope of consolidation	Amount incurred		December 31, 2021
						Loan	Repayment	
Global Car Sharing and Rental Co., Ltd.	Subsidiary of controlling shareholder	50,000.00	4.275%		17,788.96			17,788.96
<b>Total</b>	/	/	/		<b>17,788.96</b>			<b>17,788.96</b>

**3. Credit granting or other financial business**

□ Applicable √ N/A

**4. Other explanations**

□ Applicable √ N/A

**(VI) Others**

□ Applicable √ N/A

**XIII. Significant contracts and performance of contracts****(I) Trusteeship, contracting and leasing**

**1. Trusteeship**

Applicable  N/A

**2. Contracting**

Applicable  N/A

**3. Leasing**

Applicable  N/A

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**(II) Guarantee**

√ Applicable □ N/A

Unit: RMB 10 Thousand

General information of guarantee (except guarantee provided for subsidiaries)															
Guarantor	Relationship	Guarantee	Amount of guarantee	Signed date of guarantee	Starting date of guarantee	Ending date of guarantee	Type of guarantee	Collateral (if any)	Completion of guarantee	Overdue of guarantee	Overdue amount of guarantee	Counter guarantee	Related party guarantee	Related party relationship	
Total amount of guarantee incurred during the reporting period (except guarantee provided for subsidiaries)															0.00
Total balance of guarantee at the end of the reporting period(A) (except guarantee provided for subsidiaries)															507,660.00
<b>Guarantee provided to subsidiaries by the Company and its subsidiaries.</b>															
Total amount of guarantees provided for subsidiaries during the reporting period															22,820.00
Total balance of guarantees provided for subsidiaries at the end of the reporting period(B)															20,729.80
Total amount of guarantees provided (including guarantee provided for subsidiaries)															
Total amount of guarantees provided (A and B)															528,389.80
Proportion of total amount of guarantee to net assets of the Company ( %)															1.93
Including:															
Amount of guarantee provided for shareholders, actual controller and its related parties (C)															0.00
Direct or indirect debt guarantees provided for guaranteed parties whose asset-liability ratio exceeds 70% (D)															507,660.00
Amount of total guarantee exceeding 50% of net assets (E)															0.00
Total amount of guarantee above (C, D and E)															507,660.00
Explanations on joint liability of undue guarantee															N/A
Explanations on the guarantee							According to the industry practice, the commercial vehicle companies to which the Company belong provide guarantees for auto repurchase for dealers or end customers under the specific conditions agreed in the contract. As at December 31, 2021, the guarantee balances of the above businesses of SAIC Maxus Vehicle Co., Ltd., SAIC HONGYAN Automobile Co., Ltd. and Nanjing Iveco Automobile Co., Ltd. to which the Company belong are RMB 2.86 billion, RMB 1.98 billion and RMB 0.17 billion respectively.								

**(III) Cash asset management by others under entrustment****1. Entrusted financing****(1) General situation of entrusted financing**

Applicable  N/A

**Others**

Applicable  N/A

**(2) Single entrusted financing**

Applicable  N/A

**Others**

Applicable  N/A

**(3) Provision for impairment of entrusted financing**

Applicable  N/A

**2. Entrusted loans****(1) General situation of entrusted loans**

Applicable  N/A

Unit:RMB 10 Thousand

Type	Source of fund	Amount incurred	Undue balance	Amount due but not collected
Entrusted loans	Self-owned funds	30,000.00	1,155,210.69	

Note: The entrustor of above entrusted loans is SAIC Motor Corporation Limited. The balance of external entrusted loans provided by the Company within the consolidation scope amounts to RMB 17.167 billion.

**Others**

Applicable  N/A

**(2) Single entrusted loan**

Applicable  N/A

Unit:RMB 10 Thousand

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



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SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 8,000	2015.01.29	2025.01.29	Self-owned funds	Working capital	As per agreement	0.30%	USD 24.33	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2015.01.30	2025.01.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 980	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 2.98	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 5,000	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 15.21	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 20,000	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 60.83	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2015.05.19	2025.04.30	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 20,000	2016.06.29	2026.06.29	Self-owned funds	Working capital	As per agreement	0.30%	USD 60.83	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2016.07.08	2026.07.08	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2016.08.03	2026.08.03	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	USD 10,000	2016.10.11	2026.10.11	Self-owned funds	Working capital	As per agreement	0.30%	USD 30.42	Yes
SAIC Motor HK Investment Co., Ltd.	Entrusted loans	40,000	2017.02.08	2022.02.28	Self-owned funds	Working capital	As per agreement	1.50%	608.33	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	6,500	2020.06.24	2023.06.23	Self-owned funds	Working capital	As per agreement	4.65%	306.45	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	15,000	2020.12.01	2023.11.30	Self-owned funds	Working capital	As per agreement	4.65%	707.19	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	20,000	2021.09.13	2024.09.12	Self-owned funds	Working capital	As per agreement	4.65%	284.17	Yes
Shanghai Chexiangjia Automotive Technology Service Co., Ltd.	Entrusted loans	10,000	2021.11.30	2024.11.29	Self-owned funds	Working capital	As per agreement	4.65%	41.33	Yes

Shanghai Sunwin Bus Co., Ltd.	Entrusted loans	6,500	2020.03.23	2022.03.22	Self-owned funds	Working capital	As per agreement	2.25%	148.28	Yes
SAIC International Trade Co., Ltd.	Entrusted loans	200,000	2020.10.30	2023.10.29	Self-owned funds	Working capital	As per agreement	2.40%	4,866.67	Yes
Shanghai Shanghong Real Estate Co., Ltd.	Entrusted loans	54,000	2020.12.23	2029.12.31	Self-owned funds	Working capital	As per agreement	3.00%	1,642.50	Yes

**Others**

Applicable  N/A

**(3) Provision for impairment of entrusted loans**

Applicable  N/A

**3. Others**

Applicable  N/A

**(IV) Other significant contracts**

Applicable  N/A

**XVI. Explanations on other significant matters that have a significant impact on investors' value judgments and investment decisions**

Applicable  N/A

## Section VII Changes in Shares and Shareholders

### I. Changes in share capital

#### (I) Statement of changes in shares

##### 1. Statement of changes in ordinary shares

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

##### 2. Explanations on changes in shares

Applicable  N/A

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

Applicable  N/A

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

Applicable  N/A

#### (II) Changes in restricted shares

Applicable  N/A

### II. Shares issuing and listing

#### (I) Securities issuing as at the reporting period

Applicable  N/A

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

Applicable  N/A

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

Applicable  N/A

#### (III) Existing shares held by internal employees

Applicable  N/A

### III. Shareholders and actual controller

#### (I) Total number of shareholders

Total number of ordinary shareholders at the end of the reporting period	208,503
Total number of ordinary shareholders at the end of last month prior to the announcement of the annual report	240,295

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

Unit: share

Top ten shareholders							
Name of shareholder	Increase/decrease during reporting period	Number of shares held at the end of the period	Proportion (%)	Number of restricted shares held	Number of shares pledged, marked or frozen		Nature of shareholders
					Status	Number	
Shanghai Automotive Industry Corporation (Group)	-418,267,917	7,904,760,961	67.66	0	None		State-owned legal person
Yuejin Motor (Group) Corporation	0	413,919,141	3.54	0	None		State-owned legal person
Shanghai International Group Co., Ltd.	404,703,600	404,703,600	3.46	0	None		State-owned legal person
China Securities Finance Corporation Limited	-43	349,768,454	2.99	0	None		Unknown
Hong Kong Securities Clearing Company Ltd	-155,691,938	342,406,568	2.93	0	None		Unknown
Central Huijin Investment Ltd.	-2,169,000	98,585,000	0.84	0	None		Unknown
Hebei Port Group Co., Ltd.	0	87,719,298	0.75	0	None		Unknown
China Life Insurance Company Limited - Traditional - Ordinary Insurance Products - 005L - CT001 Hu	-5,578,843	77,245,524	0.66	0	None		Unknown
Huarong Huitong Asset Management Co., Ltd.	0	71,688,948	0.61	0	None		Unknown
CITIC SECURITIES Company Limited	50,840,171	52,259,069	0.45	0	None		Unknown
Top ten shareholders of non-restricted shares							
Name of shareholders	Number of non-restricted shares held	Type of shares and number					
		Type	Shares				
Shanghai Automotive Industry Corporation (Group)	7,904,760,961	Ordinary shares in RMB	7,904,760,961				
Yuejin Motor (Group) Corporation	413,919,141	Ordinary shares in RMB	413,919,141				
Shanghai International Group Co., Ltd.	404,703,600	Ordinary shares in RMB	404,703,600				
China Securities Finance Corporation Limited	349,768,454	Ordinary shares in RMB	349,768,454				
Hong Kong Securities Clearing Company Ltd	342,406,568	Ordinary shares in RMB	342,406,568				
Central Huijin Investment Ltd.	98,585,000	Ordinary shares in RMB	98,585,000				
Hebei Port Group Co., Ltd.	87,719,298	Ordinary shares in RMB	87,719,298				
China Life Insurance Company Limited - Traditional - Ordinary Insurance Products - 005L - CT001 Hu	77,245,524	Ordinary shares in RMB	77,245,524				
Huarong Huitong Asset Management Co., Ltd.	71,688,948	Ordinary shares in RMB	71,688,948				
CITIC SECURITIES Company Limited	52,259,069	Ordinary shares in RMB	52,259,069				
Explanation on special repurchase account among the top 10 shareholders	The repurchase account of the Company is not presented in the "Shares of top ten shareholders". As at December 31, 2021, the number of shares in the repurchase account of SAIC Motor Corporation Limited was 134,659,720, accounting for 1.15% of the Company's total share capital. Among them, the "Proposal on Repurchases of Shares by Means of Concentrated Competitive Bidding" was reviewed and approved by the 4th session of the eighth board of directors and the 3rd session of the eighth board of supervisors held on September 9, 2021. As of December 31, 2021, the cumulative number of shares repurchased by the Company was 26,497,800, accounting for 0.2268% of the total share capital of the Company.						

Explanation on entrusting voting rights, entrusted voting rights, or abstaining voting rights by above shareholders	None
Explanations on the related relationship or concerted actions among the above shareholders	Among the Company's top 10 shareholders, Shanghai Automotive Industry Corporation (Group) and other 9 shareholders have no related relationships or persons acting in concert as regulated in <i>Administrative Rules on Acquisition of Listed Company</i> . It is unknown whether the other 9 shareholders have related relationships or persons acting in concert.
Explanations on preferred shareholders with voting rights restored and the number of shares held	None

Note: The name of Shanghai Automotive Industry Corporation (Group) was changed to Shanghai Automotive Industry Group Co., Ltd. in February 2022, and the formalities for the change of industrial and commercial registration have been completed.

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

Applicable  N/A

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

Applicable  N/A

**IV. Controlling shareholder and actual controller**

**(I) Controlling shareholder**

**1. Legal person**

Applicable  N/A

<b>Name</b>	Shanghai Automotive Industry Corporation (Group)
<b>Legal representative</b>	Mr. Chen Hong
<b>Date of establishment</b>	March 1, 1996
<b>Business scope</b>	Manufacturing, development, sales and investment of automobiles, motorcycles and tractors, operation and management of state-owned assets under authorization, domestic trading (except for special provisions) and advisory services.
<b>Investment in domestic or foreign listed companies during the reporting period</b>	None
<b>Other explanations</b>	The name of Shanghai Automotive Industry Corporation (Group) was changed to Shanghai Automotive Industry Group Co., Ltd. in February 2022, and the formalities for the change of industrial and commercial registration have been completed.

**2. Natural person**

Applicable  N/A

**3. Special explanation for the Company that has no controlling shareholder**

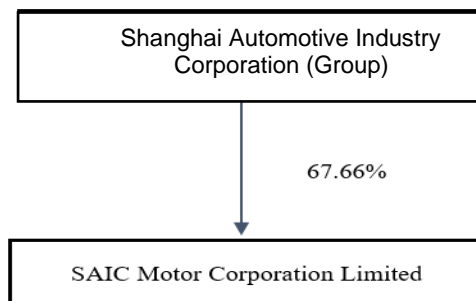
Applicable  N/A

**4. Explanations on changes in controlling shareholder during the reporting period**

Applicable  N/A

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

Applicable  N/A



#### (II) Actual controller

##### 1. Legal person

Applicable  N/A

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

##### 2. Natural Person

Applicable  N/A

##### 3. Special explanation for the Company that has no actual controller

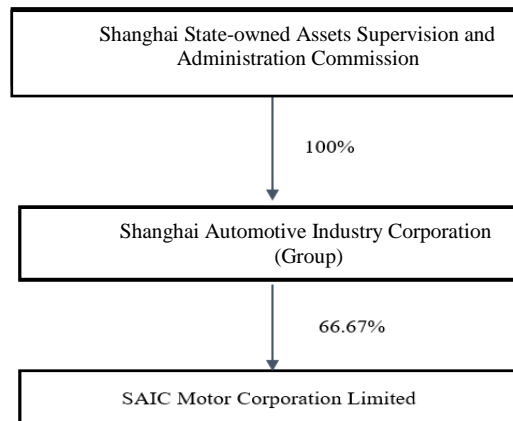
Applicable  N/A

##### 4. Explanations on the change of control rights of the Company during the reporting period

Applicable  N/A

### 5. Block diagram of ownership and controlling relationship between the Company and actual controller

Applicable  N/A



**6. The actual controller controls the Company through trust and other asset management** Applicable  N/A**(III) Other explanations about the controlling shareholder and the actual controller** Applicable  N/A**V. The cumulative number of pledged shares of the Company's controlling shareholder or the largest shareholder and its persons acting in concert accumulatively accounts for more than 80% of the Company's shares** Applicable  N/A**VI. Other corporate shareholders holding more than 10% shares of the Company** Applicable  N/A**VII. Explanations on reduction of ownership of restricted shares** Applicable  N/A**VIII. Specific implementation of share repurchase during the reporting period** Applicable  N/A

Unit: RMB 100 million

Name of share repurchase plan	SAIC Motor Corporation Limited's 2020 Plan on Repurchases of the Company's Shares by Means of Concentrated Competitive Bidding (hereinafter referred to as "2020 Repurchase Plan")
Disclosure time of share repurchase plan	July 4, 2020
Number of shares to be repurchased and proportion in total share capital (%)	The minimum number of shares to be repurchased is 58,417,307 shares, i.e. no less than 0.50% of the current total share capital of the Company; the maximum number of shares is 116,834,613, i.e. no more than 1.00% of the current total share capital of the Company
Amount to be repurchased	No more than 3.034 billion
Period of proposed repurchases	No more than 6 months from the date of approval of the 2020 Repurchase Plan by the general meeting of shareholders
Purpose of repurchases	Equity incentive
Quantity repurchased (shares)	108,161,920

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

Purpose of repurchases	Employee stock ownership plan or equity incentive
Quantity repurchased (shares)	26,497,800

Note:

1.The Company respectively discussed and approved the "Proposal on Repurchases of Shares by Means of Concentrated Competitive Bidding" by the 12<sup>th</sup> session of the seventh board of directors held on July 3, 2020 and the first extraordinary general meeting of 2020 held on July 20, 2020 respectively. On January 19, 2021, the term of "2020 Repurchase Plan" expired. The Company actually repurchased 108,161,920 shares through concentrated competitive bidding, accounting for 0.93% of the Company's total share capital. The highest repurchase price was RMB 25.80/share, the lowest repurchase price was RMB 17.81/share and the average repurchase price was RMB 20.78/share. Total amounts paid were RMB 2.247 billion (excluding transaction costs). For details, please refer to "Announcement of SAIC Group on the Implementation Results of Share Repurchase Implementation and Changes in Shares"(No. 2021-005) published on Shanghai Stock Exchange website: [www.sse.com.cn](http://www.sse.com.cn).

2.The Company discussed and approved the "Proposal on Repurchases of Shares by Means of Concentrated Competitive Bidding" by the 4<sup>th</sup> session of the eighth board of directors and the 3<sup>rd</sup> session of the eighth board of supervisors held on September 9, 2021. As of December 31, 2021, the cumulative number of shares repurchased by the Company was 26,497,800, accounting for 0.2268% of the total share capital of the Company. For details of repurchase progress, please refer to the announcement of repurchase progress published by the Company on Shanghai Stock Exchange website: [www.sse.com.cn](http://www.sse.com.cn).

3.As of December 31, 2021, the number of shares in the special securities repurchase account of SAIC Motor Corporation Limited was 134,659,720, accounting for 1.15% of the Company's total share capital (including 108,161,920 shares of "2020 Repurchase Plan" and 26,497,800 shares of "2021 Repurchase Plan").

As of the disclosure date of the annual report, the number of shares in the special securities repurchase account of SAIC Motor Corporation Limited was 177,620,661, accounting for 1.52% of the Company's total share capital (including 108,161,920 shares of "2020 Repurchase Plan" and 69,458,741 shares of "2021 Repurchase Plan").

## Section VIII Preferred Shares

Applicable  N/A



## Section IX Bonds

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

√ Applicable □ N/A

#### (I) Enterprise bonds

□ Applicable √ N/A

#### (II) Corporate bonds

√ Applicable □ N/A

#### 1. Basic information of corporate bonds

Unit: RMB 100 million

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

Countermeasures against the risk of termination of listing of corporate bonds

Applicable  N/A

Bonds overdue but not repaid

Applicable  N/A

Interest payment, encashment of corporate bonds

Applicable  N/A

Bonds name	Explanations on interest payment and encashment of corporate bonds
19 SAIC 01	The Company paid interest amounting to RMB 102.60 million on the SAIC Motor Corporation Limited 2019 public corporate bonds (1st tranche) for the period from September 19, 2020 to September 18, 2021 on September 22, 2021.
19 SAIC 02	The Company paid interest amounting to RMB 72.00 million on the SAIC Motor Corporation Limited 2019 public corporate bonds (2nd tranche) for the period from November 14, 2020 to November 13, 2021 on November 15, 2021.

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

Applicable  N/A

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

Name of intermediary institutions	Office address	Name of signatory CPA	Contact	Phone number
Guotai Junan Securities Co., Ltd.	Bohua Plaza 36F, No.669 Xinzha Rd., Jingan District, Shanghai		Wang Pai, Zeng Yun Ye	021-38676666
China Chengxin International Credit Rating Co., Ltd.	60101, Building 1, No.2 Nanzhugan Hutong, Dongcheng District, Beijing		Li Xue Wei, Chen Tian Tian	010-66428877

Changes in the above intermediary institutions

Applicable  N/A

## 4. Use of the funds raised by the Company

Applicable  N/A

Unit: RMB 100 million

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

Progress and operating benefits of the raised funds for construction projects

Applicable  N/A

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

Applicable  N/A

Other explanations

Applicable  N/A

#### 5. Adjustment of credit rating results

Applicable  N/A

Other explanations

Applicable  N/A

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

Applicable  N/A

#### 7. Other explanations on corporate bonds

Applicable  N/A

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

Applicable  N/A

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

Applicable  N/A

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

Applicable  N/A

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

Applicable  N/A

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

Applicable  N/A

Unit: RMB

Major indicator	2021	2020	Year-on-year Changes (%)	Reasons for changes
Net profit after deducting non-recurring profit or loss	18,575,001,265.06	17,744,125,367.99	4.68	
Liquidity ratio	1.1343	1.1082	2.36	
Quick ratio	1.0164	0.9724	4.52	
Asset-liability ratio (%)	64.14	66.28	-3.23	

EBITDA total debt ratio	0.1043	0.0860	21.28	
Interest coverage ratio	20.2493	17.7045	14.37	
Cash flow interest coverage ratio	8.6844	22.6516	-61.66	Mainly due to the decrease of 42.39% in the balance of net cash flow from operating activities compared to the closing balance of the previous period, resulting in the decrease of cash flow interest ratio.
EBITDA Interest coverage ratio	28.4507	24.4501	16.36	
Loan repayment rate (%)	100.00	100.00		
Interest coverage ratio (%)	100.00	100.00		

## II. Convertible corporate bonds

Applicable  N/A

## Section X Financial Report

### I. Auditors' report

√Applicable □N/A

#### Auditors' report

De Shi Bao (Shen) Zi (22) No. P00937

To the shareholders of SAIC Motor Corporation Limited:

#### I. Opinion

We have audited the financial statements of SAIC Motor Corporation Limited ("SAIC Motor"), which comprise the consolidated and Company's balance sheets as at 31 December 2021, including the consolidated and Company's income statements, the consolidated and Company's cash flow statements and the consolidated and Company's statements of changes in shareholders' equity for the year then ended, and the notes to the financial statements (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position as at 31 December 2021, and the consolidated and company's results of operations and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

#### II. Basis for Opinion

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

#### III. Key Audit Matters

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

#### (I) Recognition of Revenue from Vehicle

##### 1. Description

As disclosed in Note (VII), 63 to the financial statements, revenue from sale of vehicle of SAIC Motor in 2021 was about RMB 556,966.64 million which was significant in terms of amount. The revenue from sale of vehicle is one of the key business indicators of SAIC Motor, and whether revenue from sale of vehicle is recognized in a correct period has a significant impact on the financial

statements. Therefore, we identified the cut-off of the recognition of revenue from sale of vehicle as a key audit matter.

## **2. How our audit addressed the key audit matter**

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

- (1) Understand and evaluate the reasonableness of the design of the internal control relating to the recognition of revenue from sale of vehicle, and test their operating effectiveness;
- (2) Perform cut-off test for revenue and inspect the documents and vouchers regarding revenue recognition, such as contracts, invoices, dealer electronic transaction platform records, delivery note, receipt records etc., focusing on whether the revenue is recognized in appropriate period and whether there is significant cross-period transaction or subsequent significant adjustment;
- (3) Conduct year-end stocktaking, and pay attention to whether there are vehicles of which the revenue from sale has been recognized but the vehicles are not delivered to the dealers;
- (4) Select samples or use data analysis technique, analyze the time interval from the dealer's placing order at electronic platform and the actual delivery of goods. Analyze and test the records with abnormal time interval, and determine whether the revenue is recognized in correct period;
- (5) Perform analytic review procedures including analyzing sale profit margin of branch product types, and analyzing whether the sale performance of the Company conforms to the industry environment where it operates, and judge whether the revenue amount is fluctuated abnormally;
- (6) Test the subsequent sales return of vehicle, pay attention to the significant sales return, and evaluate its impact on financial statements.

## **(II) Product Quality Warranty**

### **1. Description**

As disclosed in Note (VII) 52 to the financial statements, the balance of accrued warranty as at December 31, 2021 was RMB 14,197.90 million, of which the balance of warranty for vehicles was RMB 12,153.55 million, which was significant. SAIC Motor shall assume the obligation of quality warranty for a certain period of time for the vehicles as referred to the prevailing business practice. The management makes estimation of warranty and makes provision accordingly based on contract terms and historical experience, where judgments and estimates are needed. We therefore identified product quality warranty of vehicles business as a key audit matter.

### **2. How our audit addressed the key audit matter**

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

- (1) Understand and evaluate effectiveness of the design and implementation of internal controls relevant to the recognition of warranty, and test their operating effectiveness;

- (2) Evaluate whether the policy for provision of product quality warranty conforms to business practice, constitutes a single performance obligation, and whether the accounting method of product quality warranty conforms to the relevant regulations of the Accounting Standards for Business Enterprises;
- (3) Assess the method of the management for provision of warranty and review the calculation process of warranty;
- (4) Check the supporting documents of source data used in the calculation, such as sales data, historical claim data, etc.;
- (5) Test the actual payment of warranty in 2021;
- (6) Discuss with the management and search public information to check whether there is a major product defect in the current or subsequent period that may have a significant impact on the provision of warranty.

#### **IV. Other Information**

The management of SAIC Motor is responsible for the other information. The other information comprises the information included in the 2021 annual report of SAIC Motor, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
4. Conclude on the appropriateness of the Management' use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SAIC Motor's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by CSAs to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the SAIC Motor to cease to continue as a going concern.
5. Evaluate the overall presentation, including the disclosures, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the SAIC Motor to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide Those charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Deloitte Touche Tohmatsu Certified Public Accountants LLP Chinese Certified Public Accountant:  
Hu Yuan Yuan  
Shanghai, China (Engagement Partner)

Chinese Certified Public Accountant:  
Luo Yi Ming

April 28, 2022

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

## II. Financial Statements

## Consolidated Balance Sheet

December 31, 2021

Prepared by: SAIC MOTOR CORPORATION LIMITED

Unit: RMB

Item	Notes	December 31, 2021	December 31, 2020
<b>Current assets:</b>			
Cash and bank balances		138,525,924,732.66	142,564,970,359.58
Balances with clearing agencies			
Placements with banks and other financial institutions			
Held-for-trading financial assets		53,883,499,373.59	54,800,863,245.58
Derivative financial assets			
Notes receivable		4,380,964,033.05	3,486,138,399.12
Accounts receivable		47,463,533,394.88	43,602,501,087.14
Financing with receivables		11,369,104,594.18	13,168,746,883.14
Prepayments		22,675,148,177.40	39,101,796,495.91
Premiums receivable			
Amounts receivable under reinsurance contracts			
Reinsurer's share of insurance contract reserves			
Other receivables		15,486,319,539.07	11,191,801,767.53
Including: Interest receivable		334,405,628.65	272,429,503.45
Dividends receivable		1,465,390,572.13	1,082,662,112.79
Financial assets purchased under resale agreements		5,881,850,702.79	9,279,407,143.96
Inventories		56,635,907,090.04	69,395,466,035.32
Contract assets			
Held-for-sale assets		86,987,182.16	
Non-current assets due within one year		61,848,199,630.76	53,006,395,895.32
Other current assets		126,771,696,251.73	126,576,610,037.63
<b>Total current assets</b>		<b>545,009,134,702.31</b>	<b>566,174,697,350.23</b>
<b>Non-current assets:</b>			
Loans and advances		102,546,002,349.07	96,942,418,741.25
Debt investments		399,394,000.00	408,000,000.00
Other debt investments		34,252,527.10	4,640,259,677.07
Long-term receivables		12,522,123,373.74	9,811,655,479.38
Long-term equity investments		60,849,205,220.58	59,649,816,410.57
Investments in other equity instruments		22,543,932,882.53	20,698,468,429.89
Other non-current financial assets		8,200,237,311.05	1,879,590,033.02

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Investment properties		3,242,049,907.81	3,080,372,835.91
Fixed assets		78,350,634,327.37	82,982,337,001.90
Construction in progress		14,828,788,730.22	13,132,599,220.78
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		8,455,281,059.51	
Intangible assets		16,837,427,149.43	16,020,516,888.81
Development expenditure		2,739,342,219.35	2,446,932,558.40
Goodwill		1,267,673,860.87	1,485,452,162.18
Long-term deferred expenses		2,200,321,105.66	2,278,536,394.68
Deferred tax assets		27,838,847,530.61	30,741,350,200.39
Other non-current assets		9,058,047,386.12	7,041,752,412.48
<b>Total non-current assets</b>		<b>371,913,560,941.02</b>	<b>353,240,058,446.71</b>
<b>TOTAL ASSETS</b>		<b>916,922,695,643.33</b>	<b>919,414,755,796.94</b>
<b>Current liabilities:</b>			
Short-term borrowings		27,849,482,034.01	23,628,641,424.02
Loans from the central bank			
Taking from banks and other financial institutions		55,529,889,083.31	69,104,619,433.59
Held-for-trading financial liabilities		15,932,323.02	401,998,111.48
Derivative financial liabilities			
Notes payable		41,825,836,994.99	56,098,907,417.38
Accounts payable		157,226,453,930.47	148,948,305,300.60
Receipts in advance			
Contract liabilities		26,514,455,824.76	24,822,830,812.14
Financial assets sold under repurchase agreements			1,203,858,402.96
Customer deposits and deposits from banks and other financial institutions		62,576,877,206.07	61,911,195,677.75
Funds from securities trading agency			
Funds from underwriting securities agency			
Employee benefits payable		11,491,232,280.23	11,511,239,398.79
Taxes payable		5,550,414,428.57	11,790,876,523.91
Other payables		64,179,108,585.95	77,594,213,655.77
Including: Interest payable		136,379,101.06	82,815,028.04
Dividends payable		1,146,540,878.06	2,247,573,969.63
Fees and commissions payable			
Amounts payable under reinsurance contracts			
Held-for-sale liabilities			
Non-current liabilities due within one year		25,697,132,489.50	23,426,546,440.17

Other current liabilities		2,024,415,579.21	440,831,849.17
<b>Total current liabilities</b>		480,481,230,760.09	510,884,064,447.73
<b>Non-current liabilities:</b>			
Insurance contract reserves			
Long-term borrowings		26,911,400,207.33	23,608,251,949.74
Bonds payable		19,397,207,883.47	23,492,143,054.46
Including: Preference shares			
Perpetual bonds			
Lease liability		8,345,840,696.76	
Long-term payables		1,145,313,805.68	1,546,152,096.10
Long-term employee benefits payable		5,508,527,212.98	5,508,343,141.66
Provisions		15,463,746,575.11	13,669,634,572.68
Deferred income		23,313,333,214.63	23,515,634,111.73
Deferred tax liabilities		4,885,199,353.86	4,222,812,231.28
Other non-current liabilities		2,700,165,378.32	2,926,408,307.98
<b>Total non-current liabilities</b>		107,670,734,328.14	98,489,379,465.63
<b>TOTAL LIABILITIES</b>		588,151,965,088.23	609,373,443,913.36
<b>SHAREHOLDERS' EQUITY:</b>			
Paid-in capital (or share capital)		11,683,461,365.00	11,683,461,365.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve		56,539,992,737.93	57,027,070,037.48
Less: Treasury shares		2,778,609,178.04	2,039,625,809.24
Other comprehensive income		14,078,764,959.98	13,335,554,649.53
Special reserve		825,427,615.49	723,680,916.08
Surplus reserve		40,843,171,648.51	40,843,171,648.51
General risk reserve		3,822,509,268.70	3,565,625,236.06
Retained earnings		148,758,956,883.06	134,964,016,372.01
<b>Total shareholders' equity attributable to shareholders of the Company</b>		273,773,675,300.63	260,102,954,415.43
Minority interests		54,997,055,254.47	49,938,357,468.15
<b>TOTAL SHAREHOLDERS' EQUITY</b>		328,770,730,555.10	310,041,311,883.58
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		916,922,695,643.33	919,414,755,796.94

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

**Balance Sheet of the Company**

December 31, 2021

Prepared by: SAIC MOTOR CORPORATION LIMITED

Unit: RMB

Item	Notes	December 31, 2021	December 31, 2020
<b>Current assets:</b>			
Cash and bank balances		80,313,249,046.95	79,670,638,441.55
Held-for-trading financial assets		2,157,683,267.32	1,867,858,552.00
Derivative financial assets			
Notes receivable		6,013,260,391.19	9,164,804,838.97
Accounts receivable		4,590,263,830.58	5,418,380,341.65
Financing with receivables			
Prepayments		1,107,742,469.60	562,963,184.76
Other receivables		6,265,397,867.87	6,312,026,191.59
Including: Interest receivable		954,864,657.87	1,559,376,166.02
Dividends receivable		701,073,371.50	885,581,149.71
Inventories		4,017,144,419.72	1,434,116,333.02
Contract assets			
Held-for-sale assets			
Non-current assets due within one year		465,000,000.00	
Other current assets		663,032,527.32	1,582,030,457.71
<b>Total current assets</b>		<b>105,592,773,820.55</b>	<b>106,012,818,341.25</b>
<b>Non-current assets:</b>			
Debt investments		11,087,106,860.00	11,675,069,020.00
Other debt investments			
Long-term receivables			
Long-term equity investments		131,122,812,383.03	118,998,936,721.38
Investments in other equity instruments		15,106,228,789.62	13,630,029,876.90
Other non-current financial assets			
Investment properties		247,737,268.07	258,277,381.29
Fixed assets		15,484,927,244.92	16,067,958,066.69
Construction in progress		3,844,465,224.01	2,593,629,619.27
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		101,331,307.24	
Intangible assets		3,869,605,395.59	3,542,408,706.79
Development expenditure		2,349,728,227.54	2,318,369,674.55
Goodwill			
Long-term deferred expenses		117,809,385.54	132,864,523.56

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Deferred tax assets			
Other non-current assets		4,802,382.16	9,065,399.02
<b>Total non-current assets</b>		183,336,554,467.72	169,226,608,989.45
<b>TOTAL ASSETS</b>		288,929,328,288.27	275,239,427,330.70
<b>Current liabilities:</b>			
Short-term borrowings			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable		5,849,825,684.00	3,587,720,000.00
Accounts payable		32,681,272,544.56	30,498,381,942.84
Receipts in advance			
Contract liabilities		713,321,785.82	3,088,000,387.91
Employee benefits payable		1,476,732,363.58	1,647,012,941.56
Taxes payable		487,710,774.76	508,780,748.92
Other payables		1,350,618,162.92	2,415,379,092.36
Including: Interest payable		47,505,127.38	45,780,821.86
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year		6,786,637,173.20	1,730,076,088.00
Other current liabilities			
<b>Total current liabilities</b>		49,346,118,488.84	43,475,351,201.59
<b>Non-current liabilities:</b>			
Long-term borrowings		11,500,000,000.00	9,000,000,000.00
Bonds payable			4,991,131,506.79
Including: Preference shares			
Perpetual bonds			
Lease liability		61,742,046.69	
Long-term payables		570,374,070.77	635,718,389.35
Long-term employee benefits payable		3,341,689,009.39	3,253,847,264.39
Provisions		2,148,618,448.34	2,185,841,429.11
Deferred income		3,260,011,081.53	3,511,947,358.28
Deferred tax liabilities		1,731,543,412.05	1,510,113,575.14
Other non-current liabilities			
<b>Total non-current liabilities</b>		22,613,978,068.77	25,088,599,523.06
<b>TOTAL LIABILITIES</b>		71,960,096,557.61	68,563,950,724.65
<b>SHAREHOLDERS' EQUITY:</b>			
Paid-in capital (share capital)		11,683,461,365.00	11,683,461,365.00
Other equity instruments			
Including: Preference shares			

Perpetual bonds			
Capital reserve		65,129,333,550.92	65,129,333,550.92
Less: Treasury shares		2,778,609,178.04	2,039,625,809.24
Other comprehensive income		10,916,623,434.59	9,771,273,508.80
Special reserve			
Surplus reserve		40,843,171,648.51	40,843,171,648.51
Retained earnings		91,175,250,909.68	81,287,862,342.06
<b>TOTAL SHAREHOLDERS' EQUITY</b>		216,969,231,730.66	206,675,476,606.05
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		288,929,328,288.27	275,239,427,330.70

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

**Consolidated Income Statement**

January 2021 - December 2021

Unit: RMB

Item	Notes	Year Ended December 31, 2021	Year Ended December 31, 2020
<b>I. Total operating income</b>		779,845,786,393.56	742,132,450,370.73
Including: Operating income		759,914,635,560.08	723,042,589,215.28
Interest income		17,727,046,686.11	17,181,341,644.28
Premiums earned			
Fee and commission income		2,204,104,147.37	1,908,519,511.17
<b>II. Total operating costs</b>		770,749,730,281.51	729,528,798,451.98
Including: Operating costs		686,742,792,553.92	657,765,544,632.29
Interest expenses		3,732,073,382.23	4,042,809,604.12
Fee and commission expenses		893,020,210.55	678,961,787.39
Surrenders			
Claims and policyholder benefits (net of amounts recoverable from reinsurers)			
Changes in insurance contract reserves (net of reinsurers' share)			
Insurance policyholder dividends			
Expenses for reinsurance accepted			
Taxes and levies		5,540,535,141.75	5,759,786,264.90
Selling expenses		29,505,101,466.14	25,551,327,929.59
Administrative expenses		24,103,526,327.66	21,818,404,987.48
Research and development expenses		19,668,497,536.95	13,395,044,388.06
Financial expenses		564,183,662.31	516,918,858.15
Including: Interest expenses		2,106,125,643.96	2,179,748,060.66
Interest income		2,410,923,781.61	2,307,766,616.62

Add: Other income		3,823,183,406.63	2,579,563,169.78
Investment income (loss is indicated by "-")		27,164,405,587.23	21,009,860,637.81
Including: Income from investments in associates and joint ventures		17,366,044,031.14	14,319,864,677.22
Income from derecognition of financial assets at amortized cost		764,415,851.96	
Foreign exchange gains (loss is indicated by "-")		29,790,917.63	19,634,717.19
Net exposure hedging income (Loss is indicated by "-")			
Gains from changes in fair values (loss is indicated by "-")		1,737,869,689.54	3,811,635,278.12
Credit impairment loss (Loss is indicated by "-")		-231,254,043.06	-1,116,245,649.21
Impairment losses of assets (loss is indicated by "-")		-983,363,760.04	-3,189,619,975.38
Gains from disposal of assets (loss is indicated by "-")		810,061,578.31	-110,981,183.34
<b>III. Operating Profit (loss is indicated by "-")</b>		<b>41,446,749,488.29</b>	<b>35,607,498,913.72</b>
Add: Non-operating income		469,235,263.06	749,583,972.52
Less: Non-operating expenses		358,325,362.56	465,458,210.81
<b>IV. Total profit (total loss is indicated by "-")</b>		<b>41,557,659,388.79</b>	<b>35,891,624,675.43</b>
Less: Income tax expenses		7,615,900,531.24	6,703,573,806.26
<b>V. Net profit (net loss is indicated by "-")</b>		<b>33,941,758,857.55</b>	<b>29,188,050,869.17</b>
(I) Categorized by the continuity of operation			
1. Net profit from continuing operations (net loss is indicated by "-")		33,941,758,857.55	29,188,050,869.17
2. Net profit from discontinued operations (net loss is indicated by "-")			
(II) Categorized by ownership of equity			
1. Net profit attributable to shareholders of the Company (net loss is indicated by "-")		24,533,097,943.83	20,431,037,479.76
2. Profit or loss attributable to minority interests (net loss is indicated by "-")		9,408,660,913.72	8,757,013,389.41
<b>VI. Other comprehensive income, net of tax</b>		<b>1,415,850,741.11</b>	<b>940,798,695.96</b>
(I) Other comprehensive income attributable to owners of the Company, net of tax		945,479,655.35	858,382,998.64
1. Other comprehensive income that will not be reclassified subsequently to profit or loss		1,258,037,112.59	2,119,826,969.64
(1). Changes due to re-measurement of defined benefit plans		-79,255,862.72	236,288,838.99
(2). Other comprehensive income that will not be reclassified subsequently to profit or loss under equity method		-164,961.99	-2,654,110.89
(3). Changes in fair value of investments in other equity instruments		1,337,457,937.30	1,886,192,241.54
(4). Changes in fair value of corporate credit risk			



2. Other comprehensive income that may be reclassified subsequently to profit or loss		-312,557,457.24	-1,261,443,971.00
(1). Other comprehensive income that may be reclassified subsequently to profit or loss under equity method		-40,886,873.93	-54,970,930.42
(2). Changes in fair value of other debt investments		105,438,911.50	-110,000,631.61
(3). Financial assets reclassified into other comprehensive income			
(4). Credit impairment provision of other debt investments			80,365.61
(5). Reserve for cash flow hedges		7,672,670.77	-3,837,691.92
(6). Translation difference of financial statements denominated in foreign currencies		-378,390,534.85	-1,097,865,677.29
(7). Others		-6,391,630.73	5,150,594.63
(II) Other comprehensive income attributable to minority interests, net of tax		470,371,085.76	82,415,697.32
<b>VII. Total comprehensive income</b>		<b>35,357,609,598.66</b>	<b>30,128,849,565.13</b>
(I) Total comprehensive income attributable to owners of the Company		25,478,577,599.18	21,289,420,478.40
(II) Total comprehensive income attributable to minority interests		9,879,031,999.48	8,839,429,086.73
<b>VIII. Earnings per share:</b>			
(I) Basic earnings per share (RMB/share)		2.120	1.752
(II) Diluted earnings per share (RMB/share)		N/A	N/A

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

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

### Income Statement of the Company

January 2021 - December 2021

Unit: RMB

Item	Notes	Year Ended December 31, 2021	Year Ended December 31, 2020
<b>I. Operating income</b>		70,391,603,895.15	60,044,044,174.49
Less: Operating costs		67,031,956,263.16	56,946,097,192.79
Taxes and levies		1,670,076,535.92	1,451,134,127.70
Selling expenses		4,514,648,104.43	4,397,637,502.41
Administrative expenses		2,177,826,517.47	1,806,295,929.60
Research and development expenses		5,987,954,901.06	3,393,391,350.42
Financial expenses		-656,082,774.73	-317,440,560.91

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Including: Interest expenses		449,061,459.72	414,922,179.76
Interest income		1,293,564,452.13	1,395,954,088.18
Add: Other income		1,279,752,405.16	613,170,032.70
Investment income (loss is indicated by "-")		25,412,957,992.09	18,873,522,135.96
Including: Income from investments in associates and joint ventures		9,867,561,273.70	11,143,789,038.61
Income from derecognition of financial assets at amortized cost			
Net exposure hedging income (Loss is indicated by "-")			
Gains from changes in fair values (loss is indicated by "-")		581,769,647.64	
Credit impairment loss (Loss is indicated by "-")		-46,545,026.13	20,739,028.88
Impairment losses of assets (loss is indicated by "-")		-43,371,424.26	-322,649,551.38
Gains from disposal of assets (loss is indicated by "-")		202,019,670.91	17,313,007.55
<b>II. Operating profit (loss is indicated by "-")</b>		<b>17,051,807,613.25</b>	<b>11,569,023,286.19</b>
Add: Non-operating income		32,667,422.64	11,854,903.12
Less: Non-operating expenses		20,400,812.37	192,616,323.56
<b>III. Total profit (total loss is indicated by "-")</b>		<b>17,064,074,223.52</b>	<b>11,388,261,865.75</b>
Less: Income tax expenses			
<b>IV. Net Profit (net loss is indicated by "-")</b>		<b>17,064,074,223.52</b>	<b>11,388,261,865.75</b>
(I) Net profit from continuing operations (net loss is indicated by "-")		17,064,074,223.52	11,388,261,865.75
(II) Net profit from discontinued operations (net loss is indicated by "-")			
<b>V. Other comprehensive income, net of tax</b>		<b>1,145,349,925.79</b>	<b>1,878,237,581.75</b>
(I) Other comprehensive income that will not be reclassified subsequently to profit or loss		1,176,715,463.22	1,914,079,140.24
1. Changes due to re-measurement of defined benefit plans		-78,053,612.59	234,902,877.02
2. Other comprehensive income that will not be reclassified subsequently to profit or loss under equity method			
3. Changes in fair value of investments in other equity instruments		1,254,769,075.81	1,679,176,263.22
4. Changes in fair value of corporate credit risk			
(II) Other comprehensive income that may be reclassified subsequently to profit or loss		-31,365,537.43	-35,841,558.49
1. Other comprehensive income that may be reclassified subsequently to profit or loss under equity method		-31,365,537.43	-35,841,558.49
2. Changes in fair value of other debt investments			
3. Financial assets reclassified into other comprehensive income			
4. Credit impairment provision of other debt investments			
5. Reserve for cash flow hedges			

6. Translation difference of financial statements denominated in foreign currencies			
7. Others			
<b>VI. Total comprehensive income</b>		18,209,424,149.31	13,266,499,447.50
<b>VII. Earnings per share:</b>			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

**Consolidated Cash Flow Statement**

January 2021 - December 2021

Unit: RMB

Item	Notes	Year Ended December 31, 2021	Year Ended December 31, 2020
<b>I. Cash flows from operating activities:</b>			
Cash receipts from the sale of goods and rendering of services		645,327,249,537.97	637,683,837,716.36
Net increase in customer deposits and deposits from banks and other financial institutions		665,681,528.32	
Net increase in loans from the central bank			
Net increase in taking from banks and other financial institutions			
Cash receipts from premiums under direct insurance contracts			
Net cash receipts from reinsurance business			
Net cash receipts from policyholders' deposits and investment contract liabilities			
Cash receipts from interests, fees and commissions		20,741,779,173.73	21,011,673,157.42
Net increase in loans from banks and other financial institutions			19,361,748,850.61
Net increase in financial assets sold under repurchase arrangements		2,193,698,038.21	4,960,686,799.58
Net cash receipts from deputy securities trading			
Decrease in balance with the central bank		963,532,899.31	201,020,078.32
Receipts of tax refunds		2,585,063,517.98	2,127,691,224.95
Other cash receipts relating to operating activities		11,765,488,212.41	4,823,480,853.29
<b>Sub-total of cash inflows from operating activities</b>		684,242,492,907.93	690,170,138,680.53
Cash payments for goods purchased and services received		526,496,549,613.25	532,397,952,038.42
Net decrease in customer deposits and deposits from banks and other financial institutions			17,340,293,965.86
Net increase in loans and advances		7,334,291,442.48	11,973,161,082.06
Net increase in balance with the central bank			

and due from banks and other financial institutions			
Cash payments for claims and policyholders' benefits under direct insurance contracts			
Net decrease in loans from banks and other financial institutions		13,574,730,350.28	
Net increase in placements with other financial institutions			
Cash payments for interests, fees and commissions		4,625,093,592.78	4,743,258,334.44
Cash payments for insurance policyholder dividends			
Cash payments to and on behalf of employees		39,027,099,038.75	36,727,577,169.35
Payments for various types of taxes		28,983,306,029.20	25,438,972,333.18
Other payments relating to operating activities		42,585,683,687.28	24,030,987,953.03
<b>Sub-total of cash outflows relating to operating activities</b>		662,626,753,754.02	652,652,202,876.34
Net cash flow from operating activities		21,615,739,153.91	37,517,935,804.19
<b>II. Cash flows from investing activities:</b>			
Cash receipts from disposals and recovery of investments		485,317,733,962.21	468,571,852,467.23
Cash receipts from investment income		17,527,917,892.71	24,628,968,533.37
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		2,089,185,990.24	923,928,493.68
Net cash receipts from disposals of subsidiaries and business entities		1,298,023,235.34	335,695,399.27
Net cash receipts from acquisitions of subsidiaries and business entities		1,392,629,160.62	461,714,928.24
Other cash receipts relating to investing activities			
<b>Sub-total of cash inflows from investing activities</b>		507,625,490,241.12	494,922,159,821.79
Cash payment to acquire or construct fixed assets, intangible assets and other long-term assets		18,742,697,360.70	15,137,821,168.90
Cash payments to acquire investments		490,380,322,037.43	486,894,605,245.84
Net increase in pledged loans receivables			
Net cash payments for acquisitions of subsidiaries and other business entities			
Other cash payments relating to investing activities			
<b>Sub-total of cash outflows relating to investing activities</b>		509,123,019,398.13	502,032,426,414.74
Net cash flow from investing activities		-1,497,529,157.01	-7,110,266,592.95
<b>III. Cash flow from financing activities:</b>			
Cash receipts from capital contributions		6,135,340,377.11	985,602,190.22
Including: Cash receipts from capital contributions from minority shareholders of subsidiaries		6,135,340,377.11	985,602,190.22

Cash receipts from borrowings		47,784,077,262.22	57,612,478,572.28
Cash receipts from bonds issuance		14,130,000,000.00	11,851,504,151.78
Other cash receipts relating to financing activities			
<b>Sub-total of cash inflows from financing activities</b>		68,049,417,639.33	70,449,584,914.28
Cash repayments of borrowings		55,501,204,658.85	61,478,868,259.79
Cash payments for distribution of dividends or profits or settlement of interest expenses		17,206,930,525.83	19,627,244,053.57
Including: Payments for distribution of dividends or profit to minority shareholders of subsidiaries		7,950,645,862.04	7,230,117,414.48
Other cash payments relating to financing activities		11,511,309,285.74	5,195,300,478.15
<b>Sub-total of cash outflows relating to financing activities</b>		84,219,444,470.42	86,301,412,791.51
Net cash flow from financing activities		-16,170,026,831.09	-15,851,827,877.23
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>		-885,840,552.70	-531,296,840.14
<b>V. Net increase in cash and cash equivalents</b>		3,062,342,613.11	14,024,544,493.87
Add: Opening balance of cash and cash equivalents		123,847,282,440.56	109,822,737,946.69
<b>VI. Closing balance of cash and cash equivalents</b>		126,909,625,053.67	123,847,282,440.56

Head of the Company: Chen Hong      Chief Financial Officer: Wei Yong  
Head of Accounting Department: Gu Xiao Qiong

**Cash Flow Statement of the Company**  
January 2021 - December 2021

Unit: RMB

Item	Notes	Year Ended December 31, 2021	Year Ended December 31, 2020
<b>I. Cash flows from operating activities:</b>			
Cash receipts from the sale of goods and rendering of services		66,322,987,610.06	56,647,851,260.36
Receipts of tax refunds			
Other cash receipts relating to operating activities		2,943,831,970.22	1,845,538,418.11
<b>Sub-total of cash inflows from operating activities</b>		69,266,819,580.28	58,493,389,678.47
Cash payments for goods purchased and services received		57,441,740,959.16	51,789,601,573.98
Cash payments to and on behalf of employees		6,056,234,663.73	4,806,136,917.61
Payments of various types of taxes		2,032,338,182.61	1,832,010,325.13
Other cash payments relating to operating activities		6,175,129,074.80	5,322,322,898.57
<b>Sub-total of cash outflows relating to operating activities</b>		71,705,442,880.30	63,750,071,715.29
<b>Net cash flow from operating activities</b>		-2,438,623,300.02	-5,256,682,036.82
<b>II. Cash flows from investing activities:</b>			

Cash receipts from disposals and recovery of investments		1,742,885,440.00	11,393,298,821.29
Cash receipts from investment income		25,333,951,619.40	24,548,735,824.43
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets		255,170,696.97	20,157,198.78
Net cash receipts from disposals of subsidiaries and other business entities			
Other cash receipts relating to investing activities			
<b>Sub-total of cash inflows from investing activities</b>		<b>27,332,007,756.37</b>	<b>35,962,191,844.50</b>
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		4,542,843,383.76	4,463,887,985.16
Cash payments to acquire investments		13,179,379,048.23	10,039,142,989.00
Net cash payments for acquisitions of subsidiaries and other business entities			
Other cash payments relating to investing activities			
<b>Sub-total of cash outflows relating to investing activities</b>		<b>17,722,222,431.99</b>	<b>14,503,030,974.16</b>
<b>Net cash flow from investing activities</b>		<b>9,609,785,324.38</b>	<b>21,459,160,870.34</b>
<b>III. Cash flows from financing activities:</b>			
Cash receipts from capital contributions			
Cash receipts from borrowings		2,500,000,000.00	9,000,000,000.00
Other cash receipts relating to financing activities		113,904,351.17	1,887,585,427.38
<b>Sub-total of cash inflows from financing activities</b>		<b>2,613,904,351.17</b>	<b>10,887,585,427.38</b>
Cash repayments of borrowings			5,600,000,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses		7,573,249,939.39	10,599,004,487.31
Other cash payments relating to financing activities		1,619,806,083.47	3,172,375,509.24
<b>Sub-total of cash outflows relating to financing activities</b>		<b>9,193,056,022.86</b>	<b>19,371,379,996.55</b>
<b>Net cash flow from financing activities</b>		<b>-6,579,151,671.69</b>	<b>-8,483,794,569.17</b>
<b>IV. Effect of foreign exchange rate on cash and cash equivalents</b>		<b>-24,071,747.27</b>	<b>-59,164,888.40</b>
<b>V. Net increase in cash and cash equivalents</b>		<b>567,938,605.40</b>	<b>7,659,519,375.95</b>
Add: Opening balance of cash and cash equivalents		79,670,638,441.55	72,011,119,065.60
<b>VI. Closing balance of cash and cash equivalents</b>		<b>80,238,577,046.95</b>	<b>79,670,638,441.55</b>

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

SAIC MOTOR ANNUAL REPORT 2021

Consolidated Statement of Changes in Owners' Equity  
January 2021 - December 2021

Unit: RMB

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





SAIC MOTOR ANNUAL REPORT 2021

Item	2020														Minority interests	Total owners' equity
	Attributable to owners of the Company															
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Others	Subtotal			
Preference shares		Perpetual bonds	Others													
I. Balance as at December 31, 2019	11,683,461,365.00				55,566,657,996.87		12,504,734,839.32	620,295,956.53	40,843,171,648.51	3,202,907,349.43	125,280,780,539.08		249,702,009,694.74	51,137,614,646.97	300,839,624,341.71	
Add: Changes in accounting policies											-18,806,032.89		-18,806,032.89	-4,434,842.51	-23,240,875.40	
Corrections of prior period errors																
Business combination involving enterprises under common control																
Others																
II. Balance as at January 1, 2020	11,683,461,365.00				55,566,657,996.87		12,504,734,839.32	620,295,956.53	40,843,171,648.51	3,202,907,349.43	125,261,974,506.19		249,683,203,661.85	51,133,179,804.46	300,816,383,466.31	
III. Changes for the period (Decrease is indicated by "-")					1,460,412,040.61	2,039,625,809.24	830,819,810.21	103,384,959.55		362,717,886.63	9,702,041,865.82		10,419,750,753.58	-1,194,822,336.31	9,224,928,417.27	
(I) Total comprehensive income							858,382,998.64				20,431,037,479.76		21,289,420,478.40	8,839,429,086.73	30,128,849,565.13	
(II) Owners' contributions and reduction in capital						2,039,625,809.24							-2,039,625,809.24	985,602,190.22	-1,054,023,619.02	
1. Ordinary shares from owners														985,602,190.22	985,602,190.22	
2. Capital contribution from other equity instrument holders																
3. Share-based payment recognized in owners' equity																
4. Others						2,039,625,809.24							-2,039,625,809.24		-2,039,625,809.24	
(III) Profit distribution										362,717,886.63	-10,730,263,609.26		-10,367,545,722.63	-8,846,467,151.42	-19,214,012,874.05	
1. Transfer to surplus reserve																

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2. Transfer to general risk reserve										362,717,886.63	-362,717,886.63					
3. Distribution to owners (or shareholders)											-10,281,446,001.20		-10,281,446,001.20	-8,713,326,083.52	-18,994,772,084.72	
4. Others											-86,099,721.43		-86,099,721.43	-133,141,067.90	-219,240,789.33	
(IV) Transfers within owners' equity																
1. Capitalization of capital reserve (or share capital)																
2. Capitalization of surplus reserve (or share capital)																
3. Loss offset by surplus reserve																
4. Transfers of retained earnings due to changes in defined benefit plans																
5. Transfer of changes in other comprehensive income to retained earnings																
6. Others																
(V) Special reserve								103,384,959.55					103,384,959.55	22,725,049.54	126,110,009.09	
1. Transfer to special reserve in the period								127,480,465.12					127,480,465.12	45,429,458.48	172,909,923.60	
2. Amount utilized in the period								24,095,505.57					24,095,505.57	22,704,408.94	46,799,914.51	
(VI) Others					1,460,412,040.61			-27,563,188.43				1,267,995.32	1,434,116,847.50	-2,196,111,511.38	-761,994,663.88	
IV. Balance as at December 31, 2020	11,683,461,365.00				57,027,070,037.48	2,039,625,809.24	13,335,554,649.53	723,680,916.08	40,843,171,648.51	3,565,625,236.06	134,964,016,372.01		260,102,954,415.43	49,938,357,468.15	310,041,311,883.58	

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

SAIC MOTOR ANNUAL REPORT 2021

Statement of Changes in Owners' Equity of the Company  
January 2021 - December 2021

Unit: RMB

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

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5. Transfer of changes in other comprehensive income to retained earnings											
6. Others											
(V) Special reserve											
1. Transfer to special reserve in the period											
2. Amount utilized in the period											
(VI) Others											
IV. Balance as at December 31, 2021	11,683,461,365.00				65,129,333,550.92	2,778,609,178.04	10,916,623,434.59		40,843,171,648.51	91,175,250,909.68	216,969,231,730.66

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Item	2020										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total owners' equity
		Preference shares	Perpetual bonds	Others							
I. Balance as at December 31, 2019	11,683,461,365.00				65,129,333,550.92		7,893,035,927.05		40,843,171,648.51	80,181,046,477.51	205,730,048,968.99
Add: Changes in accounting policies											
Corrections of prior period errors											
Others											
II. Balance as at January 1, 2020	11,683,461,365.00				65,129,333,550.92		7,893,035,927.05		40,843,171,648.51	80,181,046,477.51	205,730,048,968.99
III. Changes for the period (Decrease is indicated by "-")						2,039,625,809.24	1,878,237,581.75			1,106,815,864.55	945,427,637.06
(I) Total comprehensive income							1,878,237,581.75			11,388,261,865.75	13,266,499,447.50
(II) Owners' contributions and reduction in capital						2,039,625,809.24					-2,039,625,809.24
1. Ordinary shares from owners											
2. Capital contribution from other equity instrument holders											
3. Share-based payment recognized in owners' equity											
4. Others						2,039,625,809.24					-2,039,625,809.24
(III) Profit distribution										-10,281,446,001.20	-10,281,446,001.20
1. Transfer to surplus reserve											
2. Distribution to owners (or shareholders)										-10,281,446,001.20	-10,281,446,001.20
3. Others											
(IV) Transfers within owners' equity											
1. Capitalization of capital reserve (or share capital)											
2. Capitalization of surplus reserve (or share capital)											
3. Loss offset by surplus reserve											
4. Transfers of retained earnings due to changes in defined benefit plans											
5. Transfer of changes in other comprehensive income to retained earnings											
6. Others											

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(V) Special reserve											
1. Transfer to special reserve in the period											
2. Amount utilized in the period											
(VI) Others											
IV. Balance as at December 31, 2020	11,683,461,365.00				65,129,333,550.92	2,039,625,809.24	9,771,273,508.80		40,843,171,648.51	81,287,862,342.06	206,675,476,606.05

Head of the Company: Chen Hong

Chief Financial Officer: Wei Yong

Head of Accounting Department: Gu Xiao Qiong

### III. THE COMPANY'S PROFILE

#### 1. General

√Applicable □N/A

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

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

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

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

As at December 31, 2021, the Company's total share capital was RMB 11,683,461,365.00 in 11,683,461,365 shares, of which SAIC held 7,904,760,961 shares, accounting for 67.66% of the total shares. The Company repurchased 134,659,720 shares by means of centralized bidding, accounting for 1.15% of the total shares; and there were 3,644,040,684 shares held by other public shareholders, accounting for 31.19% of the total shares.

Business scope of the Company includes manufacturing and sales of automobiles, motorcycles, tractors and other motor vehicles, and machinery equipment, assembly and automobile parts, domestic trading (except those under special provisions), advisory services, sale of vehicle, assembly and components and parts in an e-commerce manner, technical service in the field of science and technology, export of self-manufactured products and technology, import of machinery and equipment, spare parts, raw and supplementary materials,

and technology needed in the business operating (except goods and technology forbidden to import and export by Chinese government), rental of cars and machinery and equipment, industrial investment, periodical publishing, advertisements in the Company's own media, import and export business of goods and technology (Any item that requires to be approved by law can only be carried out after approval by relevant authorities).

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

## **2. Scope of the consolidated financial statements**

Applicable N/A

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

## **IV. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

### **1. Basis of preparation**

The financial statements of the Company have been prepared on a going concern basis.

#### Basis of preparation

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

#### Basis of accounting and principle of measurement

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and disclosure purposes in the financial statements is determined on such a basis.

In measuring a non-financial asset at fair value, market participants' ability of generating economic benefits by making the best use of the assets or the ability of generating economic benefits by selling the assets to other market participants who can make the best use of the assets should be taken into consideration.



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

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

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

## 2. Going concern

Applicable  N/A

The Group assessed its ability to continue as a going concern for the 12 months from December 31, 2021 and did not notice any events or circumstances that may cast significant doubt upon its ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

## V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Tips on specific accounting policies and accounting estimates:

Applicable  N/A

### 1. Statement of compliance with ASBE

The financial statements of the Company have been prepared in accordance with ASBE, and present truly and completely, the Company's financial position, results of operations, changes in shareholders' equity and cash flows.

### 2. Accounting period

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

### 3. Operating cycle

Applicable  N/A

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

### 4. Functional currency

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

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

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

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

Applicable N/A

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

5.1 Business combination involving enterprises under common control

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

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

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

5.2 Business combination not involving enterprises under common control and goodwill

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

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

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

Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is treated as an asset and recognized as goodwill, which is measured at cost on initial recognition. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer firstly reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the cost of combination. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's

identifiable net assets, the acquirer recognizes the remaining difference immediately in profit or loss for the current period.

Goodwill arising on a business combination is measured at cost less accumulated impairment losses, and is presented separately in the consolidated financial statements.

## **6. Preparation of consolidated financial statements**

Applicable N/A

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

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

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

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

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

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

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

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

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

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

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

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

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

#### Special purpose trust

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

related to the special purpose trust; (5) Capabilities of the Group to affect the return amount by using its power on the invested entities; (6) Relationship between the Group and other parties. If the results of the assessment show that the Group obtains control over the special purpose trust, the special purpose trust will be merged by the Group.

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

√Applicable N/A

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

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

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

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

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

When the Group invest or sell assets or others (except that such assets constitute a business), only profit or loss arising from the transaction attributable to parties involved in such joint operation is recognized prior to the resale of the assets to third parties by joint operations. When there is impairment of the asset investment or sale, the Group recognizes such loss in full.

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

## 8. Recognition criteria of cash and cash equivalents

Cash comprises cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

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

√Applicable N/A

### 9.1 Transactions denominated in foreign currencies

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

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

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

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

### 9.2 Translation of financial statements denominated in foreign currencies

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

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

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

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

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

## 10. Financial instruments

Applicable N/A

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

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

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

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

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

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

The amortized cost of a financial asset or a financial liability is an accumulatively amortized amount arising from the initially recognized amount of the financial asset or the financial liability deducting repaid principals plus or less amortization of balances between the initially recognized amount on initial recognition and the amount on maturity date using the effective interest method, and then deducting accumulated provisions for losses (only applicable to financial assets).

### 10.1 Classification, recognition and measurement of financial assets

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

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

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

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

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

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

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

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

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

#### 10.1.1 Financial assets measured at amortized cost

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



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

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

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

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

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

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

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

#### 10.2 Impairment of financial assets

For financial assets at amortized cost, financial assets at FVTOCI, contract assets, lease receivable and financial guarantee contract etc., the Group makes accounting treatment for impairment and recognizes loss provision on the basis of expected credit loss.

The Group measures loss provision based on the amount equal to the lifetime ECL for all the notes receivable, accounts receivable and contract assets arising from the transactions under revenue standards.

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

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

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

#### 10.2.1 Significant increase of credit risk

The Group will make use of reasonable and supportable forward-looking information that is available to determine whether credit risk has increased significantly since initial recognition through comparing the risk of a default occurring on the financial instruments as at the reporting date with the risk of a default occurring on the financial instruments as at the date of initial recognition.

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

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

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

At balance sheet date, if the Group judges that the financial instruments solely has lower credit risk, the Group will assume that the credit risk of the financial instruments has not been significantly increased since initial recognition. If the risk of default on financial instruments is low, the borrower's ability to meet its contractual cash flow obligations in the short term is strong, and even if the economic situation and operating environment are adversely changed over a long period of time, it may not necessarily reduce the borrower's ability to fulfill its contractual cash flow obligations, the financial instrument is considered to have a lower credit risk.

#### 10.2.2 Credit-impaired financial assets

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

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

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

#### 10.2.3 Determination of expected credit loss

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

The Group determines expected credit losses of relevant financial instruments using the following methods:

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

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

#### 10.2.4 Write-down of financial assets

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

#### 10.3 Transfer of financial assets

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

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

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

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

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

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

#### 10.4 Classification of financial liabilities and equity instrument

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

##### 10.4.1 Classification, recognition and measurement of financial liabilities

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

###### 10.4.1.1 Financial liabilities at fair value through profit or loss

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

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

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

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

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

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

or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss.

#### 10.4.1.2 Other financial liabilities

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

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

##### 10.4.1.2.1 Financial guarantee contracts

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

#### 10.4.2 Derecognition of financial liabilities

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

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

#### 10.4.3 Equity instruments

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

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

### 10.5 Derivatives and embedded derivatives

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

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

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

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

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

### 10.6 Offsetting financial assets and financial liabilities

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

#### **11. Notes receivable**

##### **Determination and accounting methods of expected credit loss of notes receivable**

Applicable N/A

#### **12. Accounts receivable**

##### **Determination and accounting methods of expected credit loss of accounts receivable**

Applicable N/A

#### **13. Financing with receivables**

Applicable N/A

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

#### **14. Other receivables**

Determination and accounting methods of expected credit loss of other receivables

Applicable N/A

#### **15. Inventories**

Applicable N/A

##### 15.1 Categories of inventories

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

##### 15.2 Valuation method of inventories upon delivery

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

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

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

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

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

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

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

##### 15.4 Inventory count system

The perpetual inventory system is maintained for stock system.

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

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

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



**16. Contract assets****(1) Recognition methods and standards of contract assets**√Applicable N/A

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

**(2) Determination and accounting method of expected credit loss of contract assets**√Applicable N/A

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

**17. Assets classified as held-for-sale**√Applicable N/A

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

Non-current assets or disposal groups classified as held for sale are required to satisfy the following conditions: (1) the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group; (2) the sale is highly probable, i.e. the Group has made a resolution about selling plan and obtained a confirmed purchase commitment and the sale is expected to be completed within one year.

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

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

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

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

## **18. Debt investments**

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

Applicable N/A

## **19. Other debt investments**

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

Applicable N/A

## **20. Long-term receivables**

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

Applicable N/A

## **21. Long-term equity investments**

Applicable N/A

### 21.1 Determination of control, joint control and significant influence

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

### 21.2 Determination of initial investment cost

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

previously held in the acquiree and the new investment cost is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. Other comprehensive income recognized for the previously held equity investments by accounting treatment of equity method or available-for-sale financial assets is not subject to accounting treatment temporarily.

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

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

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

### 21.3 Subsequent measurement and recognition of profit or loss

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

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

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

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

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

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the

investee's identifiable net assets at the time of acquisition, the difference is recognized in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

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

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

#### 21.4 Disposal of long-term equity investments

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

The Group loses control on investee due to disposal of part of shares, during preparing separate financial statement, remaining shares after disposal can make joint control or significant influence on investee, are accounted under equity method, and adjust them as they are accounted under equity method from acquisition date; if remaining shares after disposal cannot make joint control or significant influence on investee, they are accounted according to recognition and measurement of financial instrument, and the difference between fair value on date of losing control and book value is recognized in profit or loss of current period. Before the Group controls the investee, other comprehensive income recognized due to equity method or recognition and measurement of financial instruments, account for them on the basis of related assets and liabilities, and recognized in profit or loss for proportion; change of owners' equity except for net profit or loss, other comprehensive income and profit distribution is recognized in profit or loss of current period. Remaining shares after disposal are accounted under equity method, other comprehensive income and other owners' equity are carried forward as proportion; remaining shares after disposal are accounted due to recognition and measurement of financial instruments other comprehensive income and other owners' equity are all carried forward.

For the Group loses joint control or significant influence on investee after part disposal of shares, remaining shares after disposal are accounted according to recognition and measurement of financial instruments, the difference

between fair value at the date of losing joint control or significant influence and book value is recognized in profit or loss of current period. Other comprehensive income recognized under equity method, is accounted on the basis of related assets or liabilities when stop using equity method, change of owners' equity except for net profit or loss, other comprehensive income and profit distribution is recognized in profit or loss of current period

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

## **22. Investment properties**

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

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

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

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

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

## **23. Fixed assets**

### **(1). Recognition criteria for fixed assets**

Applicable N/A

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

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

### **(2). Depreciation method**

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

√Applicable □N/A

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

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

### (3). Identification, valuation and depreciation method for fixed assets under finance lease

√Applicable □N/A

At the commencement of the lease term, the Group records the leased asset at an amount equal to the lower of the fair value of the leased asset and the present value of the minimum lease payments at the inception of the lease, and recognizes a long-term payable at an amount equal to the minimum lease payments. The difference between the recorded amounts is accounted for as unrecognized finance charge. Besides, initial direct costs that are attributable to the leased item incurred during the process of negotiating and securing the lease agreement are also added to the amount recognized for the leased asset.

The Group adopts a depreciation policy for a fixed asset held under a finance lease which is consistent with that for its owned fixed asset. If there is reasonable certainty that the Group will obtain ownership of the leased asset at the end of the lease term, the leased asset is depreciated over its useful life. If there is no reasonable certainty that the Group will obtain ownership of the leased asset at the end of the lease term, the leased asset is depreciated over the shorter of the lease term and its useful life.

### (4). Other explanations

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

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

## 24. Construction in progress

√Applicable □N/A

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

**25. Borrowing costs**

√Applicable □N/A

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

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

**26. Biological assets**

□Applicable √N/A

**27. Oil and gas assets**

□Applicable √N/A

**28. Right-of-use assets**

√Applicable □N/A

Refer to Note (V) 42.

**29. Intangible assets****(1).Valuation method, useful life and impairment test**

√Applicable □N/A

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

An intangible asset is measured initially at cost. When an intangible asset with a finite useful life is available for use, its original cost less net residual value and any accumulated impairment losses is amortized over its estimated useful life using the straight-line method.

Category	Amortization method	Useful life (year)
Land use right	Straight-line method	40 - 50

Non-patent technology	Straight-line method	3 - 10
Royalty	Straight-line method	10 - 20
Software license	Straight-line method	5 - 10
Patents	Straight-line method	3 - 10
Trademark	Straight-line method	10

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

Specific impairment tests of relevant intangible assets are set out in Note (V) "30 Impairment of non-financial assets other than goodwill".

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

Applicable N/A

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

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

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

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

## 30. Impairment of non-financial assets other than goodwill

Applicable N/A

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

Recoverable amount is estimated on individual basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated.



Recoverable amount is the higher of net value of fair value of assets or assets group less disposal expenses and present value of anticipated future cash flow.

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

In determination of impairment losses of assets related to contract costs, firstly impairment losses of other assets related to the contract recognized based on other relevant accounting standards; secondly, the Group shall recognized an impairment loss to the extent that the carrying amount of an asset exceeds: (1) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less; the estimated costs that relate to providing those goods or services.

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

Except for impairment losses related to contract costs, once the impairment losses are recognized for above assets, they will not be reversed in any subsequent period. The Group shall, after the asset impairment related to contract costs has been provided, recognize in profit or loss a reversal of some or all of an impairment loss previously recognized when the impairment conditions no longer exist or have improved. The increased carrying amount of the asset shall not exceed the carrying amount that would have been determined if no impairment loss had been recognized previously.

### **31. Long-term deferred expenses**

Applicable N/A

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

### **32. Contract liabilities**

#### **(1). Recognition method of contract liabilities**

Applicable N/A

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

### **33. Employee benefits**

#### **(1). Accounting treatment of short-term benefits**

Applicable N/A

Actually occurred short-term employee benefits are recognized as liabilities, with a corresponding charge to the profit or loss for the period or in the costs of relevant assets in the accounting period in which employees provide services to the Group. Staff welfare expenses incurred by the Group are recognized in profit or loss for the period

or the costs of relevant assets based on the actually occurred amounts when it actually occurred. Non-monetary staff welfare expenses are measured at fair value.

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

## **(2). Accounting treatment of post-employment benefits**

Applicable N/A

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

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

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

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

Service costs and net interest of net liabilities and net assets of defined benefit plans are recognized in profit or loss of current period or costs of related assets. Re-measurements of the net defined benefit liability (asset) (including actuarial gains and losses, the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)) are recognized in other comprehensive income. Deficit or surplus from present value of obligation of defined benefit plans less fair value of planned asset of defined benefit plans are recognized as net liabilities or net assets of a defined benefit plan. When the defined benefit plan has a surplus, the defined benefit asset is measured at the lower of the surplus in the defined benefit plan and asset ceiling.

## **(3). Accounting treatment of termination benefits**

Applicable N/A

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

The group provides early retirement benefits to employees who accept internal retirement arrangements. Early retirement benefits refer to the wages and social insurance premiums paid to employees who have not reached the retirement age stipulated by the state and voluntarily quit their jobs with the approval of the management of the group. The group provides internal retirement benefits to early retirees from the date of the internal retirement

arrangement to the date the employees reach the normal retirement age. For early retirement benefits, the group performs accounting treatment by referring to dismissal benefits. When the relevant recognition conditions of dismissal benefits are met, the wages and social insurance premiums to be paid from the date when employees stop providing services to the normal retirement date are recognized as liabilities and included in the profits or loss at one time. The difference caused by the change of actuarial assumptions of early retirement benefits and the adjustments of welfare standards shall be included in the profit or loss when it occurs.

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

Applicable N/A

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

**34. Lease liability**

Applicable N/A  
Refer to Note (V) 42.

**35. Provisions**

Applicable N/A

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

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

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

**36. Share-based payment**

Applicable N/A

**37. Preference shares, perpetual bonds and other financial instruments**

Applicable N/A

**38. Revenue**

**(1). Accounting policies for revenue recognition and measurement**

Applicable N/A

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

- (1) Sales of goods
- (2) Rendering of services

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

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

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

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

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

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

the costs are carried forward at the net amount of the carrying amount upon the transfer of the goods less the above cost of assets.

For sales with quality assurance terms, if the quality assurance provides a separate service to the customer other than ensuring that the goods or services sold meet the established standards, the quality assurance constitutes a single performance obligation. Otherwise, the Group will account for the quality assurance responsibility in accordance with the *Accounting Standards for Business Enterprises No. 13 – Contingencies*.

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

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

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

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

Applicable N/A

**39. Contract costs**

Applicable N/A

Costs to fulfill a contract

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

**40. Government grants**

√Applicable □N/A

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

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

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

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

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

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

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

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

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

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

**Relocation compensation received for relocation in the public interests**

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

Any surplus of relocation compensation after deducting the amount transferred to deferred income is recognized as capital reserve.

#### **41. Deferred tax assets/ deferred tax liabilities**

√Applicable N/A

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

##### 41.1 Current income tax

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

##### 41.2 Deferred tax assets and deferred tax liabilities

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

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

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

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

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

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

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

##### 41.3 Offset of income tax

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

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

## **42. Leases**

A lease is a contract whereby the lessor conveys to the lessee in return for a consideration the right to use an asset for an agreed period of time. The Group assesses whether a contract is or contains a lease at inception date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

### **(1). Accounting treatment of operating lease**

Applicable N/A

### **(2). Accounting treatment of finance lease**

Applicable N/A

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

Applicable N/A

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

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

#### 42.1. The Group as lessee

##### 42.1.1 Separating components of a lease

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

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

##### 42.1.2 Right-of-use assets

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



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

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

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

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

#### 42.1.3 Lease liabilities

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

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

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

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

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

- there is a change in the lease term, or in the assessment of an option to purchase the underlying asset, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.;

- there is a change in the amounts expected to be payable under a residual value guarantee, or in future lease payments resulting from a change in an index or a rate used to determine those payments, in which case the related lease liability is remeasured by discounting the revised lease payments using the unchanged discount rate.

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

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

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

#### 42.1.5 Lease modifications

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

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

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

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

### 42.2. The Group as lessor

#### 42.2.1 Separating components of a lease

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

#### 42.2.2 Classification of a lease

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

#### 42.2.3 The Group as lessor under operating leases

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

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

#### 42.2.4 The Group as lessor under finance leases

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

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

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

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

#### 42.3 Subleases

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

#### 42.4 Lease modification

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

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

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

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

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

#### 42.5 Sale and leaseback transactions

##### 42.5.1. The Group as seller-lessee

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

##### 42.5.2 The Group as buyer-lessor

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

#### **43. Other significant accounting policies and accounting estimates**

√Applicable □N/A

##### 43.1 Hedge accounting

###### 43.1.1 Basis for hedge accounting and method of accounting treatment

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

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

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

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

#### Cash flow hedges

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

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

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

#### 43.1.2 Methods of assessment of effectiveness of hedges

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

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

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

#### 43.2 Accounting treatment of assets securitization

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

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

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

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

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

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

#### 43.3 Criteria of recognition of discontinued operation and accounting treatment

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

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

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

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

#### 43.4 Transfer of assets under repurchase agreement

##### 43.4.1 Financial assets purchased under resale agreements

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

##### 43.4.2 Financial assets sold under repurchase agreements

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

#### 43.5 Production safety fee

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

#### 43.6 Exchange of non-monetary assets

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

#### 43.7 Debt restructuring

##### 43.7.1 Recording of debt restructuring obligation as the debtor

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

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

Where the debt is restructured by revising other terms, the Group will recognize and measure the restructured debt in accordance with "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments" and "Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments".

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

#### 43.7.2 Recording debt restructuring obligation as the creditor

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

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

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

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

## **44. Significant changes in accounting policies and estimates**

### **(1). Changes in significant accounting policies**



√Applicable □N/A

Changes of accounting policies and reasons for the changes	Approval procedures	Remark (name and amount of significantly affected items in the financial statements)
Implementation of New Lease Standards	Approved by the 18th session of the seventh board of directors, the 16th session of the seventh board of supervisors	Details are set out below

#### Other explanations

The Group has adopted *Accounting Standards for Business Enterprises No.21 - Leases* ("New Lease Standards", the Lease Standards before this revision referred to as the "Original Lease Standards") revised by the MoF in 2018 since January 1, 2021 (the "first implementation date"). The New Lease Standards improve the definition of a lease and add the identification, separation and combination of a lease; cancel the classification of the operating lease and finance lease of a lessee, require to recognize right-of-use assets and lease liabilities of all leases other than short-term leases and leases of low value assets at the commencement date of the lease, and recognize depreciation and interest expense respectively; improves subsequent measurement of leases by the lessee, add the accounting treatment under circumstances of option re-evaluation and lease modification, and also the relevant disclosure requirements. In addition, the New Lease Standards enrich disclosures by a lessor. The revised accounting policies on the recognition and measurement of leases with the Group as a lessee and lessor are set out in Note V 42.

For contracts that existed before the first implementation date, the Group chose not to re-assess whether they were leases or contained leases on the first implementation date.

#### The Group as a lessee

On January 1, 2021, the Group makes following adjustments due to adoption of the New Lease Standards:

For finance leases existed before January 1, 2021, the right-of-use assets and lease liabilities are respectively measured by the Group based on the previous carrying amount of assets held under finance leases and finance lease payable at January 1, 2021.

For operating leases existed before January 1, 2021, the lease liabilities are measured at the present value of the remaining lease payment, discounted using the lessee's incremental borrowing rate (2.40%-5.15%) at January 1, 2021, and a right-of-use assets is measured based on each lease option at:

- carrying amount as if the New Lease Standards had been adopted since the commencement date of the lease (applying incremental borrowing rate of a lessor as discount rate at the first implementation date);
- an amount equal to the lease liability, adjusted by the amount of any prepaid lease payment.

For operating leases in addition to leases of low value assets before January 1, 2021, the Group adopts one or more simplified methods below for each lease:

- Leases expected to be completed within 12 months after January 1, 2021, are treated as short-term leases;
- When determining lease liabilities, the same discount rate will be used for leases with similar characteristics;
- The measurement of right-of-use assets does not include initial direct costs;
- For leases with options to extend or terminate, the Group determines the lease term based on the actual exercise of options before January 1, 2021 and other most updated information;
- As a substitute of impairment test for right-of-use assets, the Group applies *Accounting Standards for Business Enterprises No. 13 - Contingencies*, to assess if the contract containing a lease is a loss contract and adjust the right-of-use assets based on the loss allowance included in the balance sheet before the first implementation date;

- For lease modifications before the first implementation date, the Group makes accounting treatments based on the final lease arrangements after the lease modification.

The Group adjusts the amount of retained earnings and other related items in the financial statements at January 1, 2021 based on the cumulative effect of the initial application of the New Lease Standards, and does not adjust the information of comparable period.

**(2). Changes in significant accounting estimates**

Applicable N/A

**(3). Adjustment on the related opening balances in the financial statements for the current year due to implementation of New Lease Standards since 2021**

Applicable N/A

## Consolidated Balance Sheet

Unit: RMB

Item	December 31, 2020	January 1, 2021	Adjustments
<b>Current assets:</b>			
Cash and bank balances	142,564,970,359.58	142,564,970,359.58	
Balances with clearing agencies			
Placements with banks and other financial institutions			
Held-for-trading financial assets	54,800,863,245.58	54,800,863,245.58	
Derivative financial assets			
Notes receivable	3,486,138,399.12	3,486,138,399.12	
Accounts receivable	43,602,501,087.14	43,602,501,087.14	
Financing with receivables	13,168,746,883.14	13,168,746,883.14	
Prepayments	39,101,796,495.91	39,088,817,070.82	-12,979,425.09
Premiums receivable			
Amounts receivable under reinsurance contracts			
Reinsurer's share of insurance contract reserves			
Other receivables	11,191,801,767.53	11,191,801,767.53	
Including: Interest receivable	272,429,503.45	272,429,503.45	
Dividends receivable	1,082,662,112.79	1,082,662,112.79	
Financial assets purchased under resale agreements	9,279,407,143.96	9,279,407,143.96	
Inventories	69,395,466,035.32	69,395,466,035.32	
Contract assets			
Held-for-sale assets			
Non-current assets due within one year	53,006,395,895.32	53,006,395,895.32	
Other current assets	126,576,610,037.63	126,576,610,037.63	
<b>Total current assets</b>	<b>566,174,697,350.23</b>	<b>566,161,717,925.14</b>	<b>-12,979,425.09</b>
<b>Non-current assets:</b>			
Loans and advances	96,942,418,741.25	96,942,418,741.25	
Debt investments	408,000,000.00	408,000,000.00	
Other debt investments	4,640,259,677.07	4,640,259,677.07	
Long-term receivables	9,811,655,479.38	11,235,602,278.38	1,423,946,799.00
Long-term equity investments	59,649,816,410.57	59,649,816,410.57	
Investments in other equity instruments	20,698,468,429.89	20,698,468,429.89	
Other non-current financial assets	1,879,590,033.02	1,879,590,033.02	
Investment properties	3,080,372,835.91	3,080,372,835.91	
Fixed assets	82,982,337,001.90	82,939,327,742.68	-43,009,259.22
Construction in progress	13,132,599,220.78	13,132,599,220.78	

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Bearer biological assets			
Oil and gas assets			
Right-of-use assets		7,101,736,685.87	7,101,736,685.87
Intangible assets	16,020,516,888.81	16,020,516,888.81	
Development expenditure	2,446,932,558.40	2,446,932,558.40	
Goodwill	1,485,452,162.18	1,485,452,162.18	
Long-term deferred expenses	2,278,536,394.68	2,278,536,394.68	
Deferred tax assets	30,741,350,200.39	30,864,550,538.90	123,200,338.51
Other non-current assets	7,041,752,412.48	7,030,826,200.48	-10,926,212.00
<b>Total non-current assets</b>	<b>353,240,058,446.71</b>	<b>361,835,006,798.87</b>	<b>8,594,948,352.16</b>
<b>TOTAL ASSETS</b>	<b>919,414,755,796.94</b>	<b>927,996,724,724.01</b>	<b>8,581,968,927.07</b>
<b>Current liabilities:</b>			
Short-term borrowings	23,628,641,424.02	23,628,641,424.02	
Loans from the central bank			
Taking from banks and other financial institutions	69,104,619,433.59	69,104,619,433.59	
Held-for-trading financial liabilities	401,998,111.48	401,998,111.48	
Derivative financial liabilities			
Notes payable	56,098,907,417.38	56,098,907,417.38	
Accounts payable	148,948,305,300.60	148,948,305,300.60	
Receipts in advance			
Contract liabilities	24,822,830,812.14	24,822,830,812.14	
Financial assets sold under repurchase agreements	1,203,858,402.96	1,203,858,402.96	
Customer deposits and deposits from banks and other financial institutions	61,911,195,677.75	61,911,195,677.75	
Funds from securities trading agency			
Funds from underwriting securities agency			
Employee benefits payable	11,511,239,398.79	11,511,239,398.79	
Taxes payable	11,790,876,523.91	11,790,876,523.91	
Other payables	77,594,213,655.77	77,506,542,289.70	-87,671,366.07
Including: Interest payable	82,815,028.04	82,815,028.04	
Dividends payable	2,247,573,969.63	2,247,573,969.63	
Fees and commissions payable			
Amounts payable under reinsurance contracts			
Held-for-sale liabilities			
Non-current liabilities due within one year	23,426,546,440.17	24,602,297,669.17	1,175,751,229.00
Other current liabilities	440,831,849.17	440,831,849.17	
<b>Total current liabilities</b>	<b>510,884,064,447.73</b>	<b>511,972,144,310.66</b>	<b>1,088,079,862.93</b>
<b>Non-current liabilities:</b>			

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Insurance contract reserves			
Long-term borrowings	23,608,251,949.74	23,608,251,949.74	
Bonds payable	23,492,143,054.46	23,492,143,054.46	
Including: Preference shares			
Perpetual bonds			
Lease liability		7,934,468,000.76	7,934,468,000.76
Long-term payables	1,546,152,096.10	1,484,974,079.85	-61,178,016.25
Long-term employee benefits payable	5,508,343,141.66	5,508,343,141.66	
Provisions	13,669,634,572.68	13,669,634,572.68	
Deferred income	23,515,634,111.73	23,515,634,111.73	
Deferred tax liabilities	4,222,812,231.28	4,222,812,231.28	
Other non-current liabilities	2,926,408,307.98	2,926,408,307.98	
<b>Total non-current liabilities</b>	<b>98,489,379,465.63</b>	<b>106,362,669,450.14</b>	<b>7,873,289,984.51</b>
<b>TOTAL LIABILITIES</b>	<b>609,373,443,913.36</b>	<b>618,334,813,760.80</b>	<b>8,961,369,847.44</b>
<b>SHAREHOLDERS' EQUITY:</b>			
Paid-in capital (share capital)	11,683,461,365.00	11,683,461,365.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	57,027,070,037.48	57,027,070,037.48	
Less: Treasury shares	2,039,625,809.24	2,039,625,809.24	
Other comprehensive income	13,335,554,649.53	13,335,554,649.53	
Special reserve	723,680,916.08	723,680,916.08	
Surplus reserve	40,843,171,648.51	40,843,171,648.51	
General risk reserve	3,565,625,236.06	3,565,625,236.06	
Retained earnings	134,964,016,372.01	134,783,903,222.52	-180,113,149.49
<b>Total owners' equity attributable to equity holders of the Company</b>	<b>260,102,954,415.43</b>	<b>259,922,841,265.94</b>	<b>-180,113,149.49</b>
Minority interests	49,938,357,468.15	49,739,069,697.27	-199,287,770.88
<b>Total Shareholders' equity</b>	<b>310,041,311,883.58</b>	<b>309,661,910,963.21</b>	<b>-379,400,920.37</b>
<b>Total Liabilities and shareholders' equity</b>	<b>919,414,755,796.94</b>	<b>927,996,724,724.01</b>	<b>8,581,968,927.07</b>

Description of adjustments of items:

√Applicable □N/A

**Summary of Impacts of Initial Application of New Lease Standards at January 1, 2021 (Consolidated)**

Unit: RMB

Item	Carrying amount under Original Lease Standards	Impact of implementation of New Lease Standards	Carrying amount under New Lease Standards
Prepayments (Note 1)	39,101,796,495.91	-12,979,425.09	39,088,817,070.82
Long-term receivables (Note 2)	9,811,655,479.38	1,423,946,799.00	11,235,602,278.38
Fixed assets (Note 3)	82,982,337,001.90	-43,009,259.22	82,939,327,742.68
Right-of-use assets		7,101,736,685.87	7,101,736,685.87

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Deferred tax assets	30,741,350,200.39	123,200,338.51	30,864,550,538.90
Other non-current assets (Note 1)	7,041,752,412.48	-10,926,212.00	7,030,826,200.48
Other payables (Note 4)	77,594,213,655.77	-87,671,366.07	77,506,542,289.70
Non-current liabilities due within one year	23,426,546,440.17	1,175,751,229.00	24,602,297,669.17
Long-term payables (Note 4)	1,546,152,096.10	-61,178,016.25	1,484,974,079.85
Lease liabilities		7,934,468,000.76	7,934,468,000.76
Retained earnings	134,964,016,372.01	-180,113,149.49	134,783,903,222.52
Minority interests	49,938,357,468.15	-199,287,770.88	49,739,069,697.27

Note 1: The Group's prepaid rentals amounting to RMB 12,979,425.09 are presented as prepayments on December 31, 2020 and prepaid rentals amounting to RMB 10,926,212.00 are presented as other non-current assets on December 31, 2020 and reclassified to right-of-use assets on first implementation date.

Note 2: For the sublease of new energy battery prior to January 1, 2021, the Group has transferred all the risks and rewards associated with the right-of-use asset and therefore derecognized the right-of-use asset associated with the original lease on first implementation date and presented it as a long-term receivable.

Note 3: The Group reclassified assets with a carrying amount of RMB 43,009,259.22, which were classified as finance leases under the Original Lease Standards and were still under lease as of January 1, 2021, to right-of-use assets on first implementation date.

Note 4: The Group's rental payable amounting to RMB 87,671,366.07 was presented as other payables on December 31, 2020 and rental payable amounting to RMB 61,178,016.25 was presented as long-term payables on December 31, 2020 and was reclassified to lease liabilities on first implementation date.

**Balance sheet of the Company**

Unit: RMB

Item	December 31, 2020	January 1, 2021	Adjustments
<b>Current assets:</b>			
Cash and bank balances	79,670,638,441.55	79,670,638,441.55	
Held-for-trading financial assets	1,867,858,552.00	1,867,858,552.00	
Derivative financial assets			
Notes receivable	9,164,804,838.97	9,164,804,838.97	
Accounts receivable	5,418,380,341.65	5,418,380,341.65	
Financing with receivables			
Prepayments	562,963,184.76	562,963,184.76	
Other receivables	6,312,026,191.59	6,312,026,191.59	
Including: Interest receivable	1,559,376,166.02	1,559,376,166.02	
Dividends receivable	885,581,149.71	885,581,149.71	
Inventories	1,434,116,333.02	1,434,116,333.02	
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			

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Other current assets	1,582,030,457.71	1,582,030,457.71	
<b>Total current assets</b>	<b>106,012,818,341.25</b>	<b>106,012,818,341.25</b>	
<b>Non-current assets:</b>			
Debt investments	11,675,069,020.00	11,675,069,020.00	
Other debt investments			
Long-term receivables			
Long-term equity investments	118,998,936,721.38	118,998,936,721.38	
Investments in other equity instruments	13,630,029,876.90	13,630,029,876.90	
Other non-current financial assets			
Investment properties	258,277,381.29	258,277,381.29	
Fixed assets	16,067,958,066.69	16,067,958,066.69	
Construction in progress	2,593,629,619.27	2,593,629,619.27	
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		49,748,951.29	49,748,951.29
Intangible assets	3,542,408,706.79	3,542,408,706.79	
Development expenditure	2,318,369,674.55	2,318,369,674.55	
Goodwill			
Long-term deferred expenses	132,864,523.56	132,864,523.56	
Deferred tax assets			
Other non-current assets	9,065,399.02	9,065,399.02	
<b>Total non-current assets</b>	<b>169,226,608,989.45</b>	<b>169,276,357,940.74</b>	<b>49,748,951.29</b>
<b>TOTAL ASSETS</b>	<b>275,239,427,330.70</b>	<b>275,289,176,281.99</b>	<b>49,748,951.29</b>
<b>Current liabilities:</b>			
Short-term borrowings			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable	3,587,720,000.00	3,587,720,000.00	
Accounts payable	30,498,381,942.84	30,498,381,942.84	
Receipts in advance			
Contract liabilities	3,088,000,387.91	3,088,000,387.91	
Employee benefits payable	1,647,012,941.56	1,647,012,941.56	
Taxes payable	508,780,748.92	508,780,748.92	
Other payables	2,415,379,092.36	2,415,379,092.36	
Including: Interest payable	45,780,821.86	45,780,821.86	
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	1,730,076,088.00	1,751,856,413.73	21,780,325.73
Other current liabilities			
<b>Total current liabilities</b>	<b>43,475,351,201.59</b>	<b>43,497,131,527.32</b>	<b>21,780,325.73</b>

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<b>Non-current liabilities:</b>			
Long-term borrowings	9,000,000,000.00	9,000,000,000.00	
Bonds payable	4,991,131,506.79	4,991,131,506.79	
Including: Preference shares			
Perpetual bonds			
Lease liability		27,968,625.56	27,968,625.56
Long-term payables	635,718,389.35	635,718,389.35	
Long-term employee benefits payable	3,253,847,264.39	3,253,847,264.39	
Provisions	2,185,841,429.11	2,185,841,429.11	
Deferred income	3,511,947,358.28	3,511,947,358.28	
Deferred tax liabilities	1,510,113,575.14	1,510,113,575.14	
Other non-current liabilities			
<b>Total non-current liabilities</b>	<b>25,088,599,523.06</b>	<b>25,116,568,148.62</b>	<b>27,968,625.56</b>
<b>TOTAL LIABILITIES</b>	<b>68,563,950,724.65</b>	<b>68,613,699,675.94</b>	<b>49,748,951.29</b>
<b>SHAREHOLDERS' EQUITY:</b>			
Paid-in capital (share capital)	11,683,461,365.00	11,683,461,365.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	65,129,333,550.92	65,129,333,550.92	
Less: Treasury shares	2,039,625,809.24	2,039,625,809.24	
Other comprehensive income	9,771,273,508.80	9,771,273,508.80	
Special reserve			
Surplus reserve	40,843,171,648.51	40,843,171,648.51	
Retained earnings	81,287,862,342.06	81,287,862,342.06	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>206,675,476,606.05</b>	<b>206,675,476,606.05</b>	
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>275,239,427,330.70</b>	<b>275,289,176,281.99</b>	<b>49,748,951.29</b>

Description of adjustments of items:

√Applicable □N/A

**Summary of Impacts of Initial Application of New Lease Standards at January 1, 2021  
(The Company)**

Unit: RMB

Item	Carrying amount under Original Lease Standards	Impact of implementation of New Lease Standards	Carrying amount under New Lease Standards
Right-of-use assets		49,748,951.29	49,748,951.29
Non-current liabilities due within one year	1,730,076,088.00	21,780,325.73	1,751,856,413.73
Lease liabilities		27,968,625.56	27,968,625.56



(4). Description of retrospective adjustment of comparative figures for the first implementation of the New Lease Standards from 2021

√Applicable □N/A

The differences between lease liabilities recognized as at 1 January 2021 and the significant operating lease commitment disclosed in the financial statements for the year of 2020 are as follows:

Unit: RMB Thousand

Item	January 1, 2021
I. Operating lease commitment at December 31, 2020	10,311,866
Lease liabilities discounted at the incremental borrowing rate at January 1, 2021	8,591,721
Add: Reasonably determined options to be exercised for lease renewal	14,522
Less: Recognition exemption - short-term leases	528,334
Recognition exemption - leases of low value assets	76,162
Amount of VAT included in operating lease commitments	20,307
Leases entered into in advance but not yet implemented as of the first implementation date	362,667
Add: Finance lease payable	1,491,446
II. Lease liabilities at 1 January 2021	9,110,219
Presented as:	
Current liabilities	1,175,751
Non-current liabilities	7,934,468

#### 45. Others

√Applicable □N/A

The components of the carrying amount of the Group's right-of-use assets as at January 1, 2021 are as follows:

Unit: RMB

Item	January 1, 2021
Right-of-use assets:	
Right-of-use assets recognized for operating leases prior to January 1, 2021	7,034,821,789.56
Reclassification of prepaid rent	23,905,637.09
Finance leased assets recognized as fixed assets under the Original Lease Standards	43,009,259.22
<b>Total:</b>	<b>7,101,736,685.87</b>

The Group's right-of-use assets as at January 1, 2021 by category:

Unit: RMB

Item	January 1, 2021
Buildings	4,636,359,928.68
Right to the use of a site	2,306,580,592.30
Electronic equipment, etc.	158,796,164.89
<b>Total:</b>	<b>7,101,736,685.87</b>

Presentation of transportation costs

In accordance with the fifth batch Q&A on the implementation of ASBEs for 2021 issued by the Accounting Regulatory Department of the Ministry of Finance on November 1, 2021, transportation costs incurred by the Group

for transportation services that do not constitute a single performance obligation for the purpose of fulfilling a contract with the customer before the transfer of control of the goods to the customer are treated as costs of fulfilling a contract and amortized to profit or loss on the same basis as revenue recognition of goods and are presented in the line item of "Operating costs" in the income statement.

The Group reclassified the figure for the comparable periods as follows:

Item	Before	Reclassification	After
Operating costs	645,250,010,442.13	12,515,534,190.16	657,765,544,632.29
Selling expenses	38,066,862,119.75	-12,515,534,190.16	25,551,327,929.59

Item	Before	Reclassification	After
Operating costs	55,904,535,154.61	1,041,562,038.18	56,946,097,192.79
Selling expenses	5,439,199,540.59	-1,041,562,038.18	4,397,637,502.41

Presentation related to centralized management of funds

In accordance with the Interpretation No.15 of the Accounting Standards for Business Enterprises (Cai Kuai [2021] No. 35) issued by the MoF on December 30, 2021, the Group centralizes and manages the funds of the parent company and its member units through internal settlement centers and the finance company, etc. The funds collected from member units to the account of the parent company are presented in the line item of "Other receivables" in the balance sheet, and the funds borrowed by member units from the account of the parent company are presented in the line item of "Other payables" in the balance sheet.

The Group reclassified the figure for the comparable periods as follows:

Item	Before	Reclassification	After
Other payables	1,660,543,364.98	754,835,727.38	2,415,379,092.36
Other current liabilities	754,835,727.38	-754,835,727.38	

The above changes had no impact on the relevant items in the Group's consolidated balance sheet.

## VI. TAXES

### 1. Major categories of taxes and tax rates

Information of major categories of taxes and tax rates

Applicable N/A

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

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

√Applicable □N/A

Name of taxpayer	Income tax rate (%)
SAIC Maxus Vehicle Co., Ltd. ("SAIC Maxus")	25
SAIC Capital Company Limited. ("SAIC Capital")	25
SAIC General Motors Sales Co., Ltd. ("GM Sales")	25
Shanghai Shanghong Real Estate Co., Ltd. ("Shanghong Real Estate")	25
SAIC Investment Management Co., Ltd. ("Investment Management")	25
SAIC Group Financial Holding Management Co., Ltd. ("SAIC Financial Holding")	25
SAIC Insurance Sales Co., Ltd. ("SAIC Insurance")	25
SAIC Volkswagen Sales Co., Ltd.	25
China United Automotive System Co., Ltd.	25
SAIC Finance Co., Ltd. ("SFC")	25
Shanghai Pengpu Machine Building Plant Co., Ltd.	25
HUAYU Automotive Systems Co., Ltd. ("HASCO")	25
Anji Automotive Logistics Co., Ltd. ("Anji Logistics")	25
Shanghai Automotive Industry Sales Co., Ltd. ("Industry Sales")	25
Shanghai Shangyuan Investment Management Co., Ltd. ("Shangyuan Investment")	25
China Automotive Industrial Development Co., Ltd.	25
SAIC Motor (Beijing) Co., Ltd.	25
Shanghai Automobile Asset Management Co., Ltd. ("Asset Management")	25
Donghua Automotive Industrial Co., Ltd. ("Donghua")	25
SAIC Activity Centre Co., Ltd.	25
Nanjing Automobile (Group) Corporation ("Nanjing Automobile Group")	25
Shanghai Sunwin Bus Co., Ltd. ("Shanghai Sunwin")	25
SAIC-GMAC Automotive Finance Co., Ltd. ("SAIC-GMAC")	25
Shanghai E-propulsion Auto Technology Co., Ltd.	25
Wuhan Zhonghaiting Data Technology Co., Ltd.	25
Global Car Sharing and Rental Co., Ltd. ("Global Car Sharing")	25

SAIC International Trade Co., Ltd.	25
Rising Auto Technology Co., Ltd.	25
IM Motors Technology Co., Ltd.	25

## 2. Tax incentives

√Applicable □N/A

- (1) According to Enterprise Income Tax Law of the People's Republic of China (hereinafter referred to as "EIT Law") and other related regulations, the Company is recognized as a High-Technology Enterprise which is qualified to get the State's special support from 2008, enjoying a preferential tax rate of 15% of enterprise income tax. The Company passed the review/reassessment of High-Technology Enterprise in 2011, 2014, 2017 and 2020, and obtained the certificate of High-Technology Enterprise. Therefore, the applicable income tax rate for the Company is 15% for the current year and last year.
- (2) On July 27, 2011, the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs jointly issued the Circular on Tax Policy Issues concerning Further Implementing the Western China Development Strategy (Cai Shui [2011] No. 58) (hereinafter referred to as "Cai Shui No. 58 Circular"), the applicable enterprise income tax rate of enterprises among encouraged industries established in western development zone for the years from 2011 to 2020 is reduced to 15%. SAIC GM Wuling Co., Ltd. (hereinafter referred to as "GM Wuling") registered in Liuzhou City, Guangxi Zhuang Autonomous Region, which is located in the China Western Development Region and established a branch in Chongqing ("Chongqing Branch"). National Development and Reform Commission ("NDRC") issued the Catalogue of Encouraged Industries in the Western Region to include automotive vehicles and special vehicles manufacturing in catalogue of encouraged industries of Guangxi Zhuang Autonomous Region and Chongqing Municipality, the enterprise income tax is applicable to the preferential tax rate of 15%. Therefore, enterprise income tax of the headquarters of GM Wuling located in Liuzhou City, Guangxi and Chongqing Branch is levied at a preferential income tax rate of 15%. On April 23 2020, the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission jointly released Announcement on Enterprises Income Tax Policy Concerning Continuation of the Western China Development (Cai Shui [2020] No. 23 Announcement), the applicable enterprise income tax rate of enterprises among encouraged industries established in western development zone from January 1 2021 to December 31 2030 is reduced to 15%. The management considers that the Company's principal business is among the encouraged industries in the western development zone, therefore, enterprise income tax of the headquarters of GM Wuling located in Liuzhou City, Guangxi and Chongqing Branch is still levied at the preferential income tax rate of 15% from January 1, 2021 to December 31, 2030.
- (3) SAIC Hongyan Automotive Co., Ltd. (formerly known as SAIC-IVECO Hongyan Commercial Vehicle Co., Ltd.) ("SAIC Hongyan") is established in the western zone. According to Cai Shui No. 58 Circular, the management of SAIC Hongyan considers that the principal business of SAIC Hongyan is included in the scope of "Automotive vehicles, special vehicles and parts manufacturing" in the *Catalogue of Encouraged Industries in the Western Region*, therefore the enterprise income tax of SAIC Hongyan is levied at 15%. In addition, according to Cai Shui [2020] No. 23 Announcement, SAIC Hongyan is still entitled to a preferential income tax rate of 15% from January 1, 2021 to December 31, 2030.
- (4) According to the EIT Law and other related regulations, SAIC Motor Transmission Co., Ltd. ("SAIC Transmission"), Shanghai New Power Automotive Technology Company Limited (formerly known as Shanghai Diesel Engine Co., Ltd.) ("New Power Technology"), Shanghai Hydrogen Propulsion Technology Co., Ltd. ("SHPT"), SAIC Shidai Power Battery System Co., Ltd. ("SAIC Shidai") and DIAS Automotive

Electronic Systems Co., Ltd. (“DIAS Electronic”) are recognized as a High-Technology Enterprises which is qualified to get the State’s special support. Therefore, SAIC Transmission, New Power Technology, SHPT, SAIC Shidai and DIAS Electronic are subject to the EIT rate of 15% in the current year.

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

### 3. Others

Applicable N/A

## VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. Cash and bank balances

Applicable N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Cash on hand	1,453,475.49	2,551,918.51
RMB	1,284,566.79	2,187,754.36
Other currencies	168,908.70	364,164.15
Bank balances	126,635,625,375.06	123,409,652,316.00
RMB	109,076,716,789.58	108,176,159,700.21
USD	5,645,766,013.03	6,576,840,889.35
EUR	2,804,721,796.68	2,481,986,121.51
GBP	2,316,917,109.25	744,005,546.62
AUD	2,012,503,675.36	1,057,171,738.18
AED	1,010,089,213.32	525,890,088.17
THB	810,966,744.96	1,005,688,128.12
CLP	774,206,926.00	162,845,258.34
HKD	674,759,639.31	788,659,238.18
IDR	448,756,490.48	301,539,017.99
INR	311,512,826.28	647,510,433.26
HUF	259,193,346.57	159,496,637.00
MYR	137,466,585.88	151,332,252.80
NOK	120,643,728.36	338,179,160.78
Other currencies	231,404,490.00	292,348,105.49
Other monetary funds	11,888,845,882.11	19,152,766,125.07
RMB	11,643,830,400.17	18,817,064,407.22
USD	77,471,743.97	149,403,824.25
EUR	102,840,272.00	132,561,109.00
INR	43,951,957.00	21,365,385.00
IDR	16,092,000.00	13,932,104.21
Other currencies	4,659,508.97	18,439,295.39
<b>Total</b>	<b>138,525,924,732.66</b>	<b>142,564,970,359.58</b>
Including: Cash and bank balances deposited abroad	16,750,526,139.99	14,121,774,230.55

Other explanations

Details of restricted cash and bank balances are as follows:

Item	December 31, 2021	December 31, 2020
Bank balances		
- Pledged for bank acceptances	187,776,407.91	1,933,447,750.31
- Pledged for borrowings		20,000,000.00
- Others	91,866,934.06	11,813,388.86
Other monetary funds		
- Restricted deposits at the central bank (Note)	9,205,882,838.57	10,169,415,737.88
- Deposits for bank draft	1,892,109,803.98	6,396,647,733.91
- Pledged for letters of credit	207,675,303.98	165,571,634.72
- Others	30,988,390.49	20,791,673.34
<b>Total</b>	<b>11,616,299,678.99</b>	<b>18,717,687,919.02</b>

Note: It represents the general deposit reserve deposited at the central bank by SFC and SAIC-GMAC as required. SFC and SAIC-GMAC contribute restricted deposits at the central bank in accordance with its regulations, and the above-mentioned deposits should not be used for daily operations.

## 2. Held-for-trading financial assets

Applicable N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Financial assets designated as at fair value through profit or loss	53,883,499,373.59	54,800,863,245.58
Including:		
Bond investment	3,022,602,082.56	6,405,936,090.79
Investments such as stock and fund	43,321,218,224.75	39,476,437,930.70
Bank acceptances	7,539,610,424.07	8,878,189,495.78
Derivative instruments	68,642.21	40,299,728.31
<b>Total</b>	<b>53,883,499,373.59</b>	<b>54,800,863,245.58</b>

Other explanations:

Applicable N/A

## 3. Derivative financial assets

Applicable N/A

## 4. Notes receivable

### (1). Presentation of notes receivable by categories

Applicable N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Bank acceptances	1,951,084,417.47	2,643,336,778.33
Commercial acceptances	2,429,879,615.58	842,801,620.79
<b>Total</b>	<b>4,380,964,033.05</b>	<b>3,486,138,399.12</b>

**(2). The Company's pledged notes receivable at the end of the period**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021
Bank acceptances	104,781,173.72
<b>Total</b>	<b>104,781,173.72</b>

**(3). Notes receivable endorsed or discounted by the Company to other parties which are not yet due at the balance sheet date**

□Applicable √N/A

**(4). Notes receivable reclassified to accounts receivable due to the drawer's inability to settle the notes on maturity**

□Applicable √N/A

**(5). Disclosure by categories under bad debt provision methods**

√Applicable □N/A

Unit: RMB

Category	December 31, 2021					December 31, 2020				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	(%)	Amount	(%)		Amount	(%)	Amount	(%)	
Bad debt provision on a portfolio basis	4,408,886,230.36	100	27,922,197.31	0.63	4,380,964,033.05	3,486,742,999.30	100	604,600.18	0.02	3,486,138,399.12
<b>Total</b>	<b>4,408,886,230.36</b>	<b>100</b>	<b>27,922,197.31</b>	<b>0.63</b>	<b>4,380,964,033.05</b>	<b>3,486,742,999.30</b>	<b>100</b>	<b>604,600.18</b>	<b>0.02</b>	<b>3,486,138,399.12</b>

Bad debt provision on an individual basis:

□Applicable √N/A

Bad debt provision on a portfolio basis:

√Applicable □N/A

Unit: RMB

Item	December 31, 2021		
	Notes receivable	Bad debt provision	(%)
Bank acceptances	1,951,084,417.47		
Commercial acceptances	2,457,801,812.89	27,922,197.31	1.14
<b>Total</b>	<b>4,408,886,230.36</b>	<b>27,922,197.31</b>	<b>0.63</b>

Recognition standards of bad debt provision on a portfolio basis and the explanations thereon

□Applicable √N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable N/A

**(6). Details of bad debt provision**

Applicable N/A

Unit: RMB

Type	January 1, 2021	Changes for the period			December 31, 2021
		Provision	Recovery or reversal	Write-off or charge-off	
Commercial acceptances	604,600.18	29,355,961.38	-2,038,364.25		27,922,197.31
<b>Total</b>	<b>604,600.18</b>	<b>29,355,961.38</b>	<b>-2,038,364.25</b>		<b>27,922,197.31</b>

In the current period, the recovery or reversal of bad debt provision that is significant is as follows:

Applicable N/A

**(7) Notes receivable actually written off in the current period**

Applicable N/A

Other explanations:

Applicable N/A

**5. Accounts receivable**

**(1). Disclosure of accounts receivable by aging:**

Applicable N/A

Unit: RMB

Aging	December 31, 2021
Sub-total of accounts receivable within 1 year	46,602,553,247.12
1-2 years	1,566,890,826.32
2-3 years	579,484,176.66
Over 3 years	1,247,564,432.04
<b>Total</b>	<b>49,996,492,682.14</b>

**(2). Disclosure by categories under bad debt provision methods**

Applicable N/A

Unit: RMB

Category	December 31, 2021					December 31, 2020				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	(%)	Amount	(%)		Amount	(%)	Amount	(%)	
Bad debt provision on an individual basis	736,880,761.98	1.47	558,059,129.99	75.73	178,821,631.99	608,512,235.19	1.33	452,877,130.69	74.42	155,635,104.50



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Including:										
High-risk receivables	736,880,761.98	1.47	558,059,129.99	75.73	178,821,631.99	608,512,235.19	1.33	452,877,130.69	74.42	155,635,104.50
Bad debt provision on a portfolio basis	49,259,611,920.16	98.53	1,974,900,157.27	4.01	47,284,711,762.89	45,272,929,382.58	98.67	1,826,063,399.94	4.03	43,446,865,982.64
Including:										
General portfolio	49,259,611,920.16	98.53	1,974,900,157.27	4.01	47,284,711,762.89	45,272,929,382.58	98.67	1,826,063,399.94	4.03	43,446,865,982.64
<b>Total</b>	<b>49,996,492,682.14</b>	<b>100.00</b>	<b>2,532,959,287.26</b>	<b>5.07</b>	<b>47,463,533,394.88</b>	<b>45,881,441,617.77</b>	<b>100.00</b>	<b>2,278,940,530.63</b>	<b>4.97</b>	<b>43,602,501,087.14</b>

Bad debt provision on an individual basis

Applicable N/A

Unit: RMB

Item	December 31, 2021			
	Book balance	Bad debt provision	(%)	Reason
High-risk receivables	736,880,761.98	558,059,129.99	75.73	
<b>Total</b>	<b>736,880,761.98</b>	<b>558,059,129.99</b>	<b>75.73</b>	<b>/</b>

Explanation on bad debt provision on an individual basis:

Applicable N/A

Bad debt provision on a portfolio basis:

Applicable N/A

Items on a portfolio basis: General portfolio

Unit: RMB

Item	December 31, 2021		
	Accounts receivable	Bad debt provision	(%)
Within 1 year	46,411,509,580.41	380,161,559.53	0.82
1-2 years	1,427,066,497.85	436,831,474.58	30.61
2-3 years	490,706,240.94	246,393,589.11	50.21
Over 3 years	930,329,600.96	911,513,534.05	97.98
<b>Total</b>	<b>49,259,611,920.16</b>	<b>1,974,900,157.27</b>	<b>4.01</b>

Recognition standards of bad debt provision on a portfolio basis and the explanations thereon

Applicable N/A

As a part of the Group's credit risk management, the Group assessed the expected credit loss of accounts receivable by using their aging in respect of general portfolio. The Group's management considered that the aging of accounts receivable could reflect the clients' ability to pay accounts receivable on maturity. In determining the expected credit loss of accounts receivable, the Group took the historical actual impairment condition, the present situation and the forecast of future economic condition into considerations to determine the corresponding expected credit risk and calculate the expected credit loss.

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable N/A

**(3). Details of bad debt provision**

√Applicable □N/A

Unit: RMB

Type	December 31, 2020	Changes for the period				December 31, 2021
		Provision	Recovery or reversal	Write-off or charge-off	Others	
Credit loss provision	2,278,940,530.63	934,691,968.92	-347,663,679.21	-133,888,738.61	-199,120,794.47	2,532,959,287.26
<b>Total</b>	<b>2,278,940,530.63</b>	<b>934,691,968.92</b>	<b>-347,663,679.21</b>	<b>-133,888,738.61</b>	<b>-199,120,794.47</b>	<b>2,532,959,287.26</b>

Recovery or reversal of bad debt provision that is significant:

□Applicable √N/A

**(4). Accounts receivable actually written off in the current period**

□Applicable √N/A

**(5). Top five accounts receivable categorized by debtors**

√Applicable □N/A

Unit: RMB

Name	Relationship with the Group	Amount	Aging	Proportion to total accounts receivable (%)
Company 1	Joint venture	4,643,114,873.49	Within 1 year	9.29
Company 2	Joint venture	4,639,694,215.27	Within 1 year	9.28
Company 3	Third party	2,960,105,026.00	Within 1 year	5.92
Company 4	Third party	1,199,547,699.73	Within 1 year	2.40
Company 5	Third party	1,015,429,996.00	Within 1 year	2.03
<b>Total</b>		<b>14,457,891,810.49</b>		<b>28.92</b>

**(6). Accounts receivable derecognized due to transfer of financial assets**

□Applicable √N/A

**(7). Assets and liabilities arising from transfer of accounts receivable and continuous involvement**

□Applicable √N/A

Other explanations:

√Applicable □N/A

At the year-end, accounts receivable carrying an amount of RMB 1,457,066,218.81 were pledged to banks as the collateral for loans.

**6. Financing with receivables**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Notes receivable - Bank acceptances	11,369,104,594.18	13,168,746,883.14
<b>Total</b>	<b>11,369,104,594.18</b>	<b>13,168,746,883.14</b>

Movements of financing with receivables and the changes in fair value:

□Applicable √N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

□Applicable √N/A

Other explanations:

□Applicable √N/A

**7. Prepayments****(1). Aging analysis of prepayments is as follows:**

√Applicable □N/A

Unit: RMB

Aging	December 31, 2021		December 31, 2020	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	22,467,463,900.12	99.08	38,742,413,194.23	99.12
1-2 years	83,025,650.20	0.37	241,907,730.08	0.62
2-3 years	72,668,555.76	0.32	60,087,291.69	0.15
Over 3 years	51,990,071.32	0.23	44,408,854.82	0.11
<b>Total</b>	<b>22,675,148,177.40</b>	<b>100.00</b>	<b>39,088,817,070.82</b>	<b>100.00</b>

**(2). Top five prepayments categorized by receivers**

√Applicable □N/A

Name	Relationship with the Group	December 31, 2021	Aging	Proportion to total prepayments (%)
Company 1	Joint venture	15,299,207,912.87	Within 1 year	67.46
Company 2	Third party	744,137,600.00	Within 1 year	3.28
Company 3	Third party	507,071,740.42	Within 1 year	2.24
Company 4	Third party	265,568,383.54	Within 1 year	1.17
Company 5	Third party	179,138,400.00	Within 1 year	0.79
<b>Total</b>		<b>16,995,124,036.83</b>		<b>74.94</b>

Other explanations

√Applicable □N/A

At the end of the year, the balance of bad debts provision for prepayments amounted to RMB 4,482,166.13, and no change in the year.

**8. Other receivables****Presentation by items**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Interest receivable	334,405,628.65	272,429,503.45
Dividends receivable	1,465,390,572.13	1,082,662,112.79
Other receivables	13,686,523,338.29	9,836,710,151.29
<b>Total</b>	<b>15,486,319,539.07</b>	<b>11,191,801,767.53</b>

Other explanations:

□Applicable √N/A

**Interest receivable****(1). Classification of interest receivable**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Time deposits	331,012,938.64	272,429,503.45
Entrusted loans	3,392,690.01	
<b>Total</b>	<b>334,405,628.65</b>	<b>272,429,503.45</b>

**(2). Significant overdue interest**

□Applicable √N/A

**(3). Details of bad debt provision accrued**

□Applicable √N/A

Other explanations:

□Applicable √N/A

**(4). Dividends receivable**

√Applicable □N/A

Unit: RMB

Item (or investee)	December 31, 2021	December 31, 2020
Dividends receivable due from joint ventures	1,007,903,720.35	936,581,149.71
Dividends receivable due from associates	423,753,604.88	108,476,163.57
Others	33,733,246.90	37,604,799.51
<b>Total</b>	<b>1,465,390,572.13</b>	<b>1,082,662,112.79</b>

**(5). Significant dividends receivable aged more than one year**

□Applicable √N/A

**(6). Details of bad debt provision accrued**

□Applicable √N/A

Other explanations:

Applicable N/A

### Other receivables

#### (7). Disclosure of other receivables by aging

Applicable N/A

Unit: RMB

Aging	December 31, 2021
Sub-total of other receivables within 1 year	7,938,637,698.65
1-2 years	1,887,420,728.16
2-3 years	2,090,995,967.44
Over 3 years	2,907,351,913.60
<b>Total</b>	<b>14,824,406,307.85</b>

#### (8). Classification of other receivables by nature

Applicable N/A

Unit: RMB

Nature	December 31, 2021	December 31, 2020
New energy vehicle subsidies	7,131,702,471.04	6,110,410,121.97
Disposal of assets	436,959,144.34	442,072,945.18
Advances to project	458,936,669.46	260,014,903.24
Guarantees and tax refund receivable, etc.	6,796,808,023.01	4,147,778,539.58
<b>Total</b>	<b>14,824,406,307.85</b>	<b>10,960,276,509.97</b>

#### (9). Details of bad debt provision made

Applicable N/A

Bad debt provision made in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

Applicable N/A

#### (10). Details of bad debt provision

Applicable N/A

Unit: RMB

Type	December 31, 2020	Changes for the period				December 31, 2021
		Provision	Recovery or reversal	Write-off or charge-off	Others	
Other receivables	1,123,566,358.68	150,560,114.16	-104,039,231.39	-31,380,091.89	-824,180.00	1,137,882,969.56
<b>Total</b>	<b>1,123,566,358.68</b>	<b>150,560,114.16</b>	<b>-104,039,231.39</b>	<b>-31,380,091.89</b>	<b>-824,180.00</b>	<b>1,137,882,969.56</b>

In the current period, the recovery or reversal of bad debt provision that is significant is as follows:

Applicable N/A

**(11). Other receivables actually written off in the current period**

□Applicable √N/A

**(12). Top five other receivables categorized by debtors**

√Applicable □N/A

Unit: RMB

Name	December 31, 2021	Aging	Proportion to total other receivables (%)
Company 1	5,724,711,861.69	Within 1 to 4 years	38.62
Company 2	2,926,063,651.02	Within 1 to 2 years	19.74
Company 3	1,406,990,609.35	Within 2 to 4 years	9.49
Company 4	436,959,144.34	Within 7 years	2.95
Company 5	129,808,063.20	Within 1 year	0.88
<b>Total</b>	<b>10,624,533,329.60</b>		<b>71.68</b>

**(13). Other receivables related to government grants**

□Applicable √N/A

**(14). Other receivables derecognized due to transfer of financial assets**

□Applicable √N/A

**(15). Assets and liabilities arising from transfer of other receivables and continuous involvement**

□Applicable √N/A

Other explanations:

□Applicable √N/A

**9. Financial assets purchased under resale agreements**

Unit: RMB

	December 31, 2021	December 31, 2020
Financial assets purchased under resale agreements	5,881,850,702.79	9,279,407,143.96

**10. Inventories****(1). Categories of inventories**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021			December 31, 2020		
	Book balance	Provision for decline in value of inventories / impairment provision for costs to fulfill the contract	Carrying amount	Book balance	Provision for decline in value of inventories / impairment provision for costs to fulfill the contract	Carrying amount
Raw materials	15,892,985,299.47	1,452,760,646.35	14,440,224,653.12	8,577,789,632.99	1,302,803,643.63	7,274,985,989.36
Work-in-process	11,832,357,893.64	89,289,651.53	11,743,068,242.11	10,686,397,269.69	66,031,174.37	10,620,366,095.32
Goods on hand	31,473,004,742.83	1,156,067,095.54	30,316,937,647.29	53,250,022,838.18	1,749,908,887.54	51,500,113,950.64
Costs to fulfill the contract	135,676,547.52		135,676,547.52			
<b>Total</b>	<b>59,334,024,483.46</b>	<b>2,698,117,393.42</b>	<b>56,635,907,090.04</b>	<b>72,514,209,740.86</b>	<b>3,118,743,705.54</b>	<b>69,395,466,035.32</b>

**(2). Provision for decline in value of inventories and impairment provision for costs to fulfill the contract**

√Applicable □N/A

Unit: RMB

Item	December 31, 2020	Increase during the period		Decrease during the period		December 31, 2021
		Provision	Others	Reversal or write-off	Others	
Raw materials	1,302,803,643.63	533,917,562.07	-10,353,630.47	204,736,979.00	168,869,949.88	1,452,760,646.35
Work-in-process	66,031,174.37	52,273,218.52	-2,743,265.00	18,366,322.30	7,905,154.06	89,289,651.53
Goods on hand	1,749,908,887.54	406,991,674.92	-9,266,206.77	288,266,059.20	703,301,200.95	1,156,067,095.54
<b>Total</b>	<b>3,118,743,705.54</b>	<b>993,182,455.51</b>	<b>-22,363,102.24</b>	<b>511,369,360.50</b>	<b>880,076,304.89</b>	<b>2,698,117,393.42</b>

## Details of provision for decline in value of inventories

Item	Basis of provision for decline in value of inventories	Reason for reversal of provision for decline in value of inventories
Raw materials	Lower of cost or net realizable value	Value rebound
Work-in-process	Lower of cost or net realizable value	Value rebound
Finished goods or goods on hand	Lower of cost or net realizable value	Value rebound

**(3). Explanations on capitalized amount included in the closing balance of inventories**

□Applicable √N/A

**(4). Description of current amortization of costs to fulfill the contract**

□Applicable √N/A

Other explanations

√Applicable □N/A

At the end of the year, inventories amounting to RMB 294,280,396.04 (net) were used as collateral for bank borrowings.

**11. Contract assets****(1). Details of contract assets**

□Applicable √N/A

**(2). Amount of and reasons for significant changes in the carrying amount during the reporting period**

□Applicable √N/A

**(3). Impairment provision of contract assets in the period**

□Applicable √N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

□Applicable √N/A

Other explanations:

□Applicable √N/A

**12. Held-for-sale assets**

√Applicable □N/A

Unit: RMB

Item	Balance at December 31, 2021	Provision for impairment	Carrying amount at December 31, 2021	Fair value	Estimated disposal costs	Expected disposal time
Held-for-sale equity	86,987,182.16		86,987,182.16			/
<b>Total</b>	<b>86,987,182.16</b>		<b>86,987,182.16</b>			/

**13. Non-current assets due within one year**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Long-term loans due within one year	49,853,489,724.23	43,088,283,498.88
Debt investments due within one year		31,209,592.00
Other debt investments due within one year		40,045,800.00
Long-term receivables due within one year	9,255,313,079.81	8,113,315,293.38
Other non-current assets due within one year	2,739,396,826.72	1,733,541,711.06
<b>Total</b>	<b>61,848,199,630.76</b>	<b>53,006,395,895.32</b>

Debt investments and other debt investments that are significant at the end of the period:

□Applicable √N/A

**14. Other current assets**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Short-term borrowings issued	63,008,711,730.13	67,062,607,899.00
Interbank depository receipts	53,923,058,871.00	50,002,187,609.98
Input VAT to be deducted	8,301,196,664.27	7,938,159,084.33
Factoring receivable	741,870,273.86	
Short-term entrusted loans	352,000,000.00	687,310,000.00
Prepaid expenses	262,681,307.37	548,759,999.05
Discount	182,177,405.10	337,585,445.27
<b>Total</b>	<b>126,771,696,251.73</b>	<b>126,576,610,037.63</b>



**15. Loans and advances****(1). Details of loans and advances**

Unit: RMB

Item	December 31, 2021			December 31, 2020		
	Book balance	Credit impairment provision	Carrying amount	Book balance	Credit impairment provision	Carrying amount
Long-term loans issued	157,170,682,934.44	4,771,190,861.14	152,399,492,073.30	145,066,895,453.20	5,036,193,213.07	140,030,702,240.13
Less: Long-term loans due within one year	51,296,712,875.69	1,443,223,151.46	49,853,489,724.23	44,551,395,036.28	1,463,111,537.40	43,088,283,498.88
Long-term loans due after one year	105,873,970,058.75	3,327,967,709.68	102,546,002,349.07	100,515,500,416.92	3,573,081,675.67	96,942,418,741.25

**(2). Credit risks of loans are set forth as below:**

Unit: RMB

Item	December 31, 2021				December 31, 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)		12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	
Total principal of loans and advances	214,797,728,847.79	6,480,476,551.24	632,422,676.16	221,910,628,075.19	204,152,792,930.15	9,341,174,933.05	742,223,898.84	214,236,191,762.04
Less: Impairment loss on loans	5,427,453,616.73	722,264,067.09	352,706,587.94	6,502,424,271.76	5,606,201,193.11	900,853,628.41	635,826,801.39	7,142,881,622.91
Loans and advances - net	209,370,275,231.06	5,758,212,484.15	279,716,088.22	215,408,203,803.43	198,546,591,737.04	8,440,321,304.64	106,397,097.45	207,093,310,139.13

**(3). Changes in loss provision of loans and advances are as follows:**

Unit: RMB

Item	2021			Total
	Stage 1	Stage 2	Stage 3	
	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	
Balance at January 1, 2021	5,606,201,193.11	900,853,628.41	635,826,801.39	7,142,881,622.91
Changes for the year				
-Transfer to Stage 1	70,446,849.92	-67,845,006.47	-2,601,843.45	
-Transfer to Stage 2	-15,506,979.93	17,520,993.83	-2,014,013.90	
-Transfer to Stage 3	-1,233,621.17	-20,893,582.64	22,127,203.81	
Net change for the year	-232,453,825.20	-107,371,966.04	207,978,828.01	-131,846,963.23
Recovered and written-off loans for the year			182,615,579.01	182,615,579.01
Write-off and charge-off for the year			-691,225,966.93	-691,225,966.93
Balance at December 31, 2021	5,427,453,616.73	722,264,067.09	352,706,587.94	6,502,424,271.76
-Loss provision of long-term loans				4,771,190,861.14
- Loss provision of short-term loans				1,731,233,410.62

**16. Debt investments****(1). Details of debt investments**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021			December 31, 2020		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Entrusted loans	399,394,000.00		399,394,000.00	439,209,592.00		439,209,592.00
Less: Debt investments due within one year				31,209,592.00		31,209,592.00
<b>Total</b>	<b>399,394,000.00</b>		<b>399,394,000.00</b>	<b>408,000,000.00</b>		<b>408,000,000.00</b>

**(2). Debt investments that are significant at the end of the period**

□Applicable √N/A

**(3). Details of provision for impairment**

□Applicable √N/A

Impairment provision in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

□Applicable √N/A

Other explanations

□Applicable √N/A

**17. Other debt investments****(1). Details of other debt investments**

√Applicable □N/A

Unit: RMB

Item	December 31, 2020	December 31, 2021
Interbank depository receipts and bonds	34,252,527.10	4,680,305,477.07
Less: Other debt investments due within one year		40,045,800.00
Other debt investments due after one year	34,252,527.10	4,640,259,677.07

**(2). Other debt investments that are significant at the end of the period**

□Applicable √N/A

**(3). Details of provision for impairment**

□Applicable √N/A

Impairment provision in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

□Applicable √N/A

Other explanations:

□Applicable √N/A

**18. Long-term receivables****(1). Long-term receivables**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021			December 31, 2020			Range of discount rate
	Book balance	Bad debt provision	Carrying amount	Book balance	Bad debt provision	Carrying amount	
Finance lease receivables	21,557,065,328.85	503,588,209.54	21,053,477,119.31	18,439,881,953.09	412,293,948.29	18,027,588,004.80	
Including: Unrealized financing income	2,403,069,958.46		2,403,069,958.46	1,758,251,213.54		1,758,251,213.54	
Sale of goods settled by installments	697,742,724.94	6,253,541.00	691,489,183.94	1,318,658,561.72	7,134,909.00	1,311,523,652.72	
Others	32,470,150.30		32,470,150.30	9,805,914.24		9,805,914.24	
Long-term receivables due within one year	-9,435,261,661.67	-179,948,581.86	-9,255,313,079.81	-8,284,945,506.92	-171,630,213.54	-8,113,315,293.38	
<b>Total</b>	<b>12,852,016,542.42</b>	<b>329,893,168.68</b>	<b>12,522,123,373.74</b>	<b>11,483,400,922.13</b>	<b>247,798,643.75</b>	<b>11,235,602,278.38</b>	

**(2). Details of bad debt provision**

□Applicable √N/A

Bad debt provision in the current period and the basis to assess whether credit risk of financial instruments is increased significantly

□Applicable √N/A

**(3). Long-term receivable derecognized due to transfer of financial assets**

□Applicable √N/A

**(4). Assets and liabilities arising from transfer of long-term receivables and continuous involvement**

□Applicable √N/A

Other explanations

√Applicable □N/A

Changes in provision for credit loss

	Finance lease receivables	Sale of goods settled by installments	Total
Balance at December 31, 2020	412,293,948.29	7,134,909.00	419,428,857.29
Net change	143,370,355.59	-881,368.00	142,488,987.59
Write-off and charge-off	-128,843,820.60		-128,843,820.60
Recovery of write-off in prior years	76,767,726.26		76,767,726.26
Balance at December 31, 2021	503,588,209.54	6,253,541.00	509,841,750.54

## 19. Long-term equity investments

√Applicable □N/A

Unit: RMB

Investee	December 31, 2020	Increase (decrease) during the period	December 31, 2021	Impairment provision as at December 31, 2021
		Others		
<b>I. Joint ventures</b>				
SAIC Volkswagen Automotive Co., Ltd.	16,375,311,375.31	-2,681,915,347.15	13,693,396,028.16	
Pan Asia Technical Automotive Center Co., Ltd.	423,809,257.79	-22,782,444.20	401,026,813.59	
SAIC Iveco Commercial Vehicle Investment Co., Ltd. (Note 4)	781,817,000.44	192,546,439.94	974,363,440.38	
Shanghai Advanced Traction Battery Systems Co., Ltd. (Note 1)	31,563,686.73	1,170,644.01	32,734,330.74	
SAIC General Motors Co., Ltd.	10,018,276,876.32	1,543,812,134.50	11,562,089,010.82	
SAIC GM Dong Yue Motors Co., Ltd.	582,367,524.89	37,593,152.37	619,960,677.26	
Shanghai GM Dong Yue Powertrain Co., Ltd.	1,550,047,641.47	48,826,045.65	1,598,873,687.12	
Shanghai GM (Shenyang) Norsom Motors Co., Ltd.	668,151,813.61	-1,161,093.23	666,990,720.38	
ZF Transmissions Shanghai Co., Ltd.	227,437,032.05	224,625,164.02	452,062,196.07	
Shanghai SAIC Magneti Marelli Powertrain Co., Ltd	159,555,099.05	-2,289,011.08	157,266,087.97	
United Automotive Electronic Systems Co., Ltd. (Note 1)	5,849,499,578.12	695,164,657.73	6,544,664,235.85	
Nanjing Iveco Automobile Co., Ltd. (Note 3)	533,498,960.90	-533,498,960.90		
Shanghai MHI Engine Co., Ltd.	81,662,950.94	22,021,529.99	103,684,480.93	
Tianjin Zhongxing Auto Parts Co., Ltd.	30,871,619.17	695,550.13	31,567,169.30	
Shanghai Kede Auto Parts Co., Ltd.	82,148,745.65	-10,126,739.08	72,022,006.57	
Bosch Huayu Steering Systems Co., Ltd. (Note 1)	2,152,107,519.45	-448,555,109.14	1,703,552,410.31	
Shanghai Saiwei Investment Center (Limited Partnership) (Note 11)	2,017,323,647.66	-205,417,973.84	1,811,905,673.82	
Kolbenschmidt Shanghai Piston Co., Ltd.	323,741,576.39	-1,286,802.02	322,454,774.37	
Shanghai Valeo Automotive Electrical Systems Co., Ltd.	286,102,887.53	1,096,865.02	287,199,752.55	
Kolbenschmidt Pierburg Shanghai Nonferrous Components Co., Ltd.	892,220,626.97	-124,754,907.54	767,465,719.43	
Shanghai GKN HUAYU Driveline Systems Co., Ltd (Note 1)	1,543,042,036.54	29,708,614.39	1,572,750,650.93	
Dongfeng Yanfeng Automotive Trim Systems Co., Ltd.	586,469,094.00	35,720,051.00	622,189,145.00	
Shanghai Mahle Thermal Systems Co., Ltd.	479,689,061.04	-2,464,686.26	477,224,374.78	
Yan Feng Gabriel (Shanghai) Automotive Safety Systems Co., Ltd. (Note 1)	99,434,835.00	4,649,267.00	104,084,102.00	
Yanfeng Plastic Omnium Automotive Exterior Trimming System Co., Ltd. (Note 1)	781,653,375.00	121,992,652.00	903,646,027.00	
Hua Dong Teksid Automotive Foundry Co., Ltd.	227,667,478.23	-1,366,772.55	226,300,705.68	
Pierburg Huayu Pump Technology Co. Ltd.	145,935,284.52	25,970,334.87	171,905,619.39	
Founding of Yanfeng Visteon Investment Co., Ltd.	641,679,279.02	-64,671,304.00	577,007,975.02	

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KS HUAYU Alu Tech GmbH	163,835,425.01	-40,090,409.96	123,745,015.05	
CRH Automotive Systems (Shenyang) Co., Ltd. (Note 8)				
Huayu Continental Brake Systems (Chongqing) Co., Ltd.	3,865,114.33	3,122,531.33	6,987,645.66	
Hubei Hangpeng Chemical Power Technology Co., Ltd. (Note 1)	154,427,107.79	10,764,968.28	165,192,076.07	
Shanghai Anji Nyk Logistics Co., Ltd. (Note 1, 5 and 8)				
Shanghai Anjie Car Transportation Co., Ltd.	72,210,626.89	-10,403,370.97	61,807,255.92	
Dalian Hai Jia Automobile Harbor Co., Ltd.	189,868,429.91	-3,998,291.20	185,870,138.71	
Nanjing Harbor Jiangsheng Vehicle Dock Co., Ltd.	55,951,241.52	-283,187.50	55,668,054.02	
Shanghai Anfu Logistics Co., Ltd.	71,867,837.42	-2,359,834.48	69,508,002.94	
Shanghai Anji Xunda Automobile Transportation Co., Ltd. (Note 1)	47,027,308.61	-3,153,398.17	43,873,910.44	
Tianjin Port Haijia Automotive Terminal Co., Ltd.	185,334,167.62	-6,214,024.50	179,120,143.12	
Hangzhou Chang'an Minsheng Anji Logistics Co., Ltd.	12,327,151.58	339,851.22	12,667,002.80	
Anji Intelligent Instrumentation Technology Co., Ltd.	30,746,071.43	-17,908,168.23	12,837,903.20	
Shanghai Dingshang Logistics Co., Ltd. (Note 1)	5,150,818.50	2,483,481.84	7,634,300.34	
Nanjing Jiazhong Logistics Co., Ltd. (Note 1)	5,881,475.76	-13,769.85	5,867,705.91	
Beijing Boruiyechuan Car Service Co., Ltd.	26,981,655.50	-6,915,984.93	20,065,670.57	
Shanghai Onstar Telematics Co., Ltd.	127,349,689.89	48,119,468.82	175,469,158.71	
Nanjing Automotive Forging Co., Ltd.	329,184,482.50	11,622,391.16	340,806,873.66	
Shenyang Jinbei-Yanfeng Automotive Interior System Co., Ltd.	492,875,185.00	-282,837,302.00	210,037,883.00	
SAIC Infineon Automotive Power Semiconductor (Shanghai) Co., Ltd. (Note 1)		41,247,225.21	41,247,225.21	
Others	194,823,107.43	-660,756.60	194,162,350.83	
Sub-total	49,742,792,760.48	-1,371,836,628.90	48,370,956,131.58	
<b>II. Associates</b>				
Shanghai Volkswagen Powertrain Co., Ltd.	1,503,848,846.56	-118,787,531.26	1,385,061,315.30	
Volkswagen Transmission (Shanghai) Co., Ltd.	144,732,447.98	380,672.27	145,113,120.25	
China Automobile Development United Investment Co., Ltd.	107,950,873.02	29,880,720.55	137,831,593.57	
Shanghai Huizhong Sachs Shock absorber Co., Ltd	202,302,686.24	9,281,771.35	211,584,457.59	
Shanghai ThyssenKrupp Presta HuiZhong Co., Ltd.	186,474,294.15	2,178,633.70	188,652,927.85	
Shanghai Benteler Huizhong Automotive Parts Co., Ltd.	154,759,014.79	-44,660,334.90	110,098,679.89	
Shanghai Sanli-Huizhong Auto Parts Co., Ltd.	181,884,129.50	-40,182,583.08	141,701,546.42	
Shanghai Mhi Turbocharger Co., Ltd.	280,087,098.28	3,804,938.68	283,892,036.96	
Shanghai Edscha Machinery Co., Ltd.	71,935,941.85	-9,128,052.63	62,807,889.22	
Shanghai Tenneco Exhaust System Co., Ltd.	296,095,996.72	-69,116,313.28	226,979,683.44	
Federal-Mogul Shanghai Bearing Co., Ltd.	148,617,382.94	8,124,327.08	156,741,710.02	
Shanghai Federal-Mogul Compound Material Co., Ltd.	53,447,301.33	2,330,943.78	55,778,245.11	
Yapp Automotive Parts Co., Ltd.	1,013,222,312.88	28,725,544.43	1,041,947,857.31	

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Shanghai Aichi Forging Co., Ltd.	181,802,828.09	-7,167,082.11	174,635,745.98
Shanghai Neturen Co., Ltd.	117,179,647.16	-1,494,239.76	115,685,407.40
Shanghai Meridian Magnesium Products Co., Ltd.	67,954,955.03	-4,629,699.81	63,325,255.22
Shanghai Xingsheng Gasket Co., Ltd.	44,358,223.50	1,319,284.93	45,677,508.43
Shanghai Boze Auto Parts Co., Ltd.	69,898,551.61	250,743.77	70,149,295.38
Valeo Shanghai Automotive Electric Motors & Wiper System Co., Ltd. (Note 13)	126,530,313.63	-126,530,313.63	
Shanghai Inteva Automotive Door Systems Co., Ltd.	153,005,759.94	-15,328,865.92	137,676,894.02
Sanden (Suzhou) Precision Parts Co., Ltd.	42,159,076.53	-8,122,607.12	34,036,469.41
Avanzar Interior Products de Mexico,S.de R.L de C.V.	548,891.00	2,352,741.00	2,901,632.00
Continental Brake Systems (Shanghai) Co., Ltd.	50,832,362.62	-5,310,195.60	45,522,167.02
BAIC Yanfeng Automotive Parts Co., Ltd.	212,837,160.00	-84,984,623.00	127,852,537.00
Dongfeng Adient Controls Automotive Seating Co., Ltd. (Note 9)	108,975,703.00	6,474,640.00	115,450,343.00
Shaanxi Qinghua Automotive Safety System Co., Ltd.	191,173,745.96	14,590,144.31	205,763,890.27
Avanzar Interior Products LLC	48,175,952.00	-8,127,463.00	40,048,489.00
Chongqing Henglong Hongyan Automotive Steering Co., Ltd.	14,156,008.23	-714,039.28	13,441,968.95
Shanghai ABB Chargedot New Energy Technology Co., Ltd	8,276,437.31	78,835.79	8,355,273.10
Jiangsu Used Motor Vehicle Market Co., Ltd.	3,731,727.87	-1,694,659.20	2,037,068.67
Nanjing Auto Parts Factory	2,952,081.90	1,364,122.40	4,316,204.30
Nanjing Valeo Clutch Co., Ltd.	91,115,540.08	1,504,945.35	92,620,485.43
Qingdao Toyo Heat Exchanger Co., Ltd.	37,644,787.47	-9,713,761.77	27,931,025.70
Shanghai Shanke Automotive Culture Communication Co., Ltd.	307,371.71	-29,594.16	277,777.55
Anji Nyk Logistics (Thailand) Co., Ltd.	23,283,815.69	-14,278,784.30	9,005,031.39
Chongqing Jiangsheng Automotive Logistics Co., Ltd.	118,380,921.17	787,109.25	119,168,030.42
Shidai SAIC Power Battery Co., Ltd. (Note 5)	1,079,460,149.70	464,447,204.17	1,543,907,353.87
Sunrise Power Co., Ltd.	17,877,573.84	-1,618,716.46	16,258,857.38
Shanghai Kelai Shengluo Automation Equipment Co., Ltd.	48,634,013.88	1,837,373.50	50,471,387.38
Shanghai Baosteel&Arcelor Tailor Metal Co., Ltd.	205,877,821.29	3,491,614.86	209,369,436.15
Shanghai Tongzhou Autoparts Co., Ltd. (Note 9)	156,956,260.71	819,018.70	157,775,279.41
Anji Car Rental & Leasing Co., Ltd.	205,455,606.02	10,671,946.16	216,127,552.18
SAIC James (Shannan) Equity Investment Fund Partnership Enterprise	669,266.97		669,266.97
Sailing Capital International (Shanghai) Co., Ltd. (Note 7)	1,341,350,521.39	-265,012,495.74	1,076,338,025.65
Shanghai SAIC Huankai Investment Management Co., Ltd.	82,602,492.79	29,887,224.53	112,489,717.32
Shanghai SAIC Equity Investment Fund First Section Partnership Enterprise	195,000.29	-195,000.29	
Shanghai SAIC Zhongyuan Equity Investment Partnership (L.P.) (Note 9)	587,724,795.73	36,656,473.05	624,381,268.78

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Sailing Capital Management Co., Ltd. (Note 9)	77,415,124.25	-2,280,700.71	75,134,423.54	
Shanghai Integrated Circuit Industry Investment Fund Management Co., Ltd.	19,442,395.38	4,766,908.02	24,209,303.40	
Qingdao SAIC Xinsheng Equity Investment Partnership(L.P.)	270,049,707.27	-203,734,795.09	66,314,912.18	
Shanghai Xinpeng Lianzhong Auto Parts Co., Ltd.	286,986,309.42	15,525,900.02	302,512,209.44	
Changzhou SAIKC Mobility Investment Partnership (Limited Partnership) (Note 5 and 9)	79,772,737.85	-4,594,032.33	75,178,705.52	
Jiaxing Xinsheng Investment Partnership (Limited Partnership)	318,666,731.77	-111,496,903.26	207,169,828.51	
Chongqing Guoyuan Ro-Ro Terminal Co., Ltd.	81,302,744.61	-3,619,511.94	77,683,232.67	
Ningde Jiaocheng SAIC Industry Upgrade Equity Investment Partnership (L.P.)	181,341,294.17	-8,991,779.49	172,349,514.68	
Shanghai Yangtze River Delta Industry Upgrade Equity Investment Partnership (L.P.) (Note 5)	495,840,898.13	443,747,493.84	939,588,391.97	
Qingdao Shangqihui Zhuzhan New Industry Investment Fund Partnership(L.P.) (Note 2)		445,454,200.20	445,454,200.20	
SAIC Fiat Powertrain Hongyan Co., Ltd. (Note 12)		807,861,672.11	807,861,672.11	
Taizhou Shangqi Qifeng Equity Investment Partnership (L.P.) (Note 6)		316,721,067.50	316,721,067.50	
Banma Network Technology Co., Ltd. (Note 9)		683,272,240.61	683,272,240.61	
Global Car Sharing and Rental Co., Ltd. (Note 10)		686,787,442.34	686,787,442.34	
Others (Note 5 and 7)	1,193,675,255.96	104,952,870.87	1,298,628,126.83	
Sub-total	12,791,936,889.16	2,998,786,090.00	15,790,722,979.16	
<b>Total</b>	<b>62,534,729,649.64</b>	<b>1,626,949,461.10</b>	<b>64,161,679,110.74</b>	

Unit: RMB

	December 31, 2021	December 31, 2020
Investments in joint ventures	48,370,956,131.58	49,742,792,760.48
Investments in associates	15,790,722,979.16	12,791,936,889.16
Write-off by cross-shareholding	-3,247,211,197.86	-2,819,650,546.77
<b>Total</b>	<b>60,914,467,912.88</b>	<b>59,715,079,102.87</b>
Less: Impairment provisions of long-term equity investment	65,262,692.30	65,262,692.30
Net long-term equity investments	60,849,205,220.58	59,649,816,410.57

Other explanations

Note 1: Pursuant to the Articles of Association, these companies are joint ventures of the Group as their significant financial and operating decisions should achieve unanimous consent of investors.

Note 2: These companies are new investments of the Group for the year.

Note 3: In the current year, the company changed to be a subsidiary of the Company, please refer to Note (VIII) 1, (1).

Note 4: In the current year, the Company disposed of its 50.00% equity interest in SAIC Iveco Commercial Vehicle Investment Co. Ltd. to its subsidiary, New Power Technology, please refer to Note (IX) 2

Note 5: In the current year, the shareholders of these companies contributed additional capital by cash to these companies at the original shareholding ratio, of which the Group increased its total capital by RMB 968,019,545.00.

Note 6: The management of the partnership changed during the year. After the change, SAIC Financial Holding, a subsidiary of the Group, was unable to continue to exercise control over the partnership and could only exercise significant influence over the partnership. Therefore, the Group accounted for this investment with the equity method during the year. Please refer to Note (VIII) 4.

Note 7: In the current year, some of the invested companies reduced their capital and returned the investment principals to the investors in monetary funds based on the original shareholding ratio. The Group received a total of RMB 402,799,043.03 of the returned investment principals.

Note 8: Long-term equity investments in these companies have been reduced to zero under the equity method.

Note 9: These companies are associates of the Group as the Group had a significant impact on their

Note 10: The company was originally a subsidiary of the Group and was changed to an associate of the Group during the year, please refer to Note (VIII) 4.

Note 11: The Group's shareholding ratio in the company reached 75.15%. However, according to articles of association of this limited partnership, the Group has common control over it, so it is accounted as a joint venture. Due to capital contribution at premium by other shareholders of the enterprise's investees, long-term equity investments and capital reserve increased by RMB 108,924,238.00 respectively.

Note 12: In the current year, New Power Technology, a subsidiary of the Company, acquired 10.00% equity interest in SAIC Fiat Powertrain Hongyan Co., Ltd. ("SFH") held by Chongqing Machinery & Electronics Holding (Group) Co., Ltd. by issuing shares, as described in Note (IX) 2,. In addition, New Power Technology acquired 30.00% equity interest in SFH from SAIC Iveco Commercial Vehicle Investment Co., Ltd. at a price of RMB 620,400,000.00 based on the appraisal value.

Note 13: During the year, Shanghai SIIC Transportation Electric Co., Ltd. ("STEC"), a subsidiary of the Group entered into an equity transfer agreement with VALEO INTERNATIONAL HOLDING B.V. ("VALEO INTERNATIONAL HOLDING") to transfer its 27.00% equity of Valeo Shanghai Automotive Electric Motors & Wiper System Co., Ltd. to INTERNATIONAL HOLDING. As of the end of the year, the above transaction was in progress, so STEC transferred its investment in Valeo Shanghai Automotive Electric Motors & Wiper System Co., Ltd. to held-for-sale asset.

## 20. Investments in other equity instruments

### (1) Details of investments in other equity instruments

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Stock investment	22,315,575,396.39	20,470,093,042.28
Unlisted equity investment	228,357,486.14	228,375,387.61
<b>Total</b>	<b>22,543,932,882.53</b>	<b>20,698,468,429.89</b>



**(2). Details of investments in non-held-for-trading equity instruments**

□Applicable √N/A

Other explanations:

□Applicable √N/A

**21. Other non-current financial assets**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Other non-current financial assets	8,200,237,311.05	1,879,590,033.02
<b>Total</b>	<b>8,200,237,311.05</b>	<b>1,879,590,033.02</b>

**22. Investment properties**

Measurement model of investment properties

**(1). Investment properties measured at cost**

Unit: RMB

Item	Buildings	Land use right	Total
<b>I. Cost</b>			
1. January 1, 2021	3,939,148,003.87	990,245,933.29	4,929,393,937.16
2. Increase in the current period	212,913,628.28	156,669,349.90	369,582,978.18
(1) Purchase			
(2) Transfer from inventories / fixed assets / construction in progress	212,913,628.28	96,349,217.89	309,262,846.17
(3) Increase due to business combinations			
(4) Transfer from intangible assets		60,320,132.01	60,320,132.01
3. Decrease in the current period	8,846,147.12	12,450,971.27	21,297,118.39
(1) Disposals		12,450,971.27	12,450,971.27
(2) Other transfer-out	8,846,147.12		8,846,147.12
4. December 31, 2021	4,143,215,485.03	1,134,464,311.92	5,277,679,796.95
<b>II. Accumulated depreciation and amortization</b>			
1. January 1, 2021	1,597,387,644.22	251,554,433.31	1,848,942,077.53
2. Increase in the current period	157,754,110.75	42,824,995.56	200,579,106.31
(1) Provision or amortization	97,723,596.16	36,325,351.12	134,048,947.28
(2) Transfer from fixed assets	60,030,514.59		60,030,514.59
(3) Transfer from intangible assets		6,499,644.44	6,499,644.44
3. Decrease in the current period	6,353,667.54	7,537,627.16	13,891,294.70
(1) Disposals		7,537,627.16	7,537,627.16
(2) Other transfer-out	6,353,667.54		6,353,667.54
4. December 31, 2021	1,748,788,087.43	286,841,801.71	2,035,629,889.14
<b>III. Impairment provision</b>			

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1. January 1, 2021	79,023.72		79,023.72
2. Increase in the current period			
(1) Provision			
3. Decrease in the current period	79,023.72		79,023.72
(1) Disposals			
(2) Other transfer-out	79,023.72		79,023.72
4. December 31, 2021			
<b>IV. Carrying amount</b>			
1. December 31, 2021	2,394,427,397.60	847,622,510.21	3,242,049,907.81
2. January 1, 2021	2,341,681,335.93	738,691,499.98	3,080,372,835.91

**(2). Investment properties of which certificates of title have not been obtained**

√Applicable □N/A

Unit: RMB

Item	Carrying amount	Reasons why certificates of title have not been obtained
Buildings	265,587,403.36	In progress

Other explanations

□Applicable √N/A

**23. Fixed assets presentation by items**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Fixed assets	78,350,634,327.37	82,939,327,742.68
<b>Total</b>	<b>78,350,634,327.37</b>	<b>82,939,327,742.68</b>

Other explanations:

□Applicable √N/A

**Fixed assets**

**(1). Details of fixed assets**

√Applicable □N/A

Unit: RMB

Item	Buildings	Machinery and equipment	Electronic equipment, fixtures and furniture	Transportation vehicles	Molds	Total
<b>I. Cost</b>						
1. January 1, 2021	39,850,180,837.67	89,501,635,100.37	8,446,348,710.81	8,659,837,639.52	13,748,819,284.78	160,206,821,573.15
2. Increase in the current period	1,555,257,381.06	7,915,513,000.53	1,239,673,474.37	1,233,277,711.19	1,548,571,249.57	13,492,292,816.72
(1) Purchase	15,856,780.73	1,206,344,619.75	258,548,473.15	248,261,788.33		1,729,011,661.96
(2) Transfer from construction in progress	1,530,554,453.21	5,791,764,869.15	938,424,378.18	977,722,174.30	1,130,066,556.05	10,368,532,430.89
(3) Transfer from investment properties	8,846,147.12					8,846,147.12
(4) Increase due to business		917,403,511.63	42,700,623.04	7,293,748.56	418,504,693.52	1,385,902,576.75

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combinations						
3. Decrease in the current period	802,452,731.96	3,308,596,167.85	618,957,151.08	4,210,158,917.43	80,689,712.14	9,020,854,680.46
(1) Disposals or retirement	390,560,919.18	2,217,354,763.45	477,538,135.62	1,154,063,697.11	18,931,707.46	4,258,449,222.82
(2) Decrease due to business combinations	104,475,444.00	627,146,761.18	109,286,837.21	2,984,843,506.82		3,825,752,549.21
(3) Translation differences of currency statement denominated in foreign currencies	127,254,873.21	464,094,643.22	32,132,178.25	71,251,713.50	61,758,004.68	756,491,412.86
(4) Transfer to investment properties	180,161,495.57					180,161,495.57
4. December 31, 2021	40,602,985,486.77	94,108,551,933.05	9,067,065,034.10	5,682,956,433.28	15,216,700,822.21	164,678,259,709.41
<b>II. Accumulated depreciation</b>						
1. January 1, 2021	11,659,072,221.42	43,399,111,878.11	5,508,321,963.42	3,236,870,924.21	5,713,701,523.02	69,517,078,510.18
2. Increase in the current period	1,657,776,505.61	7,593,880,753.04	1,195,110,119.20	924,080,170.55	2,022,339,936.89	13,393,187,485.29
(1) Provision	1,651,422,838.07	7,593,880,753.04	1,195,110,119.20	924,080,170.55	2,022,339,936.89	13,386,833,817.75
(2) Transfer from investment properties	6,353,667.54					6,353,667.54
3. Decrease in the current period	267,285,932.51	2,222,983,946.88	458,771,118.42	1,642,070,500.00	23,132,987.83	4,614,244,485.64
(1) Disposals or retirement	179,300,330.62	1,736,111,137.44	387,142,861.72	756,704,323.95	18,190,747.46	3,077,449,401.19
(2) Transfer to investment properties	60,030,514.59					60,030,514.59
(3) Decrease due to business combinations	11,674,607.00	333,083,243.03	55,528,172.69	883,259,459.30		1,283,545,482.02
4) Translation differences of currency statement denominated in foreign currencies	16,280,480.30	153,789,566.41	16,100,084.01	2,106,716.75	4,942,240.37	193,219,087.84
4. December 31, 2021	13,049,562,794.52	48,770,008,684.27	6,244,660,964.20	2,518,880,594.76	7,712,908,472.08	78,296,021,509.83
<b>III. Impairment provision</b>						
1. January 1, 2021	85,557,312.92	3,993,839,742.82	115,564,270.62	74,723,665.39	3,480,730,328.54	7,750,415,320.29
2. Increase in the current period	3,972,569.07	406,448,344.32	14,550,622.74	3,704,943.00		428,676,479.13
(1) Provision	3,893,545.35	406,448,344.32	14,550,622.74	3,704,943.00		428,597,455.41
(2) Transfer from investment properties	79,023.72					79,023.72
3. Decrease in the current period	2,480,431.09	115,251,807.27	4,112,252.01	25,643,436.84		147,487,927.21
(1) Disposal or retirement	2,480,431.09	113,585,273.27	4,054,005.17	13,829,714.58		133,949,424.11
(2) Decrease due to business combinations			58,246.84	11,812,594.26		11,870,841.10
(3) Translation differences of currency statement denominated in foreign currencies		1,666,534.00		1,128.00		1,667,662.00
4. December 31, 2021	87,049,450.90	4,285,036,279.87	126,002,641.35	52,785,171.55	3,480,730,328.54	8,031,603,872.21
<b>IV. Net book value</b>						
1. December 31, 2021	27,466,373,241.35	41,053,506,968.91	2,696,401,428.55	3,111,290,666.97	4,023,062,021.59	78,350,634,327.37
2. January 1, 2021	28,105,551,303.33	42,108,683,479.44	2,822,462,476.77	5,348,243,049.92	4,554,387,433.22	82,939,327,742.68

**(2). Details of temporary idle fixed assets**

Applicable  $\sqrt{N/A}$

**(3). Details of fixed assets leased under finance leases**

Applicable  $\sqrt{N/A}$

**(4). Fixed assets leased out under operating leases**

Applicable  $\sqrt{N/A}$

**(5). Fixed assets of which certificates of title have not been obtained**

√Applicable □N/A

Unit: RMB

Item	Carrying amount	Reasons why certificates of title have not been obtained
Buildings	7,328,140,277.42	In progress

Other explanations:

√Applicable □N/A

At the end of the current year, the buildings, the machinery and equipment, the molds, the transportation vehicles, and the electronic equipment, fixtures and furniture, with net book value of RMB 1,831,351,194.47, RMB 573,716,888.29, RMB 50,271,447.27 and RMB 277,886,945.10 and RMB 60,496,204.42 respectively were pledged as the collateral for bank loans. Refer to Note (VII) 34 and 47.

**Disposal of fixed assets**

□Applicable √N/A

**24. Construction in progress presentation by items**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Construction in progress	14,828,788,730.22	13,132,599,220.78
<b>Total</b>	<b>14,828,788,730.22</b>	<b>13,132,599,220.78</b>

Other explanations:

□Applicable √N/A

**Construction in progress****(1). Details of construction in progress**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021			January 1, 2021		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Project of passenger vehicles of self-owned brands	3,308,147,655.80		3,308,147,655.80	2,334,759,630.71		2,334,759,630.71
Project of self-owned brand of Commercial Vehicles	2,818,210,652.11		2,818,210,652.11	2,458,758,384.56		2,458,758,384.56
Yanfeng interior, seating, and electronic technology renovation projects, etc.	2,327,157,598.15	11,902,450.04	2,315,255,148.11	2,940,628,408.08	18,610,967.00	2,922,017,441.08
Project of Shanghong Real Estate Changfeng	2,065,826,384.18		2,065,826,384.18	1,664,984,925.65		1,664,984,925.65
Project of technology improvement and capacity expansion of SGMW	1,443,692,191.17		1,443,692,191.17	972,447,635.36		972,447,635.36
Project of R&D center expansion in headquarters, etc.	536,317,568.21		536,317,568.21	258,869,988.56		258,869,988.56
Logistics operation center project of industrial pins etc.	441,375,962.75		441,375,962.75	437,218,182.61		437,218,182.61
Anji logistics infrastructure project, etc.	327,191,932.31		327,191,932.31	350,645,362.86		350,645,362.86
Asset management photovoltaic power generation and other infrastructure projects, etc.	289,923,390.59		289,923,390.59	121,279,723.86		121,279,723.86

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SAIC HONGYAN manufacturing and investment projects, etc.	186,651,125.18		186,651,125.18	124,259,291.68		124,259,291.68
Project of self-owned brand in Thailand	182,077,253.60		182,077,253.60	118,689,831.79		118,689,831.79
MG Indian project	124,427,841.91		124,427,841.91	117,052,536.80		117,052,536.80
Gearbox renewal and renovation project, etc.	121,201,770.56		121,201,770.56	568,817,522.32		568,817,522.32
Project of Global Car Sharing periodic lease				459,788,732.19	209,920.85	459,578,811.34
Others	668,489,853.74		668,489,853.74	238,651,189.65	15,431,238.05	223,219,951.60
<b>Total</b>	<b>14,840,691,180.26</b>	<b>11,902,450.04</b>	<b>14,828,788,730.22</b>	<b>13,166,851,346.68</b>	<b>34,252,125.90</b>	<b>13,132,599,220.78</b>

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**(2). Changes in significant construction in progress**

√Applicable □N/A

Unit: RMB

Name of item	Budget	January 1, 2021	Increase during the year	Transfer to fixed assets upon completion	Other decreases during the period	December 31, 2021	Proportion of project investment to the budget (%)	Project progress	Amount of accumulated capitalized interest	Including: Interest capitalized	Interest capitalization rate for the period (%)	Sources of funds
Project of passenger vehicles of self-owned brands	22,064,708,515.41	2,334,759,630.71	2,341,788,190.30	1,367,135,724.04	1,264,441.17	3,308,147,655.80	70	Under construction				Self-financed and raised funds
Project of self-owned brand of Commercial Vehicles	11,369,981,353.07	2,458,758,384.56	951,529,871.85	558,520,264.70	33,557,339.60	2,818,210,652.11	35	Under construction				Self-financed and raised funds
Yanfeng interior, seating, and electronic technology renovation projects, etc.	17,513,845,605.88	2,940,628,408.08	3,511,459,001.22	3,880,961,490.05	243,968,321.10	2,327,157,598.15	91	Under construction	3,810,766.89	7,297,075.15	3.03	Self-financed
Project of Shanghong Real Estate Changfeng	4,543,210,000.00	1,664,984,925.65	400,841,458.53			2,065,826,384.18	83	Under construction	203,217,150.91	42,227,216.66	3.47	Self-financed
Project of technology improvement and capacity expansion of SGMW	4,396,594,594.13	972,447,635.36	1,272,272,803.95	801,028,248.14		1,443,692,191.17	96	Under construction				Self-financed
Project of R&D center expansion in headquarters, etc.	5,461,258,761.10	258,869,988.56	602,344,042.86	322,243,653.63	2,652,809.58	536,317,568.21	11	Under construction				Self-financed
Logistics operation center project of industrial pins etc.	450,000,000.00	437,218,182.61	4,157,780.14			441,375,962.75	98	Under construction				Self-financed
Anji logistics infrastructure project, etc.	1,710,535,172.41	350,645,362.86	669,208,999.35	640,136,152.27	52,526,277.63	327,191,932.31	84	Under construction				Self-financed
Asset management photovoltaic power generation and other infrastructure projects, etc.	1,337,048,884.14	121,279,723.86	191,661,435.18	20,067,029.13	2,950,739.32	289,923,390.59	27	Under construction	1,283,096.29	663,704.11	4.90	Self-financed
SAIC HONGYAN manufacturing and investment projects, etc.	785,400,000.00	124,259,291.68	231,117,047.92	168,725,214.42		186,651,125.18	63	Under construction				Self-financed
Project of self-owned brand in Thailand	1,254,139,871.20	118,689,831.79	345,923,793.87	282,118,411.80	417,960.26	182,077,253.60	95	Under construction				Self-financed
MG Indian project	2,632,577,229.56	117,052,536.80	493,669,713.72	473,655,429.08	12,638,979.53	124,427,841.91	60	Under construction				Self-financed
Gearbox renewal and renovation project, etc.	2,466,573,745.41	568,817,522.32	337,000,626.55	778,440,567.02	6,175,811.29	121,201,770.56	93	Under construction				Self-financed and raised funds
Project of Global Car Sharing periodic lease	4,429,115,234.53	459,788,732.19	110,817,257.40	557,023,566.87	13,582,422.72			Under construction				Self-financed
Others	8,105,189,351.10	238,651,189.65	1,043,036,614.85	518,476,679.74	94,721,271.02	668,489,853.74		Under construction				Self-financed
<b>Total</b>	<b>88,520,178,317.94</b>	<b>13,166,851,346.68</b>	<b>12,506,828,637.69</b>	<b>10,368,532,430.89</b>	<b>464,456,373.22</b>	<b>14,840,691,180.26</b>			<b>208,311,014.09</b>	<b>50,187,995.92</b>		

**(3). Provision for impairment losses of construction in progress**

√Applicable □N/A

Unit: RMB

Item	Amount provision for the period	Reason for the provision
Provision for impairment losses of construction in progress	245,166.61	/
<b>Total</b>	<b>245,166.61</b>	<b>/</b>

Other explanations

√Applicable □N/A

At the end of current year, construction in progress with net book value of RMB 2,253,568,819.23 was pledged as the collateral for bank loans.

**Materials for construction of fixed assets****(4). Details of materials for construction of fixed assets**

□Applicable √N/A

**25. Bearer biological assets****(1). Bearer biological assets measured at cost**

□Applicable √N/A

**(2). Bearer biological assets measured at fair value**

□Applicable √N/A

Other explanations

□Applicable √N/A

**26. Oil and gas assets**

□Applicable √N/A

**27. Right-of-use assets**

√Applicable □N/A

Unit: RMB

Item	Buildings	Land use right	Electronic equipment, etc.	Total
<b>I. Cost</b>				
1. January 1, 2021	4,721,612,691.50	4,379,607,123.00	172,672,909.39	9,273,892,723.89
2. Increase in the current period	2,635,926,357.67	136,439,779.62	196,435,415.01	2,968,801,552.30
(1) Leased assets in the year	2,627,917,074.23	136,439,779.62	195,885,705.00	2,960,242,558.85
(2) Translation differences of currency statement denominated in foreign currencies	8,009,283.44		549,710.01	8,558,993.45
3. Decrease in the current period	127,129,493.30	6,554,285.03	6,055,517.11	139,739,295.44
(1) Disposals in the year	30,632,319.22	6,554,285.03	5,254,422.11	42,441,026.36
(2) Decrease due to changes in the scope of consolidation	96,497,174.08		801,095.00	97,298,269.08
4. December 31, 2021	7,230,409,555.87	4,509,492,617.59	363,052,807.29	12,102,954,980.75

<b>II. Accumulated depreciation</b>				
1. January 1, 2021	85,252,762.82	2,073,026,530.70	13,876,744.50	2,172,156,038.02
2. Increase in the current period	1,183,553,248.52	241,801,651.93	85,818,501.36	1,511,173,401.81
(1) Provision	1,176,655,641.08	241,801,651.93	85,618,059.36	1,504,075,352.37
(2) Translation differences of currency statement denominated in foreign currencies	6,897,607.44		200,442.00	7,098,049.44
3. Decrease in the current period	33,236,033.40	1,280,910.08	1,138,575.11	35,655,518.59
(1) Disposals	21,653,980.40	1,280,910.08	1,000,293.11	23,935,183.59
(2) Decrease due to changes in the scope of consolidation	11,582,053.00		138,282.00	11,720,335.00
4. December 31, 2021	1,235,569,977.94	2,313,547,272.55	98,556,670.75	3,647,673,921.24
<b>III. Net book value</b>				
1. December 31, 2021	5,994,839,577.93	2,195,945,345.04	264,496,136.54	8,455,281,059.51
2. January 1, 2021	4,636,359,928.68	2,306,580,592.30	158,796,164.89	7,101,736,685.87

Other explanations:

As at December 31, 2021, there are no security provisions attached to the lease agreements other than the deposit paid by the Group to the lessor as a security interest in the leased assets. Leased assets cannot be used as security for borrowings.



**28. Intangible assets****(1). Details of intangible assets**

√Applicable □N/A

Unit: RMB

Item	Land use right	Patent	Know-how	Royalty right	Software use right	Trademark right	Others	Total
<b>I. Cost</b>								
1. January 1, 2021	14,233,669,322.61	1,033,952,252.05	5,599,645,768.09	163,636,594.11	4,356,780,838.56	264,962,933.29	1,593,368,253.28	27,246,015,961.99
2. Increase in the current period	378,368,639.51	43,700,000.00	1,994,391,474.27		842,235,494.53	26,252,307.75	10,153,719.02	3,295,101,635.08
(1) Purchase	378,368,639.51	43,700,000.00	704,032,064.62		807,889,692.61	26,252,307.75	10,153,719.02	1,970,396,423.51
(2) Transfer from development expenditure			634,336,913.82					634,336,913.82
(3) Increases due to business combinations			656,022,495.83		34,345,801.92			690,368,297.75
3. Decrease in the current period	163,451,070.22		394,112,966.90	111,986,594.11	276,301,529.08		578,620,155.00	1,524,472,315.31
(1) Disposals	72,108,282.55		280,119,544.17	111,986,594.11	100,177,408.21		33,293,145.00	597,684,974.04
(2) Transfer to investment properties	60,320,132.01							60,320,132.01
(3) Decrease due to changes in the scope of consolidation	30,335,208.25				148,274,235.58		533,881,400.00	712,490,843.83
(4) Translation differences of financial statements denominated in foreign currencies	687,447.41		113,993,422.73		27,849,885.29		11,445,610.00	153,976,365.43
4. December 31, 2021	14,448,586,891.90	1,077,652,252.05	7,199,924,275.46	51,650,000.00	4,922,714,804.01	291,215,241.04	1,024,901,817.30	29,016,645,281.76
<b>II. Accumulated amortization</b>								
1. January 1, 2021	1,920,454,115.95	952,652,252.05	2,945,628,604.58	163,636,594.11	2,888,228,088.59	188,971,994.18	1,072,125,834.54	10,131,697,484.00
2. Increase in the current period	487,126,710.37	364,166.67	727,728,092.64		680,743,187.61	47,292,450.81	80,332,366.43	2,023,586,974.53
(1) Provision	487,126,710.37	364,166.67	727,728,092.64		680,743,187.61	47,292,450.81	80,332,366.43	2,023,586,974.53
3. Decrease in the current period	23,995,500.53		65,961,816.70	111,986,594.11	159,233,884.59		573,816,404.99	934,994,200.92
(1) Disposals	14,150,020.22		30,283,445.00	111,986,594.11	73,472,059.12		33,293,145.00	263,185,263.45
(2) Transfer to investment properties	6,499,644.44							6,499,644.44

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(3) Decrease due to changes in the scope of consolidation	3,308,370.00				64,845,149.50		533,881,400.00	602,034,919.50
(4) Translation differences of financial statements denominated in foreign currencies	37,465.87		35,678,371.70		20,916,675.97		6,641,859.99	63,274,373.53
4. December 31, 2021	2,383,585,325.79	953,016,418.72	3,607,394,880.52	51,650,000.00	3,409,737,391.61	236,264,444.99	578,641,795.98	11,220,290,257.61
<b>III. Impairment provision</b>								
1. January 1, 2021	3,612,787.25	81,250,000.00	953,077,635.66		55,861,166.27			1,093,801,589.18
2. Increase in the current period					6,216,756.38			6,216,756.38
(1) Provision					6,216,756.38			6,216,756.38
3. Decrease in the current period			140,962,049.85		128,420.99			141,090,470.84
(1) Disposals			140,962,049.85		91,284.00			141,053,333.85
(2) Translation differences of financial statements denominated in foreign currencies					37,136.99			37,136.99
4. December 31, 2021	3,612,787.25	81,250,000.00	812,115,585.81		61,949,501.66			958,927,874.72
<b>IV. Net carrying amount</b>								
1. December 31, 2021	12,061,388,778.86	43,385,833.33	2,780,413,809.13		1,451,027,910.74	54,950,796.05	446,260,021.32	16,837,427,149.43
2. January 1, 2021	12,309,602,419.41	50,000.00	1,700,939,527.85		1,412,691,583.70	75,990,939.11	521,242,418.74	16,020,516,888.81

At the end of the period, intangible assets arising from internal R&D by the Company accounted for 3.77% of total balance of intangible assets.

**(2). Land use right of which certificates of title have not been obtained**

√Applicable □N/A

Unit: RMB

Item	Carrying amount	Reasons why certificates of title have not been obtained
Land use right	2,520,700.00	In progress

Other explanations:

√Applicable □N/A

At the end of current year, land use right and know-how at net carrying amount of RMB 2,812,589,813.16 and RMB 70,916.04 respectively were pledged as the collateral for bank loans.

**29. Development expenditure**

√Applicable □N/A

Unit: RMB

Item	December 31, 2020	Increase		Decrease		December 31, 2021
		Internal development expenditure	Others	Recognized as intangible assets	Recognized in profit or loss	
Research expenditures			7,045,653,289.04		7,045,653,289.04	
Development expenditures	2,446,932,558.40		13,549,590,822.68	634,336,913.82	12,622,844,247.91	2,739,342,219.35
<b>Total</b>	<b>2,446,932,558.40</b>		<b>20,595,244,111.72</b>	<b>634,336,913.82</b>	<b>19,668,497,536.95</b>	<b>2,739,342,219.35</b>

Other explanations

Development expenditures accounted for 65.79% of total research and development expenditures during the year.

**30. Goodwill****(1). Cost of goodwill**

√Applicable □N/A

Unit: RMB

Name of the investee or item resulting in goodwill	December 31, 2020	Increase	Decrease	December 31, 2021
		Business combination	Disposal	
HASCO Vision Technology (Shanghai) Co., Ltd	781,115,081.73			781,115,081.73
SAIC-GMAC Automotive Finance Co., Ltd.	333,378,433.68			333,378,433.68
Shanghai International Automobile City New Energy Automotive Operation Service Co., Ltd. (Note 1)	142,443,867.15		142,443,867.15	
Chongqing Yanfeng Adient Automotive Components Co., Ltd. (Note 2)	71,566,642.00		71,566,642.00	
Wuhan Zhonghaiting Data Technology Co., Ltd.	55,012,594.38			55,012,594.38
Shanghai Sunwin Bus Co., Ltd.	53,349,858.83			53,349,858.83
Shanghai New Power Automotive Technology Company Limited	6,994,594.88			6,994,594.88

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Zhejiang Lishui Yidong New Energy Automobile Operation Service Co., Ltd. (Note 1)	2,820,855.59		2,820,855.59	
Zhejiang Quzhou Yidong New Energy Automobile Operation Service Co., Ltd. (Note 1)	946,936.57		946,936.57	
ANJI-CEVA Logistics Co., Ltd.	290,248.50			290,248.50
Nanjing Shendi Welding Technology Co., Ltd.	4,652,677.65			4,652,677.65
Co wheels UK & Trip IQ (Note 3)		66,724,864.08		66,724,864.08
Others	41,605,721.18			41,605,721.18
<b>Total</b>	<b>1,494,177,512.14</b>	<b>66,724,864.08</b>	<b>217,778,301.31</b>	<b>1,343,124,074.91</b>

Note 1: These subsidiaries are subsidiaries of Global Car Sharing. The goodwill of these companies is reduced due to the loss of control over Global Car Sharing by the Group in this year. Please refer to Note (VIII) 4.

Note 2: The decrease is due to the Group's loss of control over Chongqing Yanfeng Adient Automotive Components Co., Ltd. in this year. Please refer to Note (VIII) 4.

Note 3: Please refer to Note (VIII) 1 (1).

**(2). Impairment of goodwill**

Applicable N/A

Unit: RMB

Name of the investee or item resulting in goodwill	December 31, 2020	Increase	Decrease		December 31, 2021
		Provision	Disposals	Others	
Impairment of goodwill	8,725,349.96	66,724,864.08			75,450,214.04
<b>Total</b>	<b>8,725,349.96</b>	<b>66,724,864.08</b>			<b>75,450,214.04</b>

**(3). Details of asset group or portfolio of goodwill**

Applicable N/A

**(4). Describe the test procedure, parameters of impairment of goodwill (e.g.: growth rate during the forecast period and stable period, profit rate, discount rate, and forecast period when estimating the present value of future cash flows, if applicable) as well as recognition method for impairment loss**

Applicable N/A

**(5). Effect of impairment testing of goodwill**

Applicable N/A

Other explanations

Applicable N/A

**31. Long-term deferred expenses**

√Applicable □N/A

Unit: RMB

Item	December 31, 2020	Increase	Amortization	Other decrease	December 31, 2021
Improvement expenditure of fixed assets	1,801,902,193.98	471,447,401.07	454,761,111.83	131,579,613.71	1,687,008,869.51
Others	476,634,200.70	325,617,059.45	181,490,079.42	107,448,944.58	513,312,236.15
<b>Total</b>	<b>2,278,536,394.68</b>	<b>797,064,460.52</b>	<b>636,251,191.25</b>	<b>239,028,558.29</b>	<b>2,200,321,105.66</b>

**32. Deferred tax assets/deferred tax liabilities****(1). Deferred tax assets that are not offset**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021		December 31, 2020	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for impairment losses of assets	8,495,342,883.09	2,059,419,103.74	8,004,882,080.12	1,896,267,714.35
Temporary difference arising from depreciation of fixed assets	217,068,420.14	69,676,287.82	104,588,811.74	23,595,450.67
Temporary difference arising from amortization of intangible assets	135,749,721.65	29,237,322.92	100,780,675.58	24,404,833.46
Net temporary difference between right-of-use assets and lease liabilities	609,979,824.48	152,694,946.02	492,801,354.04	123,200,338.51
Deferred income	6,793,772,916.17	1,549,594,482.34	9,000,337,372.64	2,058,745,579.43
Temporary difference arising from held-for-trading financial assets measured at fair value	40,601,887.68	6,757,585.87	88,245,520.49	14,527,132.83
Temporary difference arising from other debt investments measured at fair value	208,783.04	52,195.76	142,154,258.93	35,538,564.73
Temporary difference arising from investments in other equity instruments measured at fair value	8,499,167.22	1,574,953.76	13,001,774.84	3,250,443.71
Liabilities accrued but unpaid	94,790,181,582.51	21,514,220,825.63	103,082,847,269.78	23,891,425,514.83
Unrealized profit of internal transactions	1,293,682,454.29	322,731,341.52	7,555,581,333.46	1,884,902,227.80
Others	9,339,739,663.05	2,232,110,948.19	3,958,422,541.33	939,661,811.49
<b>Total</b>	<b>121,724,827,303.32</b>	<b>27,938,069,993.57</b>	<b>132,543,642,992.95</b>	<b>30,895,519,611.81</b>

**(2). Deferred tax liabilities that are not offset**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021		December 31, 2020	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Temporary difference arising from held-for-trading financial assets measured at fair value	3,513,689,014.05	873,922,374.84	1,773,854,591.47	443,463,647.87
Temporary difference arising from other current assets - negotiable certificate of deposit measured at fair value	45,005,394.31	11,251,348.58	51,033,599.56	12,758,399.89
Temporary difference arising from investments in other equity instruments measured at fair value	16,971,338,840.60	3,109,560,878.87	15,063,082,939.40	2,748,901,815.07
Temporary difference arising from other non-current assets due within one year measured at fair value			45,799.94	11,449.99
Added value in asset assessment of business combinations not involving enterprises under common control	1,341,929,975.49	266,760,001.90	1,421,977,839.19	322,723,765.27
Temporary difference arising from depreciation of fixed assets	2,144,603,057.68	493,529,015.35	1,474,816,827.30	364,556,822.59
Others	1,112,951,355.03	229,398,197.28	1,681,467,392.97	361,365,403.51
<b>Total</b>	<b>25,129,517,637.16</b>	<b>4,984,421,816.82</b>	<b>21,466,278,989.83</b>	<b>4,253,781,304.19</b>

**(3). Deferred tax assets or deferred tax liabilities that are presented at the net amount after offset**

√Applicable □N/A

Unit: RMB

Item	Offset amount between deferred tax assets and liabilities at December 31, 2021	Deferred tax assets or liabilities after offset at December 31, 2021	Offset amount between deferred tax assets and liabilities at January 1, 2021	Deferred tax assets or liabilities after offset at January 1, 2021
Deferred tax assets	99,222,462.96	27,838,847,530.61	30,969,072.91	30,864,550,538.90
Deferred tax liabilities	99,222,462.96	4,885,199,353.86	30,969,072.91	4,222,812,231.28

**(4). Details of unrecognized deferred tax assets**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Deductible temporary differences	88,448,473,515.88	86,388,796,763.93
<b>Total</b>	<b>88,448,473,515.88</b>	<b>86,388,796,763.93</b>

**(5). Deductible losses, for which no deferred tax assets are recognized, will expire in the following years**□Applicable N/A

Other explanations:

Applicable □N/A

Movements of net amount of deferred tax assets (liabilities) for the year are as follows:

Unit: RMB

Item	2021
December 31, 2020	26,518,537,969.11
Changes in accounting policies during the year	123,200,338.51
January 1, 2021	26,641,738,307.62
Recognized in profit or loss of the year	-3,037,819,736.14
Recognized in equity during the year (Note)	-490,683,883.36
Decrease due to changes in the scope of consolidation during the year	-159,586,511.37
December 31, 2021	22,953,648,176.75

Note: In debit amount of equity, RMB 362,334,553.75 represents income tax effect of profit or loss from changes in fair value of investments in other equity instruments, RMB 35,486,368.97 represents income tax effect of profit or loss from changes in fair value of other debt investments, RMB 2,557,556.94 represents income tax effect of effective part of cash flow hedging profit or loss, RMB 91,823,905.00 represents effect of translation differences of deferred tax assets (liabilities) denominated in foreign currencies. In credit amount of equity, RMB 1,507,051.31 represents income tax effect of profit or loss from changes in fair value of other current assets, and RMB 11,449.99 represents income tax effect of changes in fair value of other current assets due within one year.

**33. Other non-current assets**Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Asset-backed securities	5,613,724,958.40	4,324,003,456.33
Continuous involvement in the financial assets	5,323,830,628.68	3,307,718,276.74
Prepayment of long-term assets	264,321,652.47	713,182,639.69
Others	936,403,081.79	1,226,128,352.91
Less: Impairment of other non-current assets	340,836,108.50	806,664,814.13
Less: Other non-current assets due within one year	2,739,396,826.72	1,733,541,711.06
<b>Total</b>	<b>9,058,047,386.12</b>	<b>7,030,826,200.48</b>

**34. Short-term borrowings****(1) Categories of short-term borrowings**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Unsecured and non-guaranteed loans	26,363,586,734.01	22,493,212,372.20
Guaranteed loans		503,429,051.82
Secured loans with securities under the custody of lenders	1,399,895,300.00	546,000,000.00
Secured loans with securities under the Group's custody	86,000,000.00	86,000,000.00
<b>Total</b>	<b>27,849,482,034.01</b>	<b>23,628,641,424.02</b>

Explanations on categories of short-term borrowings:

Note 1: At the end of the current year, the secured loans with securities under the custody of lenders amounting to RMB 45,000,000.00 were obtained with accounts receivable with net book value of RMB 36,138,432.67 as the collateral. The secured loans with securities under the custody of lenders amounting to RMB 604,895,300.00 were obtained with accounts receivable with net book value of RMB 526,727,054.94 as the collateral. The secured loans with securities under the custody of lenders amounting to RMB 50,000,000.00 were obtained with accounts receivable with net book value of RMB 157,713,354.90 as the collateral. The secured loans with securities under the custody of lenders amounting to RMB 700,000,000.00 were obtained with other receivables with net book value of RMB 700,000,000.00 as the collateral.

Note 2: At the end of current year, the secured loans with securities under the Group's custody amounting to RMB 60,000,000.00 were obtained with fixed assets - buildings with net book value of RMB 91,172,591.08 and intangible assets - land use right with net book value of RMB 42,371,100.56 as the collateral. The secured loans with securities under the Group's custody amounting to RMB 26,000,000.00 were obtained with fixed assets - buildings with net book value of RMB 18,951,059.10 and intangible assets - land use right with net book value of RMB 6,043,224.93 as the collateral.

**(2). Short-term borrowings overdue but not yet repaid**

□Applicable √N/A

Including significant short-term borrowings overdue but not yet repaid:

□Applicable √N/A

Other explanations

□Applicable √N/A



**35. Held-for-trading financial liabilities**

√Applicable □N/A

Unit: RMB

Item	December 31, 2020	Increase during the period	Decrease during the period	December 31, 2021
Held-for-trading financial liabilities	45,674,983.07		29,742,660.05	15,932,323.02
Financial liabilities designated as at fair value through profit or loss	356,323,128.41		356,323,128.41	
<b>Total</b>	<b>401,998,111.48</b>		<b>386,065,788.46</b>	<b>15,932,323.02</b>

Other explanations:

√Applicable □N/A

The balance at December 31, 2020 represents the other shareholders' interests in structured entities that are included in the scope of consolidation of the consolidated financial statements because SAIC Financial Holding, a subsidiary of the Group, is able to exercise control. As the financial assets corresponding to such financial liabilities are mainly measured at fair value through profit or loss, such financial liabilities are designated as at fair value through profit or loss by SAIC Financial Holding. Such designation can significantly reduce the inconsistency in recognition and measurement of related gains or losses caused by different measurement basis of such financial assets/liabilities.

**36. Derivative financial liabilities**

□Applicable √N/A

**37. Notes payable****(1). Notes payable are presented as follows**

√Applicable □N/A

Unit: RMB

Categories	December 31, 2021	December 31, 2020
Commercial acceptances	836,185,936.60	739,925,645.08
Bank acceptances	40,989,651,058.39	55,358,981,772.30
<b>Total</b>	<b>41,825,836,994.99</b>	<b>56,098,907,417.38</b>

At the end of current period, the balance of total notes receivable due but not paid was RMB 0.

**38. Accounts payable****(1). Accounts payable are presented as follows**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Accounts payable for purchase of materials and equipment, etc.	157,226,453,930.47	148,948,305,300.60
<b>Total</b>	<b>157,226,453,930.47</b>	<b>148,948,305,300.60</b>

**(2). Significant accounts payable aged more than one year**

Applicable N/A

Other explanations

Applicable N/A

### 39. Receipts in advance

#### (1). Details of receipts in advance

Applicable N/A

#### (2). Significant receipts in advance aged more than one year

Applicable N/A

Other explanations

Applicable N/A

### 40. Contract liabilities

#### (1). Contract liabilities are presented as follows

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Payments for vehicles, materials, accessories, etc. received in advance	26,514,455,824.76	24,822,830,812.14
<b>Total</b>	<b>26,514,455,824.76</b>	<b>24,822,830,812.14</b>

The Group's performance obligations corresponding to contract liabilities are expected to be fulfilled within one year.

#### (2). The amount and reason for the significant changes in the carrying amount during the reporting period

Applicable N/A

Other explanations

Applicable N/A

### 41. Employee benefits payable

#### (1). Employee benefits payable are presented as follows

Applicable N/A

Unit: RMB

Item	December 31, 2020	Decrease due to changes in the scope of consolidation	Effect of exchange rate changes	Increase during the period	Decrease during the period	December 31, 2021
I. Short-term benefits	10,932,981,158.28	-13,420,666.22	-7,674,040.16	36,289,208,795.69	36,235,370,664.91	10,965,724,582.68
II. Post-employment benefit - defined contribution plans	316,666,614.07	-22,629.74		1,992,192,063.43	2,155,958,723.71	152,877,324.05
III. Termination benefits	261,591,626.44	-22,773.71		315,952,630.83	204,891,110.06	372,630,373.50
<b>Total</b>	<b>11,511,239,398.79</b>	<b>-13,466,069.67</b>	<b>-7,674,040.16</b>	<b>38,597,353,489.95</b>	<b>38,596,220,498.68</b>	<b>11,491,232,280.23</b>

**(2). Short-term benefits are presented as follows**

√Applicable □N/A

Unit: RMB

Item	December 31, 2020	Decrease due to changes in the scope of consolidation	Effect of exchange rate changes	Increase during the period	Decrease during the period	December 31, 2021
I. Payroll, bonus, allowance and subsidies	7,800,075,991.04	-23,565,179.18	-5,516,569.58	30,176,608,806.01	30,306,382,029.87	7,641,221,018.42
II. Staff welfare	2,071,606,533.36	16,444,676.52		138,586,970.08	62,041,753.24	2,164,596,426.72
III. Social security contributions	178,926,047.01	-1,580,394.68	-440,038.58	2,919,178,028.71	2,876,766,592.68	219,317,049.78
IV. Housing funds	58,327,203.48	-1,581,090.00	-16,350.00	1,631,514,209.11	1,578,249,920.80	109,994,051.79
V. Trade union fund and employee education fund	480,552,622.57	-1,340,035.18	-20,468.00	614,736,867.73	629,851,952.88	464,077,034.24
VI. Others	343,492,760.82	-1,798,643.70	-1,680,614.00	808,583,914.05	782,078,415.44	366,519,001.73
<b>Total</b>	<b>10,932,981,158.28</b>	<b>-13,420,666.22</b>	<b>-7,674,040.16</b>	<b>36,289,208,795.69</b>	<b>36,235,370,664.91</b>	<b>10,965,724,582.68</b>

**(3). Defined contribution plan is presented as follows**

√Applicable □N/A

Unit: RMB

Item	December 31, 2020	Decrease due to changes in the scope of consolidation	Increase during the period	Decrease during the period	December 31, 2021
1. Basic pensions	290,435,655.58	-22,015.01	1,897,190,221.86	2,042,955,275.83	144,648,586.60
2. Unemployment insurance	20,312,145.43	-614.73	87,479,017.89	102,141,811.14	5,648,737.45
3. Enterprise annuity contribution	5,918,813.06		7,522,823.68	10,861,636.74	2,580,000.00
<b>Total</b>	<b>316,666,614.07</b>	<b>-22,629.74</b>	<b>1,992,192,063.43</b>	<b>2,155,958,723.71</b>	<b>152,877,324.05</b>

Other explanations:

□Applicable √N/A

**42. Taxes payable**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Enterprise income tax	2,902,231,031.27	5,387,024,863.19
Value added tax	1,371,813,941.33	4,596,445,396.98
Consumption tax	565,897,852.63	791,310,185.38
Educational surcharge	89,077,376.51	224,269,291.66
City construction tax	82,033,543.16	181,058,587.96
Individual income tax	207,136,296.24	192,068,484.12

Land use tax	13,811,768.29	24,089,630.86
Others	318,412,619.14	394,610,083.76
<b>Total</b>	<b>5,550,414,428.57</b>	<b>11,790,876,523.91</b>

**43. Other payables****Presentation by items**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Interest payable	136,379,101.06	82,815,028.04
Dividends payable	1,146,540,878.06	2,247,573,969.63
Other payables	62,896,188,606.83	75,176,153,292.03
<b>Total</b>	<b>64,179,108,585.95</b>	<b>77,506,542,289.70</b>

Other explanations:

□Applicable √N/A

**Interest payable****(1). Presentation by categories**

□Applicable √N/A

**Dividends payable****(1). Presentation by categories**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Dividends payable-Dividends payable of subsidiaries due to minority shareholders	1,146,540,878.06	2,247,573,969.63
<b>Total</b>	<b>1,146,540,878.06</b>	<b>2,247,573,969.63</b>

**Other payables****(1). Presentation of other payables by nature**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	December 31, 2020
Sales commission and discount	48,155,628,395.50	59,802,944,582.83
Dealers' guarantees and deposits	1,175,101,480.08	1,189,263,676.20
Others	13,565,458,731.25	14,183,945,033.00
<b>Total</b>	<b>62,896,188,606.83</b>	<b>75,176,153,292.03</b>

**(2). Significant other payables aged more than one year**

Applicable N/A Other explanations:

Applicable N/A

**44. Held-for-sale liabilities**

Applicable N/A

**45. Non-current liabilities due within one year**

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Long-term borrowings due within one year	7,604,918,787.87	8,232,909,461.21
Bonds payable due within one year	10,932,050,916.14	10,144,981,772.98
Long-term payables due within one year	115,272,965.55	205,905,409.59
Lease liabilities due within one year	1,590,569,804.64	1,175,751,229.00
Long-term employee benefits payable due within one year	29,458,127.81	32,171,625.00
Provisions due within one year	5,392,638,628.76	4,810,398,248.82
Other non-current liabilities due within one year	32,223,258.73	179,922.57
<b>Total</b>	<b>25,697,132,489.50</b>	<b>24,602,297,669.17</b>

**46. Other current liabilities**

Details of other current liabilities

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Short-term bonds payable (Note 1)	1,125,953,333.33	
Refund payable	864,688,565.69	81,001,584.23
Accrued expenses	33,773,680.19	30,255,706.66
Asset-backed commercial notes (Note 2)		329,574,558.28
<b>Total</b>	<b>2,024,415,579.21</b>	<b>440,831,849.17</b>

Note 1: SAIC Financial Holding issued fixed rate short-term financing bonds with a total principal of RMB 500 million on January 18, 2021, which were fully repaid in January 2022; SAIC Financial Holding issued fixed rate ultra short-term financing bonds with a total principal of RMB 600 million on September 1, 2021, which were fully repaid in February 2022.

Note 2: The balance at December 31, 2020 represents the issuance of fixed-rate asset-backed commercial notes initiated by SAIC Financial Holding, a subsidiary of the Group, with a total principal of RMB 327 million on November 26, 2020, which were fully repaid in May 2021.

Changes in short-term bonds payable:

Applicable N/A

Other explanations:

Applicable N/A

#### 47. Long-term borrowings

##### (1). Categories of long-term borrowings

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Secured loans with securities under the custody of lenders		7,511,343.75
Secured loans with securities under the Group's custody	4,314,245,653.69	4,135,856,060.91
Guaranteed loans		1,262,290,820.82
Unsecured and non-guaranteed loans	30,202,073,341.51	26,435,503,185.47
Less: Long-term borrowings due within one year	7,604,918,787.87	8,232,909,461.21
<b>Total</b>	<b>26,911,400,207.33</b>	<b>23,608,251,949.74</b>

Explanations on categories of long-term borrowings:

Note: At the end of current year, the secured loans with securities under the Group's custody amounting to RMB 325,500,000.00 were obtained with fixed assets - buildings with net book value of RMB 423,479,512.71, the fixed assets - machinery and equipment with net book value of RMB 255,136,450.87, the fixed assets - transportation vehicles with net book value of RMB 789,109.50, the fixed assets - electronic equipment with net book value of RMB 48,917,923.06 and intangible assets - land use right with net book value of RMB 42,271,154.96 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 119,153,665.00 were obtained with fixed assets - buildings with net book value of RMB 348,033,754.27, the fixed assets - machinery and equipment with net book value of RMB 9,751,522.88, the intangible assets - land use right with net book value of RMB 43,424,611.14 and construction in progress with net book value of RMB 20,115,450.13 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 1,586,748,404.12 were obtained with construction in progress with the net book value of RMB 2,065,826,384.18, and the intangible assets - land use right with net book value of RMB 1,464,217,535.25 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 85,000,000.00 were obtained with fixed assets - buildings with net book value of RMB 146,370,667.69, and the intangible assets - land use right with net book value of RMB 22,109,323.14 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 348,500,000.00 were obtained with intangible assets - land use right with net book value of RMB 699,073,874.72 as the collateral; the secured loans with securities under the Group's custody amounting to RMB 50,922,863.88 were obtained with intangible assets - land use right with net book value of RMB 180,803,466.31 and the fixed assets - buildings with net book value of RMB 96,362,423.51 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 207,298,000.00 were obtained with fixed assets - transportation vehicles with net book value of RMB 277,097,835.60 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 35,668,037.00 were obtained with intangible assets - land use right with net book value of RMB 26,000,846.03, and the fixed assets - buildings with net book value of RMB 128,473,616.77 as the collaterals; the secured loans with securities under the Group's custody amounting to RMB 1,555,454,683.69 were obtained with fixed assets - buildings with net book value of RMB 578,507,569.34, the intangible assets - land use right with net book value of RMB 286,274,676.12, the know-how with net book value of RMB 70,916.04, the fixed assets - machinery and equipment with net book value of RMB 308,828,914.54, moulds with net book value of RMB 50,271,447.27, electronic

equipment with net book value of RMB 11,578,281.36, construction in progress with net book value of RMB 167,626,984.92, inventories with net book value of RMB 294,280,396.04, and accounts receivable with net book value of RMB 736,487,376.30 as the collaterals.

Other explanations, including interest rate range:

Applicable N/A

#### 48. Bonds payable

##### (1). Bonds payable

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Non-bank financial institution bonds of SAIC-GMAC (Note 1)	18,387,242,747.13	18,238,367,465.84
Financial asset-backed securities (Note 2)	5,430,554,956.68	8,998,925,854.81
Corporate bonds (Note 3)	4,996,131,506.75	4,991,131,506.79
Medium-term note (Note 4)	1,515,329,589.05	1,008,700,000.00
Non-public offering of corporate bonds (Note 5)		400,000,000.00
Less: Bonds payable due within one year	10,932,050,916.14	10,144,981,772.98
<b>Total</b>	<b>19,397,207,883.47</b>	<b>23,492,143,054.46</b>

Note 1: The Company's subsidiary SAIC-GMAC issued a bond with a fixed interest rate of RMB 5,000,000,000 on June 18, 2019 in inter-bank bond markets with the coupon rate of 3.80% per annum and interest to be paid annually, which will fall due on June 20, 2022. SAIC-GMAC issued a bond with a fixed interest rate of RMB 8,000,000,000 on April 21, 2020 in inter-bank bond markets with the coupon rate of 2.68% per annum and interest to be paid annually, which will fall due on April 23, 2023. SAIC-GMAC issued a bond with a fixed interest rate of RMB 5,000,000,000 on March 3, 2021 in inter-bank bond markets with the coupon rate of 3.8% per annum and interest to be paid annually, which will fall due on March 5, 2024. At the end of current year, the book balance of above bonds is RMB 18,387,242,747.13, of which RMB 5,099,116,429.85 will fall due within one year.

Note 2: The Company's subsidiary SAIC-GMAC issued preferred asset-backed securities with a fixed interest rate amounting to RMB 6,070,000,000.00 as an initiator on July 21, 2020, which would be paid back fully in July 2022. SAIC-GMAC issued preferred asset-backed securities with a fixed interest rate amounting to RMB 8,630,000,000.00 as an initiator on May 10, 2021, which would be paid back fully in April 2023. SAIC-GMAC did not derecognize related financial assets but accounted financing as bonds payable. At the end of current year, the book balance of above bonds is RMB 5,430,554,956.68, of which RMB 821,473,390.49 will fall due within one year.

Note 3: The Company was approved to issue corporate bonds with par value no more than RMB 20,000,000,000.00 in a public way to qualified investors in the current year by Document "Zheng Jian Xu Ke [2019] No. 1594" issued by China Securities Regulatory Commission. In September 2019, the Company issued the first installment of 3-year fixed-rate bonds with a coupon rate of 3.42% and an offering price of RMB 100.00 each to qualified investors, amounting to RMB 3,000,000,000.00; in November 2019, the Company issued the second installment of 3-year fixed-rate bonds with a coupon rate of 3.60% and an offering price of RMB 100.00 each to qualified investors, amounting to RMB 2,000,000,000.00. As at the end of current year, the book balance of above bonds is RMB 4,996,131,506.75, which will fall due within one year.

Note 4: On October 21, 2020, SAIC Financial Holding, a subsidiary of the Company, issued a medium-term note with a book value of RMB 1 billion with a coupon rate of 4.35%. The interest is paid annually

and the principal is due on October 21, 2023. At the end of current year, the interest payable amounting to RMB 8,700,000.00 will fall due within one year. On August 6, 2021, SAIC Financial Holding issued a medium-term note with a book value of RMB 500 million with a coupon rate of 3.27%. The interest is paid annually and the principal is due on August 6, 2024. At the end of current year, the interest payable amounting to RMB 6,629,589.05 will fall due within one year.

Note 5: SAIC Capital Company Limited, a subsidiary of the Company, issued a non-public corporate bond with a book value of RMB 400 million on September 23, 2020, with a coupon rate 3.6% and a term of 3 years, all of which has been paid in advance this year.

**(2). Changes in bonds payable (Excluding other financial instruments (preference shares, perpetual bonds and others) classified as financial liabilities)**

Applicable N/A

**(3). Converting terms and period of convertible corporate bonds**

Applicable N/A

**(4). Other financial instruments classified as financial liabilities**

Basic information for outstanding preference shares, perpetual bonds and other financial instruments at the end of the period

Applicable N/A

Changes in financial instruments including outstanding preference shares and perpetual bonds at the end of the period

Applicable N/A

Basis for classifying other financial instruments to financial liabilities

Applicable N/A

Other explanations:

Applicable N/A

**49. Lease liabilities**

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Lease liabilities	9,936,410,501.40	9,110,219,229.76
Less: Lease liabilities due within one year	1,590,569,804.64	1,175,751,229.00
<b>Total</b>	<b>8,345,840,696.76</b>	<b>7,934,468,000.76</b>



**50. Long-term payables****Presentation by items**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Long-term payables	690,212,700.46	1,053,361,988.67
Special payables	570,374,070.77	637,517,500.77
Less: Long-term payables due within one year	115,272,965.55	205,905,409.59
<b>Total</b>	<b>1,145,313,805.68</b>	<b>1,484,974,079.85</b>

Other explanations:

□Applicable √N/A

**Long-term payables****(1). Presentation of long-term payables by nature**

□Applicable √N/A

**Special payables****(2). Presentation of special payables by nature**

√Applicable □N/A

Unit: RMB

Item	January 1, 2021	Increase	Decrease	December 31, 2021	Reason
Special reward fund	635,718,389.35		65,344,318.58	570,374,070.77	
Others	1,799,111.42		1,799,111.42		
<b>Total</b>	<b>637,517,500.77</b>		<b>67,143,430.00</b>	<b>570,374,070.77</b>	/

**51. Long-term employee benefits payable**

√Applicable □N/A

**(1). Statement of long-term employee benefits payable**

√Applicable □N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
I. Post-employment benefits - net liabilities of defined benefit plans	3,307,484,455.35	3,252,998,421.88
II. Termination benefits	1,656,443,937.50	1,634,052,331.99
III. Other long-term benefits	574,056,947.94	653,464,012.79
Less: Long-term employee benefits payable due within one year	29,458,127.81	32,171,625.00
<b>Total</b>	<b>5,508,527,212.98</b>	<b>5,508,343,141.66</b>

**(2). Movements of defined benefit plans**

Present value of defined benefit plan obligations:

√Applicable □N/A

Unit: RMB

Item	2021	2020
I. Opening balance	3,252,998,421.88	3,265,370,719.30
II. Cost of defined benefit plans recognized in profit or loss	74,937,753.40	288,468,467.51
1. Current service cost	16,084,892.60	181,982,406.68
2. Past service cost		
3. Gains on curtailments and settlements (Loss is indicated by "-")	-12,861,771.23	-9,021,805.42
4. Net value of interests	71,714,632.03	115,507,866.25
III. Cost of defined benefit plans recognized in other comprehensive income	80,453,409.25	-237,669,378.61
1. Actuarial gains (Loss is indicated by "-")	80,453,409.25	-237,669,378.61
IV. Other movements	-100,905,129.18	-63,171,386.32
1. Consideration paid at the time of settlement		
2. Benefits paid	-100,905,129.18	-63,171,386.32
V. Closing balance	3,307,484,455.35	3,252,998,421.88

Planned asset:

Applicable N/A

Net liabilities (assets) of defined benefit plan

Applicable N/A

Explanation on the defined benefit plan, corresponding risks, and effects on the Company's future cash flows, timing and uncertainty:

Applicable N/A

The Group provided retired employees with defined benefit plans of supplementary post-employment benefits. The Group estimated its commitment to employees after retirement by actuarial valuation, and calculated its liabilities resulted from the supplementary post-employment based on estimation. Liabilities of the plan is estimated based on its future cash outflow at certain benefit increase rate and death rate and discounted to its present value at certain discount rate. The discount rate is determined based on the rate of the government bonds with an expected term and currency that are consistent with the expected term of the obligations at the balance sheet date. The Group recognized the liability according to the results from actuarial valuation, and recognized relevant actuarial gains and losses in other comprehensive income that will not be reclassified subsequently to profit or loss. Past service cost is recognized in profit or loss when the defined benefit plan is revised. The current service cost will be included in the profit or loss for the period when the present value of obligations of defined benefit plans increases due to the service rendered by the employee during the current period. Gains and losses on curtailments and settlements are included in the profit or loss for the period at the balance between the present value of obligations of defined benefit plans and the settlement price as determined on the settlement date. Net interest is determined by multiplying the net liabilities of the defined benefit plans by the discount rate.

Defined benefit plans of supplementary post-employment benefits expose the Group to actuarial risks such as: interest rate risk, longevity risk, demographic risk, risk of policies change and inflation risk. The decrease in yields of government bonds will lead to increase in present value of defined benefit plans obligations which is calculated based on the best estimates of participating employees' mortality rate. The

present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability. Besides, the present value of the defined benefit plan liability is related to the future payment standards, which is estimated based on inflation rate. Therefore, the increase of inflation rate will increase the plan's liability.

The most recent actuarial valuation of the defined benefit plan liabilities was carried out at December 31, 2021 by professional institution. The present value of the defined benefit obligation and the related service cost were measured using the projected unit credit method.

Significant actuarial assumptions for the purposes of the actuarial valuations are discount rate, benefit increase rate and death rate. The discount rates used are 3% - 4%. The assumption of death rate was based on "China Life Insurance Mortality Table (2010-2013)".

Explanations on significant actuarial assumptions and sensitivity analysis of the defined benefit plan  
Applicable N/A

The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

If the discount rate is 25 basis points higher (lower), the present value of defined benefit plan liabilities would decrease by RMB 165 million (increase by RMB 182 million).

If the benefit increase rate increases (decreases) by 1%, the present value of defined benefit plan liabilities would decrease by RMB 81 million (increase by RMB 47 million).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit liabilities as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In the above sensitivity analysis, the present value of defined benefit plan liabilities has been calculated using the same method as that applied in calculating the defined benefit plan liabilities recognized in in the balance sheet.

Other explanations:

Applicable N/A

## 52. Provisions

Applicable N/A

Unit: RMB

Item	January 1, 2021	December 31, 2021	Reason
Obligation of guarantees provided to outsiders			
Pending litigations			
Products quality warranty	12,811,988,430.63	14,197,897,263.12	
Expected compensation expenditure	978,383,069.52	924,190,944.02	
Liability due to continuous involvement	3,307,718,276.74	5,323,830,628.68	

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Restructuring obligation			
Onerous contracts to be performed			
Sales return payable			
Others	1,381,943,044.61	410,466,368.05	
Less: Provisions due within one year	4,810,398,248.82	5,392,638,628.76	
<b>Total</b>	<b>13,669,634,572.68</b>	<b>15,463,746,575.11</b>	/

### 53. Deferred income

Details of deferred income

Applicable N/A

Unit: RMB

Item	January 1, 2021	Increase	Decrease	December 31, 2021	Reason
Government grants	12,464,910,078.07	3,783,793,387.02	4,032,306,772.41	12,216,396,692.68	
Interest received in advance by SFC, SAIC-GMAC and SAIC Financial Holding	10,713,898,752.37	5,442,718,585.21	5,078,503,176.47	11,078,114,161.11	
Others	336,825,281.29	7,140,526.00	325,143,446.45	18,822,360.84	
<b>Total</b>	<b>23,515,634,111.73</b>	<b>9,233,652,498.23</b>	<b>9,435,953,395.33</b>	<b>23,313,333,214.63</b>	/

Items relating to government grants:

Applicable N/A

Unit: RMB

Item	January 1, 2021	Increase	Amount recognized in non-operating income	Amount recognized in other income	Other changes	December 31, 2021	Related to assets/income
Relocation compensation	4,674,790,701.25	2,560,903,770.26	209,123,365.78	2,605,793,096.49		4,420,778,009.24	Assets/income
Subsidies for purchase of long-term assets	6,053,017,627.39	209,793,114.75		469,975,636.88		5,792,835,105.26	Assets
Technical improvement	107,225,391.88	897,706,586.47		131,500,510.68		873,431,467.67	Assets
Subsidies for project development	1,629,876,357.55	115,389,915.54		615,914,162.58		1,129,352,110.51	Income
<b>Total</b>	<b>12,464,910,078.07</b>	<b>3,783,793,387.02</b>	<b>209,123,365.78</b>	<b>3,823,183,406.63</b>		<b>12,216,396,692.68</b>	

Other explanations:

Applicable N/A

### 54. Other non-current liabilities

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Contract liabilities	2,732,388,637.05	2,926,588,230.55
Less: Other non-current liabilities due within one year	32,223,258.73	179,922.57
<b>Total</b>	<b>2,700,165,378.32</b>	<b>2,926,408,307.98</b>

**55. Share capital**

√Applicable □N/A

At the end of current year, the Company had registered capital and paid-in capital of RMB 11,683,461,365.00, with a par value of RMB 1.00 per share. Categories and composition of the shares are as follows:

Unit: RMB

	January 1, 2021	Changes (+, -)					December 31, 2021
		New shares	Allotment	Capitalization of surplus reserve	Others	Sub-total	
Total shares	11,683,461,365						11,683,461,365

**56. Other equity instruments****(1). Basic information of other financial instruments including outstanding preference shares and perpetual bonds at the end of the period**

□Applicable √N/A

**(2). Changes in financial instruments including outstanding preference shares and perpetual bonds at the end of the period**

□Applicable √N/A

Explanation for changes in other equity instrument, corresponding reasons and basis of relevant accounting treatment in the current period:

□Applicable √N/A

Other explanations:

□Applicable √N/A

**57. Capital reserve**

√Applicable □N/A

Unit: RMB

Item	January 1, 2021	Increase	Decrease	December 31, 2021
Capital premium (share premium)	54,076,219,138.50		349,133,481.44	53,727,085,657.06
Other capital reserve	2,950,850,898.98		137,943,818.11	2,812,907,080.87
<b>Total</b>	<b>57,027,070,037.48</b>		<b>487,077,299.55</b>	<b>56,539,992,737.93</b>

Other explanations, including increase or decrease in the period and related reasons:

In the other capital reserve, the increase of RMB 108,924,238.00 was resulted from the increase in capital reserve due to premium contribution made by other shareholders of a subsidiary of Shanghai Saiwei Investment Center (Limited Partnership), a joint venture of the Group; the decrease of RMB 183,001,548.18 was resulted from the reduction in capital reserve due to the transfer of accumulated losses upon conversion of net assets of SHPT, a subsidiary of the Group, into a limited liability company by shares during the year; the decrease of RMB 50,489,258.95 was resulted from the transfer

of capital reserve due to changes in consolidation scope after Investment Management, a subsidiary of the Group, disposed Global Car Sharing and Industry Sales, a subsidiary of the Group, disposed Shanghai Yirui Automobile Technology Co., Ltd. ("Shanghai Yirui").

#### 58. Treasury shares

√Applicable □N/A

Unit: RMB

Item	January 1, 2021	Increase	Decrease	December 31, 2021
Repurchases of shares	2,039,625,809.24	738,983,368.80		2,778,609,178.04
<b>Total</b>	<b>2,039,625,809.24</b>	<b>738,983,368.80</b>		<b>2,778,609,178.04</b>

Other explanations, including increase or decrease in the period and related reasons:

The Company respectively discussed and approved the "Proposal on Repurchases of Shares by Means of Concentrated Competitive Bidding" by the 12<sup>th</sup> session of the seventh board of directors held on July 3, 2020 and the first extraordinary general meeting of 2020 held on July 20, 2020 respectively, and announced the Report on the Repurchase of the Company's Shares by Means of Centralized Competitive Bidding of SAIC Motor Corporation Limited" on July 22, 2020. These repurchased shares are used for the Company's share incentive, the type of repurchased shares is common shares (A share) denominated in RMB, the minimum quantity of repurchased stocks is 58,417,307 shares and the maximum quantity is 116,834,613 shares, the time limit of repurchase is within 6 months since discussion and approval of A share proposal by the general meeting, the price of repurchase shall not exceed RMB 25.97/share (inclusive), and the funds of repurchase are originated from the Company's self-owned funds (hereinafter referred to as "2020 Repurchases of Shares"). For the year ended December 31, 2020, the Company has accumulatively repurchased a total of 100,000,035 shares of the Company. The total amounts paid were RMB 2,039,279,074.80 (excluding transaction costs) and the transaction costs amounted to RMB 346,734.44. As at January 19, 2021, the time limit of 2020 Repurchases of Shares was expired. The Company repurchased a total of 108,161,920 shares of the Company by means of concentrated competitive bidding, accounting for 0.93% of the total share capital of the Company, the highest price was RMB 25.80/share and the lowest price was RMB 17.81/share. Total amounts paid were RMB 2,247,076,643.92 (excluding transaction costs) and the transaction costs amounted to RMB 382,057.42.

The Company discussed and approved the "Proposal on Repurchases of Shares by Means of Concentrated Competitive Bidding" by the 4<sup>th</sup> session of the eighth board of directors held on September 9, 2021, and announced the Report on the Repurchase of the Company's Shares by Means of Concentrated Competitive Bidding of SAIC Motor Corporation Limited" on September 10, 2021. These repurchased shares are used for the Company's share incentive, the type of repurchased shares is common shares (A share) denominated in RMB. The total amount paid shall not be less than RMB 1.5 billion (inclusive) and not exceed 3 billion (inclusive). The time limit of repurchase is within 12 months since discussion and approval of A share proposal by the Board of Directors. The price of repurchase shall not exceed RMB 28.91/share (inclusive), and the funds of repurchase are originated from the Company's self-owned funds (hereinafter referred to as "2021 Repurchases of Shares"). For the year ended December 31, 2021, the Company repurchased a total of 26,497,800 shares of the Company by means of concentrated competitive bidding under 2021 Repurchases of Shares, accounting for 0.2268% of the total share capital of the Company. The highest price was RMB 21.48/share and the lowest price was RMB 19.04/share. Total amounts paid were RMB 531,060,125.44 (excluding transaction costs) and the transaction costs amounted to RMB 90,351.26.

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59. Other comprehensive income

√Applicable □N/A

Unit: RMB

Item	January 1, 2021	2021						December 31, 2021
		Incurred amount before income tax	Less: Amount included in other comprehensive income in the prior period but transferred to profit or loss of the current period	Less: Amount included in other comprehensive income in the prior period but transferred to retained earnings	Less: Income tax expenses	Attributable to the Company after income tax	Attributable to minority shareholders after income tax	
I. Other comprehensive income that will not be reclassified to profit or loss	13,604,463,087.58	2,034,291,587.84		202,269,344.90	362,334,553.75	1,055,767,767.69	413,919,921.50	14,660,230,855.27
Including: Changes due to re-measurement of defined benefit plans	1,122,663,291.43	-80,453,409.25				-79,255,862.72	-1,197,546.53	1,043,407,428.71
Other comprehensive income that will not be reclassified to profit or loss under equity method	-18,399,665.39	-282,856.63				-164,961.99	-117,894.64	-18,564,627.38
Changes in fair value of other equity instrument investments	12,500,199,461.54	2,115,027,853.72		202,269,344.90	362,334,553.75	1,135,188,592.40	415,235,362.67	13,635,388,053.94
Changes in fair value of the Company's own credit risk								
II. Other comprehensive income that may be reclassified to profit or loss	-268,908,438.05	-219,580,868.37			36,525,424.61	-312,557,457.24	56,451,164.26	-581,465,895.29
Including: Other comprehensive income that may be reclassified subsequently to profit or loss under equity method	-49,188,680.77	-47,691,560.23				-40,886,873.93	-6,804,686.30	-90,075,554.70
Changes in fair value of other debt investments	-105,506,541.23	141,945,475.89		-	35,486,368.97	105,438,911.50	1,020,195.42	-67,629.73
The amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other debt investments	217,372.88							217,372.88
Translation difference of financial statements denominated in foreign currencies	-143,001,143.28	-316,254,879.71				-378,390,534.85	62,135,655.14	-521,391,678.13
Changes in fair value of receivables financing	-9,498,055.42	-1,736,126.84				-1,836,126.84	100,000.00	-11,334,182.26
Other current assets – changes in fair value of interbank depository receipts	37,994,565.89	-6,028,205.25			-1,507,051.31	-4,521,153.94		33,473,411.95
Other non-current assets due within one year – changes in fair value of bonds	34,350.00	-45,799.94			-11,449.99	-34,349.95		0.05
Effective portion of profit or loss from cash flow hedges	39,693.88	10,230,227.71			2,557,556.94	7,672,670.77		7,712,364.65
<b>Total</b>	<b>13,335,554,649.53</b>	<b>1,814,710,719.47</b>		<b>202,269,344.90</b>	<b>398,859,978.36</b>	<b>743,210,310.45</b>	<b>470,371,085.76</b>	<b>14,078,764,959.98</b>

**60. Special reserve**

√Applicable □N/A

Unit: RMB

Item	January 1, 2021	Increase	Decrease	December 31, 2021
Safety production costs	723,680,916.08	132,046,979.67	30,300,280.26	825,427,615.49
<b>Total</b>	<b>723,680,916.08</b>	<b>132,046,979.67</b>	<b>30,300,280.26</b>	<b>825,427,615.49</b>

**61. Surplus reserve**

√Applicable □N/A

Unit: RMB

Item	January 1, 2021	Increase	Decrease	December 31, 2021
Statutory surplus reserve	22,779,030,101.35			22,779,030,101.35
Discretionary surplus reserve	18,064,141,547.16			18,064,141,547.16
Reserve fund				
Enterprise development fund				
Others				
<b>Total</b>	<b>40,843,171,648.51</b>			<b>40,843,171,648.51</b>

**62. Retained earnings**

√Applicable □N/A

Unit: RMB

Item	2021	2020
Balance at the end of prior period before adjustment	134,964,016,372.01	125,280,780,539.08
Adjustment of opening balance of retained earnings (add: +; less: -)	-180,113,149.49	-18,806,032.89
Balance at the beginning of current period (adjusted)	134,783,903,222.52	125,261,974,506.19
Add: Net profit attributable to the owners of the Company	24,533,097,943.83	20,431,037,479.76
Retained earnings carried forward from other comprehensive income of the current year	202,269,344.90	27,563,188.43
Less: Appropriation to statutory surplus reserve		
Appropriation to discretionary surplus reserve		
Appropriation to general risk reserve		
Dividends distribution on ordinary shares	7,176,685,655.90	10,281,446,001.20
Conversion of ordinary shares' dividends into share capital		
Appropriation to general risk reserve of SFC and SAIC-GMAC	256,884,032.64	362,717,886.63
Increase/decrease due to changes in shareholding ratio of the Company in subsidiaries	3,459,288,448.48	26,295,193.11
Appropriation to staff incentive and welfare fund of subsidiaries	50,457,039.35	86,099,721.43
Effect of joint-stock system reform of subsidiaries	-183,001,548.18	
Balance at the end of period	148,758,956,883.06	134,964,016,372.01



Details of adjustment of retained earnings at the beginning of the current period:

1. Retained earnings at the beginning of the current period amounting to RMB -180,113,149.49 was affected due to retrospective adjustment based on ASBE and relevant new regulations.
2. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to changes in accounting policies.
3. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to corrections of significant accounting errors.
4. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to changes in consolidation scope of business combination involving enterprises under common control.
5. Retained earnings at the beginning of the current period amounting to RMB 0 was affected due to other adjustments.

Retained earnings carried forward from other comprehensive income:

The Group's subsidiaries disposed of a portion of their investments in other equity instruments during the year and the cumulative change in fair value included in other comprehensive income was carried forward to retained earnings.

Dividends payable on ordinary shares:

Prior year's cash dividends approved at general meeting of shareholders

Pursuant to resolution made at 2020 annual general meeting of shareholders on June 30, 2021, the Company distributed cash dividends of RMB 6.20 (tax included) per 10 shares, amounting to RMB 7,176,685,655.90 based on 11,575,299,445 shares to which the Company was entitled

Increase/decrease due to changes in shareholding ratio in subsidiaries during the current year:

Please refer to Note (IX) 1.

Effect of joint-stock system reform of subsidiaries:

It was resulted from the reduction in capital reserve due to the transfer of accumulated losses upon conversion of net assets of SHPT, a subsidiary of the Group, into a limited liability company by share during the current year.

Profit distribution determined after the balance sheet date:

According to the proposal of the 8th session of the eighth board of directors held on April 28, 2022, the Company plans to distribute cash dividends of RMB 6.82 (inclusive of tax) per 10 shares amounting to RMB 7,846,983,360.13, based on shares which the Company is entitled to obtain profit. Before the registration date of equity on which dividends are distributed, if there is any change in the total shares which the Company are entitled to obtain profit, it is planned to keep the total amount of distribution unchanged and adjust the amount of distribution per share accordingly. The above dividend distribution plan is subject to the approval of the general meeting of shareholders.

**63. Operating income/costs****(1). Details of operating income/costs**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021		Year ended December 31, 2020	
	Income	Costs	Income	Costs
Primary operations	745,977,427,412.92	676,114,947,097.26	710,196,487,744.15	648,979,658,652.84
Other operations	13,937,208,147.16	10,627,845,456.66	12,846,101,471.13	8,785,885,979.45
<b>Total</b>	<b>759,914,635,560.08</b>	<b>686,742,792,553.92</b>	<b>723,042,589,215.28</b>	<b>657,765,544,632.29</b>

## i Primary operations

Unit: RMB

	Year ended December 31, 2021		Year ended December 31, 2020	
	Operating income	Operating costs	Operating income	Operating costs
Sales of vehicles	556,966,641,271.70	529,615,693,850.05	530,905,373,109.04	506,919,757,471.89
Sales of parts	159,406,778,327.63	122,379,419,450.29	154,883,501,043.67	121,762,480,280.21
Trading	12,451,221,302.56	11,587,676,466.95	10,413,607,445.39	9,991,690,773.54
Service and others	17,152,786,511.03	12,532,157,329.97	13,994,006,146.05	10,305,730,127.20
<b>Total</b>	<b>745,977,427,412.92</b>	<b>676,114,947,097.26</b>	<b>710,196,487,744.15</b>	<b>648,979,658,652.84</b>

## ii Other operations

Unit: RMB

	Year ended December 31, 2021		Year ended December 31, 2020	
	Operating income	Operating costs	Operating income	Operating costs
Sales of raw materials and waste	7,989,584,423.86	6,304,157,204.14	6,090,744,933.87	4,073,225,289.45
Rendering of services	2,749,445,757.54	2,085,120,874.80	3,662,618,262.95	2,837,317,520.90
Rental	680,675,443.85	474,886,688.69	777,799,054.94	569,018,960.22
Others	2,517,502,521.91	1,763,680,689.03	2,314,939,219.37	1,306,324,208.88
<b>Total</b>	<b>13,937,208,147.16</b>	<b>10,627,845,456.66</b>	<b>12,846,101,471.13</b>	<b>8,785,885,979.45</b>

## iii Operating income from the top five customers is as follows:

Unit: RMB

Name	Operating income	Proportion to total operating income (%)
Company 1	30,121,729,635.72	3.96
Company 2	22,757,587,299.56	2.99
Company 3	7,052,044,480.88	0.93
Company 4	4,935,375,097.98	0.65
Company 5	4,825,460,917.15	0.64
<b>Total</b>	<b>69,692,197,431.29</b>	<b>9.17</b>

**(2). Details of income from contracts**

□Applicable √N/A

Explanation of income from contracts:

□Applicable √N/A

**(3). Explanation of performance obligations**

√Applicable □N/A

The Group is mainly engaged in research and development, production and sales of automobiles and parts. For goods sold to customers, the Group recognizes revenue when the control of the goods is transferred, that is, when the goods are delivered to the counterparty's designated location, delivered to the counterparty's designated carrier, or when the sales are completed as otherwise agreed.

**(4). Explanation of allocation to remaining performance obligations**

□Applicable √N/A

**64. Taxes and levies**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Consumption tax	3,244,733,621.07	3,383,566,087.87
Education surcharges	580,353,075.79	702,639,281.68
City construction and maintenance tax	617,608,093.36	667,862,139.28
Stamp tax	517,643,183.51	454,979,561.02
Property tax	313,120,497.16	301,783,889.21
Land use tax	136,976,500.46	121,413,940.70
Others	130,100,170.40	127,541,365.14
<b>Total</b>	<b>5,540,535,141.75</b>	<b>5,759,786,264.90</b>

**65. Selling expenses**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Advertising expenses	13,105,390,077.40	10,435,505,680.31
Product quality warranty	4,866,760,764.53	3,699,408,743.76
Logistics management fee	1,325,142,818.14	1,400,529,507.79
Others	10,207,807,806.07	10,015,883,997.73
<b>Total</b>	<b>29,505,101,466.14</b>	<b>25,551,327,929.59</b>

**66. Administrative expenses**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Labour costs such as wages and salaries	10,140,356,458.76	9,883,423,421.40
Depreciation and amortization	1,874,893,537.68	1,759,216,636.24
Royalties for technology	115,654,131.94	120,023,316.63
Others	11,972,622,199.28	10,055,741,613.21
<b>Total</b>	<b>24,103,526,327.66</b>	<b>21,818,404,987.48</b>

**67. Research and development expenses**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Research expenditure	7,045,653,289.04	3,663,838,315.44
Development expenditure	12,622,844,247.91	9,731,206,072.62
<b>Total</b>	<b>19,668,497,536.95</b>	<b>13,395,044,388.06</b>

**68. Financial expenses**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Interest expenses	2,156,313,639.88	2,259,360,073.91
Less: Capitalized interest expenses	50,187,995.92	79,612,013.25
Less: Interest income	2,410,923,781.61	2,307,766,616.62
Exchange gain or loss	569,818,808.90	474,442,253.20
Others	299,162,991.06	170,495,160.91
<b>Total</b>	<b>564,183,662.31</b>	<b>516,918,858.15</b>

**69. Other income**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Government grants	3,823,183,406.63	2,579,563,169.78
<b>Total</b>	<b>3,823,183,406.63</b>	<b>2,579,563,169.78</b>

**70. Investment income**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Income from long-term equity investments under equity method	17,366,044,031.14	13,596,081,223.06
Gain or loss from business combinations not involving enterprises under common control achieved in stages involving multiple transactions (Note 1)	-1,711,806.78	307,853,661.00
Gains from disposal of long-term equity investments (Note 2)	3,712,257,284.27	920,291,743.79
Gains from disposal of held-for-trading financial assets	3,173,589,065.31	4,460,806,717.96
Investment income from held-for-trading financial assets in holding period	1,496,016,535.69	1,055,886,492.36
Investment income from investments in other equity instruments in holding period	612,515,884.27	593,488,948.97
Interest income from other debt investments in holding period	15,449,818.06	31,093,019.39
Gains from derecognition of financial assets measured at amortized cost (Note 3)	764,415,851.96	

Others	25,828,923.31	44,358,831.28
<b>Total</b>	<b>27,164,405,587.23</b>	<b>21,009,860,637.81</b>

Other explanations:

Note 1: It was mainly resulted from the business combination not involving enterprises under common control of the Group's subsidiary Nanjing Iveco Automobile Co., Ltd. in this year.

Note 2: Among them, RMB 2,612,273,977.52 represents the gains on disposal of investments by Platform Company, a subsidiary of the Group, on disposal of its subsidiary Global Car Sharing; RMB 1,099,295,766.00 represents the gains on disposal of investments by Yanfeng International Seating System Co., Ltd., a subsidiary of the Group, on disposal of its 50.00% equity in Chongqing Yanfeng Adient Automotive Components Co., Ltd. and 100.00% equity in Yanfeng Adient (Langfang) Seat Co., Ltd.

Note 3: It represents the profit or loss arising from partial or total derecognition of some of the financial assets transferred by the Group's subsidiaries SAIC-GMAC and SFC through credit asset securitization transactions during the year.

#### 71. Net exposure hedging income

□Applicable √N/A

#### 72. Gains from changes in fair values

√Applicable □N/A

Unit: RMB

Source	Year ended December 31, 2021	Year ended December 31, 2020
Held-for-trading financial assets	1,737,521,822.54	4,118,614,335.70
Other non-current financial assets		-264,739,525.37
Held-for-trading financial liabilities	347,867.00	-42,239,532.21
<b>Total</b>	<b>1,737,869,689.54</b>	<b>3,811,635,278.12</b>

#### 73. Impairment losses of credit

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Bad debt provision of notes receivable	-27,317,597.13	9,703,064.01
Bad debt provision of accounts receivable	-587,028,289.71	-165,338,994.42
Bad debt provision of other receivables	-46,520,882.77	-18,255,826.63
Impairment losses of credit of other non-current assets	-8,251,731.83	
Impairment provision of debt investments		729,213.51
Impairment provision of other debt investments		-107,154.15
Bad debt provision of long-term receivables	-142,488,987.59	-172,691,086.40
Impairment loss of loans and advances	131,846,963.23	-900,747,467.88
Impairment gains of credit of other non-current assets	448,506,482.74	130,462,602.75
<b>Total</b>	<b>-231,254,043.06</b>	<b>-1,116,245,649.21</b>

**74. Impairment losses of assets**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
1. Bad debt loss		
2. Loss from decline in value of inventories and impairment losses on costs to fulfil a contract	-481,813,095.01	-1,586,594,915.72
3. Impairment on long-term equity investments		-33,839,741.27
4. Impairment on investment properties		-79,023.72
5. Impairment on fixed assets	-428,597,455.41	-1,448,654,564.86
6. Impairment on materials for construction of fixed assets		
7. Impairment on construction in progress	-245,166.61	-5,830,718.88
8. Impairment on bearer biological assets		
9. Impairment on oil and gas assets		
10. Impairment on intangible assets	-6,216,756.38	-105,013,695.83
11. Impairment on goodwill	-66,724,864.08	
12. Others	233,577.45	-9,607,315.10
<b>Total</b>	<b>-983,363,760.04</b>	<b>-3,189,619,975.38</b>

**75. Gains from disposal of assets**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Gains (losses) from disposal of fixed assets	805,168,542.14	-108,267,389.48
Gains (losses) from disposal of construction in progress	4,102,417.63	-2,621,677.86
Gains (losses) from disposal of intangible assets	7,676.08	-92,116.00
Gains from disposal of right-of-use assets	782,942.46	
<b>Total</b>	<b>810,061,578.31</b>	<b>-110,981,183.34</b>

**76. Non-operating income**

Details of non-operating income

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020	Amount included in non-recurring profit or loss for the period
Total gains on disposal of non-current assets			
Including: Gains from disposal of fixed assets			
Gains from disposal of intangible assets			
Gains on exchange of non-monetary assets			

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Donations received			
Government grants	209,123,365.78	499,297,361.40	209,123,365.78
Negative goodwill arising from business combinations not involving enterprises under common control	5,456,162.00		5,456,162.00
Payables waived by creditors	22,165,217.33	14,757,007.17	22,165,217.33
Discount of equity transactions		9,600,202.00	
Others	232,490,517.95	225,929,401.95	232,490,517.95
<b>Total</b>	<b>469,235,263.06</b>	<b>749,583,972.52</b>	<b>469,235,263.06</b>

Government grants recognized in profit or loss

Applicable N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020	Related to asset/income
Relocation compensation	209,123,365.78	423,238,486.51	Asset/income
Others		76,058,874.89	Income
<b>Total</b>	<b>209,123,365.78</b>	<b>499,297,361.40</b>	

Other explanations:

Applicable N/A

**77. Non-operating expenses**

Applicable N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020	Amount included in non-recurring profit or loss for the period
Total losses on disposal of non-current assets			
Including: Losses from disposal of fixed assets			
Losses from disposal of intangible assets			
Losses on exchange of non-monetary assets			
Donations	41,014,346.92	15,461,639.77	41,014,346.92
Relocation	105,862,392.74	93,947,192.09	105,862,392.74
Indemnity loss to suppliers	27,709,329.88	283,299,193.26	27,709,329.88
Others	183,739,293.02	72,750,185.69	183,739,293.02
<b>Total</b>	<b>358,325,362.56</b>	<b>465,458,210.81</b>	<b>358,325,362.56</b>

**78. Income tax expenses**

**(1). Statement of income tax expenses**

Applicable N/A

Unit: RMB

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Item	Year ended December 31, 2021	Year ended December 31, 2020
Current income tax expenses	4,441,920,311.23	7,232,462,677.80
Effect of prior year's income tax annual filing	136,160,483.87	-193,591,446.22
Deferred tax expenses	3,037,819,736.14	-335,297,425.32
<b>Total</b>	<b>7,615,900,531.24</b>	<b>6,703,573,806.26</b>

**(2). Adjustment on accounting profit and income tax expenses**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021
Total profit	41,557,659,388.79
Income tax expense calculated based on statutory/applicable tax rate	6,233,648,908.32
Effect of different tax rates of subsidiaries operating in other jurisdictions	3,590,071,698.53
Effect of adjustment on income tax for the periods	136,160,483.87
Effect of non-taxable income	-2,889,673,783.13
Effect of non-deductible cost, expense and loss	84,378,799.21
Effect of utilizing deductible loss not recognized for deferred tax assets for prior period	-754,504,889.83
Effect of deductible temporary difference or deductible loss not recognized for deferred tax assets for the current period	2,025,788,196.42
Effect of super tax deduction for research and development expenditures	-809,968,882.15
<b>Total</b>	<b>7,615,900,531.24</b>

Other explanations:

□Applicable √N/A

**79. Other comprehensive income**

√Applicable □N/A

Please refer to Note (VII) 59.

**80. Items in the cash flow statement****(1). Other cash receipts relating to operating activities**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Cash receipts from financial leases and government grants	11,765,488,212.41	4,823,480,853.29
<b>Total</b>	<b>11,765,488,212.41</b>	<b>4,823,480,853.29</b>

**(2). Other cash payments relating to operating activities**

√Applicable □N/A

Unit: RMB



Item	Year ended December 31, 2021	Year ended December 31, 2020
Cash payments for operating activities and others	42,585,683,687.28	24,030,987,953.03
<b>Total</b>	<b>42,585,683,687.28</b>	<b>24,030,987,953.03</b>

**(3). Other cash receipts relating to investing activities**

□Applicable ✓N/A

**(4). Other cash payments relating to investing activities**

□Applicable ✓N/A

**(5). Other cash receipts relating to financing activities**

□Applicable ✓N/A

**(6). Other cash payments relating to financing activities**

✓Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Cash payments for bank draft deposits	11,511,309,285.74	5,195,300,478.15
<b>Total</b>	<b>11,511,309,285.74</b>	<b>5,195,300,478.15</b>

**81. Supplementary information to the cash flow statements****(1). Supplementary information to the cash flow statements**

✓Applicable □N/A

Unit: RMB

Supplementary information	Year ended December 31, 2021	Year ended December 31, 2020
<b>1. Reconciliation of net profit to cash flows from operating activities:</b>		
Net profit	33,941,758,857.55	29,188,050,869.17
Add: Provision for impairment loss of assets	983,363,760.04	3,189,619,975.38
Impairment losses of credit	231,254,043.06	1,116,245,649.21
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of bearer biological assets	13,386,833,817.75	12,110,544,349.58
Amortization of intangible assets	2,023,586,974.53	1,423,140,231.07
Depreciation and amortization of investment properties	134,048,947.28	118,066,321.28
Amortization of long-term deferred expenses	636,251,191.25	809,855,268.89
Depreciation and amortization of right-of-use assets	1,504,075,352.37	
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by "-")	-773,728,656.93	124,560,272.86
Losses on changes in fair values (gains are indicated by "-")	-1,737,869,689.54	-3,811,635,278.12
Financial expenses (gains are indicated by "-")	2,106,125,643.96	2,179,748,060.66
Investment losses (income is indicated by "-")	-27,164,405,587.23	-21,009,860,637.81

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Decrease in deferred tax assets (increase is indicated by "-")	2,796,341,095.57	-892,667,179.06
Increase in deferred tax liabilities (decrease is indicated by "-")	241,478,640.57	557,369,753.74
Decrease in inventories (increase is indicated by "-")	16,305,380,923.53	-17,022,182,650.70
Net decrease (increase) in repurchase arrangements	2,193,698,038.21	4,960,686,799.58
Decrease in operating receivables (increase is indicated by "-")	6,361,504,559.37	-23,203,104,368.78
Increase in operating payables (decrease is indicated by "-")	-31,553,958,757.43	47,679,498,367.24
Net cash flow from operating activities	21,615,739,153.91	37,517,935,804.19
<b>2. Significant investing and financing activities that do not involve cash receipts and payments:</b>		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance leases		
<b>3. Net changes in cash and cash equivalents:</b>		
Closing balance of cash	126,909,625,053.67	123,847,282,440.56
Less: Opening balance of cash	123,847,282,440.56	109,822,737,946.69
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	3,062,342,613.11	14,024,544,493.87

**(2). Net cash payments for the acquisition of subsidiaries during the period**

Applicable N/A

**(3). Net cash receipts from the disposal of subsidiaries during the period**

Applicable N/A

**(4). Composition of cash and cash equivalents**

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
I. Cash	126,909,625,053.67	123,847,282,440.56
Including: Cash on hand	1,453,475.49	2,551,918.51
Bank deposits	126,355,982,033.09	121,444,391,176.83
Other monetary funds	552,189,545.09	2,400,339,345.22
Deposits with the central bank		
Deposits made with other banks		
Placements with banks		
II. Cash equivalents		
Including: Debt security investment due within three months		
III. Closing balance of cash and cash equivalents	126,909,625,053.67	123,847,282,440.56

Including: Restricted cash and cash equivalents of the Company or subsidiaries within the Group		
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Other explanations:

Applicable N/A

## 82. Notes to items in the statement of changes in owner's equity

Explanation on matters such as the names and the adjustment amounts of the items included in "others" in respect of adjustments to the closing balances of the prior year:

Applicable N/A

## 83. Assets with restricted ownership or use right

Applicable N/A

Unit: RMB

Item	Carrying amount at December 31, 2021	Reason for restriction
Cash and bank balances	11,616,299,678.99	Refer to Note (VII)1
Notes receivable	104,781,173.72	Refer to Note (VII)4
Accounts receivable	1,457,066,218.81	Refer to Note (VII)5
Receivables financing	417,906,914.08	Refer to Note (VII)6
Other receivables	700,000,000.00	Refer to Note (VII)8
Inventories	294,280,396.04	Refer to Note (VII)10
Other debt instrument investments	1,222,576,475.21	Refer to Note (VII)20
Fixed assets	2,793,722,679.55	Refer to Note (VII)23
Construction in progress	2,253,568,819.23	Refer to Note (VII)24
Intangible assets	2,812,660,729.20	Refer to Note (VII)28
<b>Total</b>	<b>23,672,863,084.83</b>	/

## 84. Foreign currency monetary items

### (1). Foreign currency monetary items

Applicable N/A

Unit: RMB

Item	Closing balance of foreign currency	Exchange rate	Closing balance of RMB equivalent
Cash and bank balances			
Including: USD	897,668,829.36	6.3757	5,723,267,155.35
EUR	402,729,471.35	7.2197	2,907,585,964.31
GBP	269,217,284.82	8.6064	2,316,991,640.07
AUD	435,418,363.34	4.6220	2,012,503,675.36
AED	581,815,110.49	1.7361	1,010,089,213.32
THB	4,241,457,871.13	0.1912	810,966,744.96
CLP	103,227,590,133.00	0.0075	774,206,926.00
HKD	828,965,650.28	0.8176	677,762,315.67
IDR	1,039,929,508,900.00	0.0004	464,848,490.48

INR	4,152,625,972.89	0.0856	355,464,783.28
HUF	13,224,150,335.10	0.0196	259,193,346.57
MYR	90,047,547.41	1.5266	137,466,585.88
NOK	166,773,193.75	0.7234	120,643,728.36
Others			233,102,406.51
Short-term borrowings			
Including: -USD	760,272,832.00	6.3757	4,847,271,494.98
EUR	533,978,766.99	7.2197	3,855,166,504.04
THB	2,446,483,912.34	0.1912	467,767,724.04
AUD	81,086,491.17	4.6220	374,781,762.19
SGD	9,460,550.00	4.7179	44,633,928.84
Long-term borrowings			
Including: EUR	20,000,000.00	7.2197	144,394,000.00
THB	8,135,882,236.87	0.1912	1,555,580,683.69
INR	6,000,000,000.00	0.0856	513,600,000.00

Other explanations:

Note: Most of the transactions of the Group are incurred domestically, and majority of the assets and liabilities are denominated in RMB. Therefore, there were no other significant foreign currency monetary items except for cash and bank balances and borrowings.

**(2). Explanation on overseas operating entities, including significant overseas operating entities, of which the major operation place, functional currency and selection basis as well as changes in functional currency should be disclosed**

Applicable N/A

**85. Hedging**

Applicable N/A

**86. Government grants**

**(1). Basic information of government grants**

Applicable N/A

**(2). Return of government grants**

Applicable N/A

Other explanations:

**(1) Government grants related to assets**

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Relocation compensation	244,820,044.63	105,263,020.27
Subsidies for purchase of long-term	689,270,550.80	282,950,599.24

assets		
Technical improvement	80,161,129.80	178,190,659.72
<b>Total</b>	<b>1,014,251,725.23</b>	<b>566,404,279.23</b>

**(2) Government grants related to income**

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Project development grants	215,362,073.40	405,594,252.69
Financial subsidies	1,711,516,448.09	717,812,932.89
Others	46,032,663.09	187,912,825.19
<b>Total</b>	<b>1,972,911,184.58</b>	<b>1,311,320,010.77</b>

**(3) Government grants recognized in profit or loss and deferred income**

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Government grants recognized in deferred income	1,166,446,730.82	886,837,069.79
Increase in deferred income due to changes in the scope of consolidation	796,630,477.21	84,860,720.00
Deferred income amortized in the current year	2,211,590,593.42	2,087,973,310.97
Government grants immediately recognized in profit or loss for the period	1,820,716,178.99	990,887,220.21

**(4) Government grants recognized in non-operating income**

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Relocation compensation	209,123,365.78	423,238,486.51
Others		76,058,874.89
<b>Total</b>	<b>209,123,365.78</b>	<b>499,297,361.40</b>

**(5) Government grants recognized in other income**

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Relocation compensation	570,942,483.74	254,387,182.83
Subsidies for purchase of long-term assets	469,975,636.88	422,375,598.31
Technical improvement	131,500,510.68	203,306,585.39
Financial subsidies	1,977,814,796.38	717,812,932.89
Subsidies for project development	615,914,162.58	889,426,927.77
Others	57,035,816.37	92,253,942.59
<b>Total</b>	<b>3,823,183,406.63</b>	<b>2,579,563,169.78</b>

**87. Others**

□Applicable √N/A

**VIII. CHANGES IN THE SCOPE OF CONSOLIDATION****1. Business combinations not involving enterprises under common control**

√Applicable □N/A

**(1). Business combinations not involving enterprises under common control incurred in the current period**

√Applicable □N/A

Unit: RMB

Acquiree's name	Acquisition cost	Proportion acquired (%)	Income received by the acquiree from the acquisition date to the end of period	Net profit received by the acquiree from the acquisition date to the end of period
Nanjing Iveco Automobile Co., Ltd.	99,330,000.00	30.10	970,804,929.51	-49,784,803.21
Anyoue Pioneer Automobile Information Technology Co., Ltd.	20,430,700.00	100.00	-	-

Other explanations:

Note 1: Nanjing Iveco Automobile Co., Ltd. (hereinafter referred to as "Nanjing Iveco") was formerly a Sino foreign joint venture engaged in commercial vehicle manufacturing jointly invested and established by the Company's wholly-owned subsidiaries Nanjing Automobile Group and IVECO S.P.A (hereinafter referred to as "Iveco"). Nanjing Automobile Group and Iveco respectively held 50.00% equity interest of Nanjing Iveco. During the current year, the Company signed an equity transfer agreement with Iveco to acquire 30.10% equity interest of Nanjing Iveco held by Iveco with RMB 99,330,000.00. Upon completion of the transaction, the Company obtained the control over Nanjing Iveco, which became a subsidiary of the Company, and the company incorporated Nanjing Iveco into consolidation scope of the consolidated financial statements.

Note 2: Anyo Pioneer Motor Information Technology Co.,Ltd. (hereinafter referred to as "Anyo Pioneer") was formerly a company jointly established by Yanfeng Visteon Investment Co., Ltd. and Pioneer China Holding Co.,Ltd. During the current year, the Group's subsidiary Yanfeng Global Automotive Interior Systems Co.,Ltd.(hereinafter referred to as "Yanfeng Global") purchased 51.00% and 49.00% equity interest of Anyo Pioneer from Yanfeng Visteon Investment Co., Ltd. and Pioneer China Holding Co.,Ltd.respectively. Upon completion of the transaction, Yanfeng Global held 100.00% equity interest of Anyo Pioneer.

Note 3: Co-wheels UK was formerly owned by the Group's subsidiaries SAIC Europe Limited (hereinafter referred to as "SAIC Europe"), Nanjing Automobile Corporation (UK) Ltd., and the Group's joint venture ExaMotive S.A, with shareholding ratio being 30.00%, 20.00% and 50.00% respectively. In October 2019, SAIC Europe signed a loan agreement with ExaMotive S.A, pursuant to which SAIC Europe provided a mortgage loan of EUR 2,700,000.00 to ExaMotive S.A. The collaterals were 100.00% equity interest of TripIQ Systems Limited (hereinafter referred to as "TripIQ") and 50.00% equity interest of Co-Wheels UK, both held by ExaMotive S.A. During the current year, ExaMotive S.A failed to fulfill its due repayment obligations, therefore, SAIC Europe acquired 100.00% equity interest of TripIQ and 50.00% equity interest of Co-Wheels UK according to the loan agreement, and incorporated TripIQ and Co-Wheels UK into consolidation scope of the consolidated financial statements. The difference between the fair value of the equity interest acquired by the mortgage loan of SAIC Europe and the fair value share of the identifiable net assets of the investees was RMB 66,724,864.08, which was recognized as goodwill. Full provision for impairment was made.

**(2). Combination cost and goodwill**

√Applicable □N/A

Unit: RMB

Cost of combination	Nanjing Iveco	Anyo Pioneer
-Cash	99,330,000.00	20,430,700.00
-Fair value of non-cash assets		
-Fair value of debt issued or assumed		
-Fair value of issued equity securities		
-Fair value of contingent consideration		
-Fair value of equity (held prior to the acquisition date ) at the acquisition date	356,435,375.71	
-Others		
Total cost of combination	455,765,375.71	20,430,700.00
Less: Share of fair value of identifiable net assets acquired	571,009,471.89	25,886,862.00
Amount of goodwill/combination cost less than share of fair value of identifiable net assets	-115,244,096.18	-5,456,162.00

**(3). Identifiable assets and liabilities of acquiree at the acquisition date**

√Applicable □N/A

Unit: RMB

	Nanjing Iveco		Anyoue Pioneer	
	Fair value at the acquisition date	Carrying amount at the acquisition date	Fair value at the acquisition date	Carrying amount at the acquisition date
Assets:	5,653,139,452.18	5,698,396,496.28	178,678,556.00	178,678,556.00
Liabilities:	4,940,268,700.76	5,034,550,425.78	152,791,694.00	152,791,694.00
Net assets	712,870,751.42	663,846,070.50	25,886,862.00	25,886,862.00
Less: Minority interests				
Net assets acquired	712,870,751.42	663,846,070.50	25,886,862.00	25,886,862.00

Other explanations:

The fair value of the identifiable net assets is determined based on the appraisal report on the purchase date.

**(4). Gains or losses arising from equity held prior to the acquisition date re-measured at fair value**

Whether there are any transactions where the business combination is achieved in steps and control is obtained in the reporting period

√Applicable □N/A

Unit: RMB

Name of acquiree	Carrying amount of equity at the acquisition date held prior to the acquisition date	Fair value of equity at the acquisition date held prior to the acquisition date	Gains or losses from re-measurement at fair value of equity held prior to the acquisition date
Nanjing Iveco	473,391,278.67	356,435,375.71	-116,955,902.96

**(5). Descriptions about the combination consideration or identifiable assets of the acquiree and fair value of liabilities cannot be determined reasonably at the acquisition date or at the end of the current period**

Applicable N/A

**(6). Other explanations**

Applicable N/A

**2. Business combinations involving enterprise under common control**

Applicable N/A

**3. Counter purchase**

Applicable N/A



**4. Disposal of subsidiaries**

Whether the entity lost control over subsidiaries through a single disposal of the investment in them

Applicable N/A

Unit: RMB

Name of subsidiaries	Equity disposal method
Global Car Sharing and Rental Co., Ltd. (Note 1)	Increase in capital by other shareholders
Chongqing Yanfeng Adient Automotive Components Co., Ltd. (Note 2)	Sold in cash
Yanfeng Adient (Langfang) Seat Co., Ltd. (Note 2)	Sold in cash
Shanghai Yirui Automobile Technology Co., Ltd. (Note 3)	Sold in cash

Other explanations:

Applicable N/A

Note 1: The Company's subsidiary Investment Management originally held 55.14% equity interest in Global Car Sharing and included it in the scope of consolidation. During the current year, The Company's parent company SAIC's subsidiaries including Changzhou SAIKC Mobility Investment Partnership (Limited Partnership) (hereinafter referred to as "Changzhou SAIKC"), Investment Management, Shanghai International Automobile City Development Co., Ltd. and Shanghai Anting Industrial Development Co., Ltd, contributed RMB1,498,500,000.00, RMB41,628,660.14, RMB115,000,000.00 and RMB115,000,000.00 to Global Car Sharing respectively as capital increase. Upon completion of the capital increase, Changzhou SAIKC obtained 45.67% equity interest of Global Car Sharing and became its largest shareholder. Investment Management's shareholding ratio of Global Car Sharing decreased to 27.82% and lost control over Global Car Sharing. Therefore, Investment Management accounted its investments in Global Car Sharing by changing to equity method.

Note2: During the current year, the Group's subsidiary Yanfeng Adient Seating Co., Ltd. (hereinafter referred to as "Yanfeng Seating") sold 50.00% equity interest of Chongqing Yanfeng Adient Automotive Components Co., Ltd. and 100.00% equity interest of Yanfeng Adient (Langfang) Seat Co., Ltd. to Qiyue (Shanghai) Trading Co., Ltd. at a cash consideration of RMB 1,753,950,000.00. Upon completion of the transaction, Yanfeng Seating no longer held equity interest of Chongqing Yanfeng Adient Automotive Components Co., Ltd. and Yanfeng Adient (Langfang) Seat Co., Ltd.

Note 3: During the current year, the Company's subsidiary Industry Sales sold part of its equity interest in Shanghai Yirui to Ningbo Huaxiang Group Co., Ltd. at a cash consideration of RMB 46,250,000.00, and its shareholding ratio of Shanghai Yirui was decreased from 100.00% to 25.00%, thus losing control over Shanghai Yirui. Therefore Industry Sales accounted its investments in Shanghai Yirui by changing to equity method.

Note 4: During the current year, the Company's subsidiary SAIC Financial Holding no longer had control over its partnership enterprise Taizhou Shangqi Qifeng Equity Investment Partnership (L.P.), and accounted its investments in Taizhou Shangqi Qifeng Equity Investment Partnership (L.P.) by changing to equity method, which had no significant impact on profit or loss during the year.

**5. Other reasons for changes in scope of consolidation**

Explanation on the changes in consolidation scope incurred by other reasons (such as incorporation of new subsidiaries, liquidation of subsidiaries and others) and other related circumstances:

Applicable N/A

In this year, the Group established subsidiaries including Rising Auto Technology Co., Ltd., Jiaxing Ruijia Equity Investment Partnership (Limited Partnership), Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (Limited Partnership), Z-ONE TECH Co., Ltd. and Jiaxing Dongxi Zhihang Equity Investment Partnership (Limited partnership) and included these subsidiaries into consolidation scope of the consolidated financial statements since the inception date.

Other than the transactions above, there were no material changes to the scope of consolidation of consolidated financial statements during the year.

**6. Others**

Applicable N/A

## IX. INTERESTS IN OTHER ENTITIES

### 1. Interests in subsidiaries

#### (1). Composition of the Group

√Applicable □N/A

Name of subsidiaries	Place of incorporation	Registered capital	Registered capital	Scope of business	Equity interest held (%)		Ways of acquisition
		Currency	RMB Thousand		Directly	Indirectly	
SAIC Motor UK Co., Ltd.	Birmingham, UK	GBP	3,000	R&D of automobiles	100.00		Establishment or investment
SAIC Motor Transmission Co., Ltd.	Shanghai, China	RMB	5,359,590	Manufacturing and sales of automobile transmission and spare parts	100.00		Establishment or investment
SAIC HK Investment Co., Ltd.	Hong Kong, China	USD	296,900	International trade of auto and critical spare parts, investment, technical and service trade, training and consulting	100.00		Establishment or investment
SAIC Maxus Vehicle Co., Ltd.	Shanghai, China	RMB	9,966,110	Manufacturing of automobiles and components	100.00		Establishment or investment
SAIC Capital Company Limited	Shanghai, China	RMB	4,538,170	Equity investment, venture capital investment, industrial consulting, property management	100.00		Establishment or investment
SAIC General Motors Sales Co., Ltd.	Shanghai, China	USD	49,000	Sales of automobiles	51.00		Establishment or investment
SAIC Motor - CP Co., Ltd.	Bangkok, Thailand	THB	7,350,000	Developing, manufacturing and sales of automobiles and spare parts; Manufacturing and processing of machinery		70.00	Establishment or investment
Shanghai Shanghong Real Estate Co., Ltd.	Shanghai, China	RMB	1,900,000	Developing and operating real estate, property management	100.00		Establishment or investment
SAIC International Indonesia PT.	Indonesia	USD	118,000	Developing and operating real estate, property management		100.00	Establishment or investment
SAIC Investment Management Co., Ltd.	Shanghai, China	RMB	8,780,587	Industrial investment, asset management, investment management, storage service (except hazardous goods)	100.00		Establishment or investment
SAIC Group Financial Holding Management Co., Ltd.	Shanghai, China	RMB	10,050,000	Industrial investment, asset management, investment management, consulting services, and network technology etc.	100.00		Establishment or investment
SAIC Insurance Sales Co., Ltd.	Shanghai, China	RMB	200,000	Insurance agent service		100.00	Establishment or investment
SAIC Volkswagen Sales Co., Ltd.	Shanghai, China	USD	29,980	Sales of automobiles and spare parts	50.00	10.00	Acquired through business combinations involving enterprises under common control

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SAIC GM Wuling Co., Ltd.	Guangxi, China	RMB	1,668,077	Sales and manufacturing of automobiles and spare parts	50.10		Acquired through business combinations involving enterprises under common control
China United Automotive System Co., Ltd.	Shanghai, China	RMB	600,620	Manufacturing and sales of electricity-controlled burning oil products		54.00	Acquired through business combinations involving enterprises under common control
SAIC Finance Co., Ltd.	Shanghai, China	RMB	15,380,000	Automotive Finance	99.00	1.00	Acquired through business combinations involving enterprises under common control
SAIC-GMAC Automotive Finance Co., Ltd.	Shanghai, China	RMB	8,500,000	Automotive Finance		55.00	Acquired through business combinations not involving enterprises under common control
Shanghai Pengpu Machine Building Plant Co., Ltd.	Shanghai, China	RMB	1,030,000	Manufacturing and sale of engineering machinery facilities	100.00		Acquired through business combinations involving enterprises under common control
HUAYU Automotive Systems Co., Ltd.	Shanghai, China	RMB	3,152,724	Design, manufacturing and sales of spare parts assembly	58.32		Acquired through business combinations involving enterprises under common control
Anji Automotive Logistics Co., Ltd.	Shanghai, China	RMB	600,000	Logistics service for automobiles and spare parts	98.00	2.00	Acquired through business combinations involving enterprises under common control
Shanghai Automotive Industry Sales Co., Ltd.	Shanghai, China	RMB	4,124,472	Sales and purchase of automobiles and spare parts	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Shangyuan Investment Management Co., Ltd.	Shanghai, China	RMB	350,000	Development, operation, leasing, property management and investment management (excluding equity investment management) of industrial workshops and supporting facilities	100.00		Acquired through business combinations involving enterprises under common control
China Automotive Industrial Development Co., Ltd.	Beijing, China	RMB	64,165	Sales and after-sales service of automobiles	100.00		Acquired through business combinations involving enterprises under common control
SAIC Motor North America Co., Ltd.	USA	USD	980	Import and export of spare	100.00		Acquired through business combinations involving enterprises under common control
SAIC Motor (Beijing) Co., Ltd.	Beijing, China	RMB	200,000	Marketing, warehouse and logistics of automobiles	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Automobile Asset Management Co., Ltd.	Shanghai, China	RMB	915,900	Property management and innovation services, etc.	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Hydrogen Propulsion	Shanghai, China	RMB	737,142	Technical service, technical development, technical	4.62	66.19	Establishment or investment

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Technology Company Limited				consulting			
Donghua Automotive Industrial Co., Ltd.	Jiangsu, China	RMB	1,083,208	Logistics, import and export, detail services of automobiles	75.00		Acquired through business combinations involving enterprises under common control
SAIC Activity Centre Co., Ltd.	Shanghai, China	RMB	160,000	Hospitality, beverage and catering services	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Automotive News Press Co., Ltd.	Shanghai, China	RMB	1,000	Publishing and distribution of <i>Shanghai Auto News</i>	100.00		Acquired through business combinations involving enterprises under common control
DIAS Automotive Electronic Systems Co., Ltd.	Shanghai, China	RMB	318,298	Research and development production and sales of automobile electronic systems and components		100.00	Acquired through business combinations involving enterprises under common control
Shanghai New Power Automotive Technology Company Limited (Note)	Shanghai, China	RMB	1,631,536	Manufacturing and sales of diesel engines and spare parts	47.99		Acquired through business combinations not involving enterprises under common control
Nanjing Automobile (Group) Corporation	Jiangsu, China	RMB	7,600,000	Development, manufacturing and sales of automobiles, engines and spare parts	100.00		Acquired through business combinations involving enterprises under common control
Shanghai Sunwin Bus Co., Ltd.	Shanghai, China	RMB	1,371,160	Development, assembly, manufacture and sales of passenger bus and spare parts	100.00		Acquired through business combinations not involving enterprises under common control
SAIC HONGYAN Automobile Co., Ltd.	Chongqing, China	RMB	4,100,000	Development, manufacture and sales of vehicle and spare parts		100.00	Acquired through business combinations not involving enterprises under common control
SAIC New Energy Marketing Service (Shenzhen) Co., Ltd.	Shenzhen, China	RMB	50,000	Vehicle sales, hardware and electricity components, building materials, sales of electromechanical products, etc.		100.00	Establishment or investment
SAIC New Energy Vehicle Sales Service (Guangzhou) Co., Ltd.	Guangzhou, China	RMB	10,000	Sales and leasing of automobile, wholesale of hardware, building materials, etc.		100.00	Establishment or investment
Shanghai E-propulsion Auto Technology Co., Ltd.	Shanghai, China	RMB	1,450,000	R&D of automobiles		100.00	Acquired through business combinations involving enterprises under common control
Shanghai New Energy Vehicle Sales Service (Xiamen) Co., Ltd.	Xiamen, China	RMB	5,000	Wholesale of auto parts, hardware products, retail of automobiles, etc.		100.00	Establishment or investment
SAIC International Trade Co., Ltd.	Shanghai, China	RMB	3,081,749	Import and export of automobiles and spare parts		100.00	Establishment or investment
Ningbo Meishan Free Trade Port Zone Jie Chuang Equity Investment Partnership (Limited Partnership)	Ningbo, China	RMB	70,010	Equity investment and related consulting services		99.99	Establishment or investment

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SAIC (Changzhou) Innovation Development Investment Fund Co., Ltd.	Changzhou, China	RMB	2,821,000	Investment management, fund management, industrial investment, venture capital investment, etc.		99.50	Establishment or investment
Shanghai Fanyi Shangxing Technology Co., Ltd.	Shanghai, China	RMB	33,333	Technical service, technical development, technical consulting, technical exchange, technical transfer		90.00	Establishment or investment
MG MOTOR INDIA PRIVATE., LTD	India	INR	32,750,000	Developing, manufacturing and sales of automobiles and spare parts		100.00	Establishment or investment
SAIC Overseas Mobility Technology Co., Ltd.	Shanghai, China	RMB	80,000	Computer network science and technology, network technology and communication technology		100.00	Establishment or investment
Changzhou Qide Equity Investment Fund Center (Limited Partnership) (Hereinafter referred to as "Changzhou Qide")	Jiangsu, China	RMB	3,000,000	Trusteeship of private equity fund, investment management, industrial investment and venture capital investment	99.89	0.11	Acquired through business combinations not involving enterprises under common control
Shanghai Yuanjie Intelligent Technology Equity Investment Fund Partnership (Limited Partnership)	Shanghai, China	RMB	7,200,000	Equity investment, industrial investment, investment management, asset management	74.99		Establishment or investment
Jiaxing Qijun No. 1 Equity Investment Partnership (Limited Partnership)	Shanghai, China	RMB	1,001,000	Equity investment and related consulting services	99.70		Establishment or investment
SAIC GM Wuling Indonesia Multi Finance Company (hereinafter referred to as "Multi Finance Indonesia ")	Indonesia	IDR	600,000,000	Diversified financial services		62.00	Establishment or investment
SAIC Shidai Power Battery System Co., Ltd	Jiangsu, China	RMB	300,000	Development, production and sales of power battery module and system		51.00	Establishment or investment
SECCO Intelligent Technology (Shanghai) Co., Ltd	Shanghai, China	RMB	68,620	Technical development, technical transfer, technical consultation and technical service		100.00	Establishment or investment
Nanjing Iveco Automobile Co., Ltd.	Jiangsu, China	RMB	2,527,000	Development and manufacture of vehicles, passenger bus and spare parts	30.10	50.00	Acquired through business combinations not involving enterprises under common control
Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (Limited Partnership)	Qingdao, China	RMB	6,022,000	Engage in equity investment, investment management, asset management and other activities with private equity funds	99.86	0.10	Establishment or investment
Jiaxing Ruijia Equity Investment Partnership (Limited Partnership)	Jiaxing, China	RMB	8,001,000	Equity investment and related consulting services	99.99		Establishment or investment
Jiaxing Dongxi Zhihang Equity Investment Partnership (Limited partnership)	Jiaxing, China	RMB	643,000	Equity investment, industrial investment and investment consulting	84.22		Establishment or investment
Rising Auto Technology Co., Ltd.	Shanghai, China	RMB	7,000,000	Sales of new energy vehicles and electronic accessories of new energy vehicles, and R&D of automobile spare parts, etc.	95.00		Establishment or investment

Other explanations:

Note: The shareholding ratio of the Group in New Power Technology is less than 50%. However, given the fact that other shareholders hold relatively small and dispersed amount of shares, the Group has substantial control over New Powe Technology.

**(2). Significant non-wholly owned subsidiaries**

Applicable N/A

Unit: RMB Thousand

Name of the subsidiary	Equity interest held by minority shareholders	Profit or loss attributable to minority shareholders during the period	Dividend declared to minority shareholders during the period	Minority interests at December 31, 2021
HASCO	41.68	4,155,805.53	2,475,234.22	24,069,073.12
SGMW	49.90	849,525.47		4,438,403.51

Explanation on situation that the shareholding proportion of minority shareholders of subsidiaries is different from the proportion of voting rights:

Applicable N/A

Other explanations:

Applicable N/A

**(3). Major financial information of significant non-wholly owned subsidiaries**

√Applicable □N/A

Unit: RMB Thousand

**(4) Significant restrictions for the utilization of the Group's assets and the liquidation of the Group's liabilities**

Name of the subsidiary	December 31, 2021						January 1, 2021					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
HASCO	94,995,006.72	58,851,756.87	153,846,763.59	88,332,154.19	11,840,077.12	100,172,231.31	93,927,743.48	56,508,216.11	150,435,959.59	84,712,579.14	7,535,240.71	92,247,819.85
SGMW	34,024,731.99	17,562,667.62	51,587,399.61	38,013,064.28	4,961,849.98	42,974,914.26	34,323,912.67	18,590,614.55	52,914,527.22	40,305,269.92	5,083,544.89	45,388,814.81

□Applicable √N/A

Unit: RMB Thousand

Name of the subsidiary	Year ended December 31, 2021				Year ended December 31, 2020			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
HASCO	139,944,139.63	6,468,939.92	8,561,783.47	8,848,072.61	133,577,639.72	5,403,276.87	7,075,292.23	9,376,257.35
SGMW	78,942,826.74	1,135,233.72	1,086,772.94	4,124,565.31	72,926,783.25	142,341.11	(95,747.50)	4,542,917.72

**(5) Financial or other supports provided to structured entities included in scope of consolidated financial statements**

□Applicable √N/A

Other explanations:

□Applicable √N/A



## 2. Transactions that cause changes in the Group's equity interest in subsidiaries but do not result in loss of control

Applicable N/A

(1). Explanations on changes in shares of owners' equity interest in subsidiaries

Applicable N/A

1) Yanfeng Seating was formerly a subsidiary with a shareholding ratio of 50.01% held by the Group's subsidiary Yanfeng Automotive Trim System Co., Ltd. (hereinafter referred to as "Yanfeng"). In the current year, Yanfeng purchased 49.99% equity interest of Yanfeng Seating from Adient Asia Holdings Co., Ltd. with RMB 8,063,640,000.00. Upon completion of the transaction, Yanfeng Seating became a wholly-owned subsidiary of Yanfeng.

2) New Power Technology was formerly the Company's subsidiary with a shareholding ratio of 48.05% held by the Company. In the current year, reviewed and approved by the 1st extraordinary general meeting in 2021 held by New Power Technology on April 16, 2021, and authorized by China Securities Regulatory Commission with "Reply on Approval of Shanghai Diesel Engine Company Limited to Issue Shares to SAIC Motor Corporation Limited to Purchase Assets and Raise Matching Funds (Zheng Jian Xu Ke [2021] No. 2321) issued on July 8, 2021, New Power Technology issued 366,594,314 ordinary shares amounting to RMB 2,962,082,062.81 to the Company to purchase 56.96% equity interest of SAIC HONGYAN and 50.00% equity interest of SAIC Iveco Commercial Vehicle Investment Co., Ltd. (hereinafter referred to as "SII ") held by the Company, issued 175,782,178 ordinary shares amounting to RMB 1,420,320,000.00 to Chongqing Machinery & Electronics Holding (Group) Co., Ltd. to purchase 34.00% equity interest of SAIC HONGYAN and 10.00% equity interest of SAIC Fiat Powertrain Hongyan Co., Ltd. held by Chongqing Machinery & Electronics Holding (Group) Co., Ltd., paid RMB 289,542,601.34 in cash to purchase 9.04% equity interest of SAIC HONGYAN held by SII and raised matching funds of RMB 1,980,978,763.13 from specific targets. Upon completion of the transactions, the Company's shareholding ratio in New Power Technology decreased from 48.05% to 47.99%.

3) SHPT was formerly the Company's subsidiary with a shareholding ratio of 78% held by Investment Management's subsidiary SAIC (Changzhou) Innovation Development Investment Fund Co., Ltd. (hereinafter referred to as "Changzhou Innovation") and a shareholding ratio of 12.00% held by the Company. In the current year, the Company transferred 6.13% equity interest of SHPT to New Power Technology. In addition, SHPT's investors such as Changzhou Innovation contributed RMB 897,419,843.00 to SHPT as capital increase. Upon completion of the equity transfer and capital increase, Changzhou Innovation, the Company and New Power Technology held 61.37%, 4.62% and 4.82% of shares in SHPT respectively.

4) In the current year, the Company's subsidiary SAIC HK Investment Co., Ltd. purchased 1.00% minority shareholders' equity of its subsidiary China United Automotive System Co., Ltd. in cash of RMB 122,000,000.00, and its shareholding ratio of China United Automotive System Co., Ltd. increased from 53.00% to 54.00%.

5) Chongqing ANJI-HONGYAN Logistics Co., Ltd. (hereinafter referred to as "Chongqing Anji Logistics") was formerly a subsidiary of ANJI-CEVA Logistics Co., Ltd. (hereinafter referred to as "ANJI-CEVA"), a subsidiary of the Group with a shareholding ratio of 60.00% held by ANJI-CEVA. In the current year, ANJI-CEVA purchased 40.00% equity interest held by the former minority shareholders of Chongqing Anji Logistics at RMB 11,907,702.01 (RMB 6,000,000.00 of which was not

paid by the end of the current year). Upon completion of the transaction, Chongqing Anji Logistics became a wholly-owned subsidiary of ANJI-CEVA.

6) Shanghai Fanyi Shangxing Technology Co., Ltd. (hereinafter referred to as "Fanyi Shangxing ") was formerly a wholly-owned subsidiary of Changzhou Innovation. In the current year, new investors such as Zhengzhou Fanan Information Technology Partnership (Limited Partnership) and Zhengzhou Fanyiyun Information Technology Partnership (Limited partnership) contributed a total of RMB 4,017,985.00 to Fanyi Shangxing as capital increase. Upon introduction of new investors by Fanyi Shangxing, the Group's shareholding ratio of Fanyi Shangxing decreased from 100.00% to 90.00%.

7) Huayu Automotive Electric Drive System Co., Ltd. (hereinafter referred to as "HAES") was formerly a subsidiary of the Group's subsidiary HASCO, with a shareholding ratio of 87.52% held by HASCO and the other shareholding ratio of 12.48% held by Aerospace Science and Industry Haiying Group Co., Ltd. and Aerospace Jiangnan Group Co., Ltd. In the current year, HASCO purchased another 12.48% equity interest of HAES with RMB 96,500,000.00. Upon completion of the transaction, HAES became a wholly-owned subsidiary of HASCO.

8) Yanfeng Automotive Trim Systems Zhejiang Co., Ltd. (hereinafter referred to as "Yanfeng Zhejiang") was formerly a subsidiary of the Group's subsidiary Yanfeng Global, with a shareholding ratio of 60.00% held by Yanfeng Global. In the current year, Yanfeng Global purchased 9.00% and 31.00% equity interest of Yanfeng Zhejiang held by Hangzhou Jiqiao Automobile Technology Co., Ltd. and Taizhou Jili Runda Automotive Components and Parts Co., Ltd. respectively with RMB 20,732,600.00. Upon completion of the transaction, Yanfeng Zhejiang became a wholly-owned subsidiary of Yanfeng Global.

9) Yanfeng Lightweight Composites (Changzhou) Co., Ltd. (hereinafter referred to as "Yanfeng Composites") was formerly a subsidiary of the Group's subsidiary Yanfeng, with a shareholding ratio of 50.10% held by Yanfeng. In the current year, Yanfeng purchased 49.90% equity interest of Yanfeng Composites from Woodbridge Foam Corporation with RMB 12,000,000.00. Upon completion of the transaction, Yanfeng Composites became a wholly-owned subsidiary of Yanfeng.

10) Hefei Johnson Controls Auto Saddle Co., Ltd. (hereinafter referred to as "Hefei Johnson") was formerly held by the Group's subsidiary Yanfeng indirectly with a shareholding ratio of 33.00%. Yanfeng had actual control over Hefei Yunhe. In the current year, Yanfeng purchased 10.00% equity interest of Hefei Johnson from Adient Asia Holdings Co., Ltd with RMB 13,200,000.00. Upon completion of the transaction, Yanfeng indirectly held a total of 43.00% equity interest of Hefei Johnson.

11) Guangzhou Dongfeng Adient Seat Co., Ltd. (hereinafter referred to as "Guangzhou Dongfeng Adient") was formerly held by the Group's subsidiary Yanfeng indirectly with a shareholding ratio of 50.00%. Yanfeng had actual control over Guangzhou Dongfeng Adient. In the current year, Yanfeng purchased 25.00% equity interest of Guangzhou Dongfeng Adient from Adient Asia Holdings Co., Ltd with RMB 371,000,000.00. Upon completion of the transaction, Yanfeng held a total of 75.00% equity interest of Guangzhou Dongfeng Adient.

12) Nantong Yanfeng Adient Seat Trim Co., Ltd. (hereinafter referred to as "Nantong Yanfeng Adient Seat Trim") was formerly held by the Group's subsidiary Yanfeng Seating with a shareholding ratio of

75.00% and the remaining 25.00% was held by Adient Asia Holdings. In the current year, KEIPER Seating Mechanisms Co., Ltd., a subsidiary of Yanfeng, purchased 75.00% and 25.00% equity interest of Nantong Yanfeng Adient Seat Trim from Yanfeng Seating and Adient Asia Holdings with RMB 113,020,000.00 and RMB 37,680,000.00 respectively. Upon completion of the transactions, Nantong Yanfeng Adient Seat Trim became a wholly-owned subsidiary of KEIPER Seating Mechanisms Co., Ltd.

**(2). Effects of transactions on minority interests and owners' equity attributed to equity holders of the Company**

Applicable N/A

Unit: RMB

	<b>NEW POWER TECHNOLOGY reconstructing</b>	<b>Purchase of minority interests</b>	<b>Increase in capital by minority shareholders</b>	<b>Total</b>
Purchase cost/disposal consideration				
- Cash	-1,691,436,161.79	8,742,660,302.01	-901,437,828.00	6,149,786,312.22
- Fair value of non-cash assets	-1,420,320,000.00			- 1,420,320,000.00
- Outstanding payment for equity purchases		6,000,000.00		6,000,000.00
Total	-3,111,756,161.79	8,748,660,302.01	-901,437,828.00	4,735,466,312.22
Add: Decrease of net assets in consolidated statements of subsidiaries due to business combinations under common control of subsidiaries	338,451,727.71			338,451,727.71
Add: Effect of transactions among minority shareholders	802,185,261.71			802,185,261.71
Less: Share of net assets of subsidiaries calculated according to the proportion of equity acquired/disposed	-1,804,283,656.86	4,238,768,086.38	-366,803,057.80	2,067,681,371.72
Difference	-166,835,515.51	4,509,892,215.63	-534,634,770.20	3,808,421,929.92
Including: Adjustment of capital reserve	-166,835,515.51	1,050,603,767.15	-534,634,770.20	349,133,481.44
Adjustment of retained earnings		3,459,288,448.48		3,459,288,448.48
Effects on minority interests	1,804,283,656.86	-4,238,768,086.38	366,803,057.80	-2,067,681,371.72

Other explanations

Applicable N/A

**3. Interests in joint ventures and associates**

Applicable N/A

**(1). Significant joint ventures and associates**

√Applicable □N/A

Unit: RMB

Name of joint venture or associate	Principal place of business	Place of registration	Nature of business	Shareholding ratio (%)		Accounting method
				Directly	Indirectly	
SAIC Volkswagen Automotive Co., Ltd. ("SAIC Volkswagen")		Shanghai, China	Manufacturing and sales of automobiles and components	50.00		Equity method
SAIC General Motors Co., Ltd. ("SAIC GM")		Shanghai, China	Manufacturing and sales of automobiles and components	50.00		Equity method

**(2). Major financial information of significant joint ventures**

√Applicable □N/A

Unit: RMB Thousand

	Year ended December 31, 2021		Year ended December 31, 2020	
	SAIC Volkswagen	SAIC GM	SAIC Volkswagen	SAIC GM
Current assets	40,495,409.02	43,558,757.07	52,184,921.74	36,311,092.70
Non-current assets	77,795,305.77	62,977,802.09	74,474,071.13	68,955,269.85
Total assets	118,290,714.79	106,536,559.16	126,658,992.87	105,266,362.55
Current liabilities	84,655,262.85	75,941,640.90	85,194,158.46	77,855,391.51
Non-current liabilities	6,248,659.88	2,184,814.91	8,714,211.66	2,257,484.27
Total liabilities	90,903,922.73	78,126,455.81	93,908,370.12	80,112,875.78
Minority interests		5,741,871.71		5,572,879.39
Shareholders' equity attributable to equity holders of the Company	27,386,792.06	22,668,231.64	32,750,622.75	19,580,607.38
Share of net assets calculated based on shareholding ratio	13,693,396.03	11,334,115.82	16,375,311.38	9,790,303.69
Adjusting events				
-Goodwill		227,973.19		227,973.19
-Unrecognized profit of internal transactions				
-Others				
Carrying amount of equity investment in joint ventures	13,693,396.03	11,562,089.01	16,375,311.38	10,018,276.88
Fair value of equity investment in joint ventures with public quotation				
Operating income	159,238,191.63	182,264,236.64	174,496,687.22	177,295,418.56
Net profit attributable to owners of the Company	10,186,007.64	7,261,136.13	15,488,529.87	4,103,213.26

Minority interests		1,608,416.69		1,828,901.00
Other comprehensive income	-61,308.47		-73,105.73	
Total comprehensive income	10,124,699.17	8,869,552.82	15,415,424.14	5,932,114.26

**(3). Major financial information of significant associates**

Applicable N/A

**(4). Summarized financial information of insignificant joint ventures and associates**

Applicable N/A

Unit: RMB Thousand

	Year ended December 31, 2021	Year ended December 31, 2020
Joint ventures:		
Total carrying amount of investments		
Total amounts calculated based on shareholding ratio		
- Net profit	4,273,349.94	3,717,417.43
- Other comprehensive income	193.19	137.89
- Total comprehensive income	4,273,543.13	3,717,555.32
Associates:		
Total carrying amount of investments		
Total amounts calculated based on shareholding ratio		
- Net profit	1,248,770.61	663,656.73
- Other comprehensive income	-18,067.06	48,551.25
- Total comprehensive income	1,230,703.55	712,207.98

**(5). Explanations on significant restrictions on the capability of joint ventures or associates to transfer funds to the Company**

Applicable N/A

**(6). Excess loss of joint ventures or associates**

Applicable N/A

**(7). Unrecognized commitment relating to investments in joint ventures**

Applicable N/A

**(8). Contingent liabilities relating to investments in joint ventures or associates**

Applicable N/A

#### 4. Significant joint operations

Applicable N/A

#### 5. Interests in structured entities that are not included in the scope of the consolidated financial statements

Explanations on structured entities that are not included in the scope of the consolidated financial statements:

Applicable N/A

Interests in structured entities that are not included in the scope of the consolidated financial statements are those invested by the Group through other institutions, including fund investment and wealth management products. The Group only holds the shares of investment without control, so these structured entities are not included in the scope of the consolidated financial statements. During the year 2021, the Group did not provide any liquidity support to any of these structured entities.

Apart from unconsolidated structured entities that were accounted for in long-term equity investments (refer to Note (VII) 19), the table below illustrates the carrying amount and risk exposure of the interests in structured entities that are not included in the scope of the consolidated financial statements at December 31, 2021.

Unit: RMB Thousand

Item	December 31, 2021		
	Investment amount	Maximum risk exposure	Account
Funds	12,928,765.56	12,928,765.56	Held-for-trading financial assets
Asset management and trust plan	23,707,759.45	23,707,759.45	Held-for-trading financial assets
Assets backed securities	388,110.54	388,110.54	Held-for-trading financial assets
Wealth management products	400,815.49	400,815.49	Held-for-trading financial assets

#### 6. Others

Applicable N/A

### X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Applicable N/A

The Group's major financial instruments include cash and bank balances, held-for-trading financial assets, notes receivable, accounts receivable, financing with receivables, other receivables, financial assets purchased under resale agreements, short-term loans issued under other current assets, interbank depository receipts, short-term entrusted loans, discount, asset-backed securities under other non-current assets, long-term entrusted loans, loans and advances, debt investments, other debt investments, investments in other equity instruments, other non-current financial assets, long-term receivables, borrowings, held-for-trading financial liabilities, notes payable, accounts payable, other payables, and bonds payable, etc. Details of these financial instruments are disclosed in Note (VII). The risks associated with these financial instruments and the policies on how to mitigate these risks are set out

below. Management manages and monitors these exposures to ensure the risks are monitored at a certain level.

The Group conducted sensitivity analysis to analyze the impact of reasonable and possible changes of risk variables on profit or loss and equity of the current period. The following are based on the assumption that the change in each risk variable is on a stand-alone basis, but it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable.

## **1. Risk management objectives and policies**

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts of risks on the Group's operation performance, and maximize the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyze the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implements risk management, and monitors regularly and effectively these exposures to ensure the risks are monitored at a certain level.

### 1.1 Market risk

#### 1.1.1 Currency risk

Currency risk is the risk that losses will occur because of changes in foreign exchange rates. For the detailed items of currency risk, see Note (VII) 84. The Group is closely monitoring the effects that might have on currency risk due to change in exchange rate.

#### 1.1.2. Interest rate risk

The Group is exposed to cash flow risk because the Group borrows funds at floating interest rates. At the year-end, Group had floating rate borrowings of RMB 10,766,052,180.00 (December 31, 2020: RMB 12,322,105,510.00). For floating rate borrowings, provided that none of the outstanding liabilities at the balance sheet date is repaid throughout the year, if the interest rates had been 25 base points higher/lower and other variables were held constant, the pre-tax profit would decrease/increase by RMB 26,915,130.00 (December 31, 2020: RMB 30,805,260.00).

#### 1.1.3. Other price risk

The stocks held by the Group that included in held-for-trading financial assets and investments in other equity instruments are measured at fair value at the balance sheet date, exposing the Group to price risk. If the fair value of the stocks held by the Group at the end of the year had increased or decreased by 10% while all other variables remained constant, the shareholders' equity of the Group at the end of the year would have increased or decreased by RMB 2,754,407,560.00 (irrespective of deferred income tax effects, December 31, 2020: RMB 2,903,259,770.00).

### 1.2 Credit risk

As at the end of current year, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees

issued by the Group is arising from the carrying amounts of financial assets recognized in the consolidated balance sheet and finance lease receivables, and the amounts of the financial guarantee contracts disclosed in note (XIV). The carrying amount of the Group's financial assets at the balance sheet date represents its maximum credit risk exposure.

In order to minimize the credit risk, the Company and its subsidiaries have specially-assigned persons to take charge of determining credit limits, conducting credit approvals, and implementing other monitoring procedures to ensure that necessary measures are taken to recover past due claims. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because they are deposited with banks with high credit ratings.

Except for the amount of accounts receivable due from certain joint ventures and associates of the Group (refer to Note (VII) 5) and part of other receivables (refer to Note (VII) 8) that is significant, the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

### 1.3 Liquidity risk

In the management of liquidity risk, the management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations of cash flows.

## 2. Transfer of financial assets

### 2.1 Assets securitization

In the transaction of credit assets securitization, the Group derecognized this kind of financial assets wholly or partly based on the extent of retained risks and rewards of ownership in the transferred financial assets.

The following table set forth the details of securitized credit assets of the Group's subsidiaries SAIC Financial Holding, SFC and SAIC-GMAC due to continuous involvement as at the end of current year:

RMB 100 million	
	<b>Amount</b>
Carrying amount of securitized credit assets transferred before the transfer (Note)	683.62
Carrying amount of assets backed securities recognized by SAIC Financial Holding, SFC and SAIC-GMAC	53.24
Carrying amount of financial assets and liabilities involved continuously recognized by SAIC Financial Holding, SFC and SAIC-GMAC (Note)	53.24

Note: The Group's subsidiaries SAIC Financial Holding, SFC and SAIC GMAC, continued to provide management services for the above transferred securitized credit assets. SAIC Financial Holding, SFC and SAIC GMAC have neither transferred nor retained almost all of the risks and rewards of ownership



of the relevant finance lease payments receivable and loan portfolios, and SAIC Financial Holding, SFC and SAIC GMAC had not completely relinquished control over the above credit assets. Therefore, SAIC Financial Holding, SFC and SAIC GM Financial recognized the related financial assets and financial liabilities involved continuously to the extent of their continuous involvement in the transferred credit assets.

In addition, at the end of current year, SAIC-GMAC retained almost all the risks and rewards on the ownership of the transferred credit assets in some credit asset securitization transactions. Therefore, SAIC-GMAC did not derecognize the transferred credit assets but recognized the receipts from the transfer of the related credit assets as bonds payable. At the end of current year, the book balance of these bonds payable amounted to RMB 5,430,554,956.68.

## 2.2 Sale and repurchase agreement

A sale and repurchase agreement is a transaction in which the Group sells a financial asset and agrees with the counterparty to repurchase such asset (or substantially the same financial asset as it) at a fixed price at a specified future date. As the repurchase price is fixed, the Group remains exposed to almost all credit and market risk and reward associated with the sale of assets. The financial assets sold (which are not available to the Group during the period of the sale and repurchase) are not derecognized in the financial statements, but are treated as collateral for the underlying secured borrowings as the Group retains almost all the risk and reward of those financial assets. In addition, the Group recognizes a financial liability for consideration received. In any such transaction, the counterparty's recourse against the Group is not limited to the transferred financial assets.

The Group entered into bonds sale and repurchase transaction with its counterparties. The consideration received from the transfer of such financial assets was recognized as "funds of financial assets sold under repurchase agreement".

In the sale and repurchase transaction, the transferred financial assets that were not derecognized by the Group were all bonds of which the liabilities carried an amount as follows:

Unit: RMB

Item	December 31, 2021	December 31, 2020
Carrying amount of related liabilities	-	1,203,858,402.96

## 3. Capital management

The Group manages its capital by optimizing its structure of liabilities and shareholders' equity to ensure that the entities within the Group could continue as a going concern and to maximize returns for shareholders.

The capital structure of the Group is made up of the Group's net liabilities and shareholders' equity.

The Group is not restrained to external mandatory requirements of capital management. The Group's management regularly reviews the capital structure of the Group.

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**XI. DISCLOSURE OF FAIR VALUE****1. Closing fair value of assets and liabilities measured at fair value**

√Applicable □N/A

Unit: RMB

Item	Fair value at December 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>I. Measured at fair value on a recurring basis</b>				
1. Held-for-trading financial assets	10,132,638,546.88	37,731,769,025.66	14,219,329,112.10	62,083,736,684.64
(I) Financial assets at fair value through profit or loss	10,132,638,546.88	37,731,769,025.66	14,219,329,112.10	62,083,736,684.64
(1) Debt instruments investment	641,295,086.24	2,372,306,996.32	9,000,000.00	3,022,602,082.56
(2) Equity instruments investment	9,491,343,460.64	28,885,869,616.73	13,144,242,458.43	51,521,455,535.80
(3) Bank acceptance		6,473,523,770.40	1,066,086,653.67	7,539,610,424.07
(4) Derivative financial assets		68,642.21		68,642.21
2. Designated as financial assets at fair value through profit or loss				
(1) Debt instruments investment				
(2) Equity instruments investment				
(II) Other debt investments		34,252,527.10		34,252,527.10
(III) Investments in other equity instruments	21,093,014,002.43		1,450,918,880.10	22,543,932,882.53
(IV) Investment properties				
1. Leasehold land use right				
2. Leasehold buildings				
3. Land use right held for transfer upon appreciation				
(V) Biological assets				
1. Consumable biological assets				

2. Bearer biological assets				
(VI) Receivables financing		3,007,305,614.04	8,361,798,980.14	11,369,104,594.18
(VII) Other current assets – Interbank depository receipts		53,923,058,871.00		53,923,058,871.00
<b>Total assets measured at fair value on a recurring basis</b>	31,225,652,549.31	94,696,386,037.80	24,032,046,972.34	149,954,085,559.45
(VIII) Held-for-trading financial liabilities		15,932,323.02		15,932,323.02
1. Financial liabilities at fair value through profit or loss		15,932,323.02		15,932,323.02
Including: Issued held-for-trading bonds				
Derivative financial liabilities		15,932,323.02		15,932,323.02
Others				
2. Designated as financial liabilities at fair value through profit or loss				
<b>Total liabilities measured at fair value on a recurring basis</b>		15,932,323.02		15,932,323.02
<b>II. Measured at fair value on a non-recurring basis</b>				
<b>Total assets measured at fair value on a non-recurring basis</b>				
<b>Total liabilities measured at fair value on a non-recurring basis</b>				

**2. Determination basis of the market value for fair value measurements in Level 1 on recurring and non-recurring basis**√Applicable N/A

Financial assets categorized as Level 1 are mainly stocks, funds and bonds publicly listed at Shanghai Stock Exchange, Shenzhen Stock Exchange and the Stock Exchange of Hong Kong. The fair value of these assets is determined according to unadjusted quotes in active markets.

**3. Valuation techniques and qualitative and quantitative information of key parameters adopted for Level 2 fair value measurements on recurring and non-recurring basis**√Applicable N/A

Financial assets categorized as Level 2 include bonds, interbank depository receipts, currency swap contracts, assets backed securities, bank acceptances and currency funds traded in the interbank bond market, asset management plan, financial management plan and trust plan. The fair value of bonds and interbank depository receipts traded in the interbank bond market is determined using valuation prices published by the bond registry custodian at the balance sheet date; the fair value of currency swap contracts is determined from counterparty quotations; the fair value of assets backed securities is determined using discounted cash flow prices based on bond yields; and the fair value of bank acceptances is determined using discounted cash flow prices based on market discount rates. The fair value of the currency funds is determined based on the net product value approach, based on the valuation results of the underlying portfolio. The fair value of management plan, financial management plan and trust plan with open market quotation for the underlying assets is determined based on the net product value approach, based on the valuation results of the underlying portfolio. Financial liabilities categorized as Level 2 consist primarily of currency swap contracts.

**4. Valuation techniques and qualitative and quantitative information of key parameters adopted for Level 3 fair value measurements on recurring and non-recurring basis**√Applicable N/A

Financial assets categorized as Level 3 mainly include unlisted equity (private equity), stock investment under restricted conditions, bank acceptances, financial management plan and trust plan. The Group adopts a series of valuation techniques to assess the fair values of Level 3 financial instruments, using valuation models that include unobservable parameters such as discount rates that lack market liquidity. If one or more unobservable parameters are changed based on a reasonable alternative hypothesis, the fair value of these financial instruments will change accordingly. The fair value of stocks under restricted conditions held by the Group is determined under market price discount method according to unadjusted quotes in active market and liquidity discount; the fair value of unlisted equity (private equity) is determined under comparison method according to the price of similar securities and liquidity discount or under recent transaction price method; the fair value of bank acceptances is determined using discounted cash flow prices based on discount rates on inquiry to the bank. The fair value of asset management plans, financial management plans and trust plans of investment object with restricted characteristics is determined under net worth method according to valuation result of relevant investment portfolios. The fair value of financial liabilities categorized as Level 3 is determined according to the fair value of financial assets invested by corresponding structured entity and based on the relevant contract terms of such structured entity.

**5. Reconciliation between opening and closing carrying amount and sensitivity analysis of unobservable parameters for Level 3 fair value measurements on recurring basis**Applicable √N/A

**6. Reasons for the transfers and policies to determine the transfer timing if there are transfers between different fair value levels in respect of fair value measurements on recurring basis**□Applicable N/A**7. Changes in valuation techniques in the current period and the corresponding reasons**□Applicable N/A**8. Fair value of financial assets and liabilities not measured at fair value**□Applicable N/A**9. Others**□Applicable N/A**XII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS****1. Details of the parent of the Company**Applicable N/A

Unit: RMB

Name of the parent company	Place of incorporation	Nature of operations	Registered capital	Proportion of the Company's ownership interest held by the parent company (%)	Proportion of the Company's voting rights held by the parent company (%)
SAIC	Shanghai, China	Manufacturing, sales, domestic trading (except for those under special regulations) and advisory service of moto vehicles such as automobiles, motorcycles and tractors, and machinery equipment, powertrains and components and parts.	21,749,175,737.24	67.66	67.66

The ultimate controller of the Company is the Shanghai Municipal State-owned Assets Supervision and Administration Commission.

**2. Details of the subsidiaries of the Company**

For the details of subsidiaries of the Company, refer to the notes.

Applicable N/A

For the details, refer to Note (IX) 1.

**3. Details of joint ventures and associates of the Company**

For the details of significant joint ventures and associates of the Company, refer to the notes.

Applicable N/A

For the details, refer to Note (VII) 19 and Note (IX) 3.

Details of other joint ventures or associates having related party transactions and balances with the Company in the period or in prior periods:

□Applicable N/A

Other explanations

Applicable N/A

#### 4. Details of other related parties

Applicable N/A

Name of other related parties	Relationship with the Group
Shanghai Automotive Industry Development Co., Ltd.	Subsidiary of SAIC
SAIC Property Development Co., Ltd.	Subsidiary of SAIC
SAIC Sodexo Service Co., Ltd.	Subsidiary of SAIC
Shanghai Shangkai Real Estate Development Co., Ltd.	Subsidiary of SAIC
Shanghai Automotive Electronics Factory	Subsidiary of SAIC
Shanghai Internal Combustion Engine Research Institute	Subsidiary of SAIC
Shanghai Qiyuan Human Resources Consulting Co., Ltd.	Subsidiary of SAIC
Shanghai Automotive Industry Real Estate Development Co., Ltd.	Subsidiary of SAIC
Shanghai Engineering Industry Internal Combustion Engine Detection Bureau	Subsidiary of SAIC
Shanghai Saike Mobility Technology Service Co., Ltd.	Subsidiary of SAIC
Suzhou Wanlong Huayu Logistics Co., Ltd.	Subsidiary of SAIC
Shanghai Huazhen Logistics Co., Ltd.	Subsidiary of SAIC
Guangzhou Wanlong Huajiang Logistics Co., Ltd.	Subsidiary of SAIC
Shenzhen SAIC South Automobile Sales Service Co., Ltd.	Subsidiary of SAIC
Shanghai Huazhen Transportation Co., Ltd.	Subsidiary of SAIC
Wuhan Sanjiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC
Zhejiang Huayu Logistics Co., Ltd.	Subsidiary of SAIC
Anji Car Rental & Leasing Co., Ltd.	Subsidiary of SAIC
Shanghai Rui Chuang Automobile Sales Co., Ltd.	Subsidiary of SAIC
Changzhou Saike Mobile Travel Investment Partnership (Limited Partnership)	Subsidiary of SAIC
RV Life Home (Hainan ) Travel Technology Co., Ltd.	Subsidiary of SAIC
Global Car Sharing and Rental Co., Ltd.	Subsidiary of SAIC (refer to Note (VIII) 4)
Shanghai Love Way Car Rental Service Co. Ltd.	Subsidiary of SAIC
Shanghai International Automobile City New Energy Automobile Operation Service Co., Ltd.	Subsidiary of SAIC
Shanghai Automotive Industry Co., Ltd.	Subsidiary of SAIC
Suzhou Xiangdao Car Rental Co., LTD. Shanghai Branch	Subsidiary of SAIC
Zhengzhou SAIC New Energy Leasing Automotive Co., Ltd.	Subsidiary of SAIC
Shanghai International Automobile City Development Co., Ltd.	Associate of SAIC
Shanghai Yike Green Engineering Co., Ltd.	Associate of SAIC

Shanghai Volkswagen Automotive Gift Co., Ltd.	Associate of SAIC
Shanghai ADT Facilities Management Co., Ltd.	Associate of SAIC
Anchi Enterprise Management Co.,Ltd.	Associate of SAIC
Shanghai Auto Museum Co., Ltd.	Associate of SAIC
Executive directors and other senior management of the Company	Key management personnel

## 5. Related party transactions

### (1). Sales and purchase of goods/rendering and receipts of services

Purchase of goods/receipts of services

√Applicable □N/A

Unit: RMB

Related party	Details of related party transaction	Year ended December 31, 2021	Year ended December 31, 2020
Joint ventures	Purchase of goods and materials	350,959,195,327.74	366,662,864,493.35
Associates	Purchase of goods and materials	10,298,607,096.68	8,476,170,688.71
SAIC	Purchase of goods and materials		5,651,657.14
Subsidiaries of SAIC	Purchase of goods and materials	122,097,458.83	61,055,337.45
Associates of SAIC	Purchase of goods and materials	66,334,270.06	273,370,951.32
Joint ventures	Purchase of long-term assets	129,366,156.47	91,293,691.51
Associates	Purchase of long-term assets	15,138,853.58	14,917,822.63
SAIC	Purchase of long-term assets	288,544,660.50	
Associates of SAIC	Purchase of long-term assets	1,454,725.33	4,604,615.12
SAIC	Purchase of right-of-use assets	2,191,737.85	
Subsidiaries of SAIC	Purchase of right-of-use assets	53,010,456.13	
Joint ventures	Receipts of services-R&D expenditure	353,058,895.03	594,005,269.26
Associates	Receipts of services-R&D expenditure	306,357,595.02	53,984,950.93
Subsidiaries of SAIC	Receipts of services-R&D expenditure	26,529,554.40	9,341,583.03
Associates of SAIC	Receipts of services-R&D expenditure	5,533,826.70	2,073,404.47
Joint ventures	Payment of logistics service expenses, royalties and others	221,860,792.54	120,046,950.50
Associates	Payment of logistics service expenses, royalties and others	230,951,402.71	7,846,535.01

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SAIC	Payment of logistics service expenses, royalties and others	1,601,794.10	324,000.00
Subsidiaries of SAIC	Payment of logistics service expenses, royalties and others	765,554,197.87	555,734,019.23
Associates of SAIC	Payment of logistics service expenses, royalties and others	2,367,201.17	1,166,591.80
Joint ventures	Payment of lease expenses	46,666,181.54	85,120,777.99
Associates	Payment of lease expenses		498,408.00
SAIC	Payment of lease expenses	3,533,533.37	36,061,873.18
Subsidiaries of SAIC	Payment of lease expenses	6,010,477.81	9,392,392.02
Associates of SAIC	Payment of lease expenses	36,913,545.53	4,818,387.33

Statement of sales of goods/rendering of services  
Applicable N/A

Unit: RMB

Related party	Details of related party transaction	Year ended December 31, 2021	Year ended December 31, 2020
Joint ventures	Sales of goods	57,253,188,152.09	60,515,315,255.71
Associates	Sales of goods	6,147,383,216.74	7,659,956,828.22
Subsidiaries of SAIC	Sales of goods	1,738,862,912.01	1,618,400,868.14
Associates of SAIC	Sales of goods	419,488,502.37	
Joint ventures	Sales of materials	338,573,706.89	343,310,952.81
Associates	Sales of materials	118,005,948.88	299,999,230.89
Joint ventures	Trade income	2,889,860,274.12	2,570,561,852.42
Associates	Trade income	3,144,428.20	
Subsidiaries of SAIC	Trade income	405,160.80	1,273,667.51
Joint ventures	Rendering of services	4,564,514,287.45	4,134,752,926.03
Associates	Rendering of services	345,391,012.71	212,996,634.49
SAIC	Rendering of services	1,846,684,475.41	3,013,481,023.63
Subsidiaries of SAIC	Rendering of services	130,575,166.43	49,413,714.48
Associates of SAIC	Rendering of services	2,606,474.57	352,407.48
Joint ventures	Rental income	232,687,227.33	259,534,083.45
Associates	Rental income	20,676,841.06	1,297,238.51
Subsidiaries of SAIC	Rental income	3,580,144.52	52,346,276.01
Joint ventures	Royalties for technology and transfer fee	155,443,485.38	69,546,646.17



Explanations on purchase and sales of goods, rendering and receipt of services:  
Applicable N/A

**(2)Details of trust with related parties/subcontracting and trust management/ contract-issuing**

Details of trust / contracting where the Company is the trustee / subcontractor  
Applicable N/A

Explanations on trust/subcontracting with related parties  
Applicable N/A

Details of trust / contracting where the Company is the trustor / contractor  
Applicable N/A

Explanations on trust/contracting with related parties  
Applicable N/A

**(3). Leases with related parties**

The Company as a lessor:  
Applicable N/A

The Company as a lessee:  
Applicable N/A

Explanations on leases with related parties  
Applicable N/A

**(4). Guarantees with related parties**

The Company as a guarantor  
Applicable N/A

The Company as a guarantee  
Applicable N/A

Explanations on guarantees with related parties  
Applicable N/A

**(5). Borrowings/loans with related parties**

Applicable N/A

**(6). Assets transfer/debt restructuring with related parties**

Applicable N/A

**(7). Remuneration of key management personnel**

Applicable N/A

Unit: RMB 10 Thousand

Item	Year ended December 31, 2021	Year ended December 31, 2020
Remuneration of key management personnel	2,808.22	2,386.75

**(8). Other related parties**

Applicable N/A

The financing between the Group and its related parties is as follows:

(a) Loans offered by SFC and SAIC-GMAC to related parties

(i) Movements of loans offered by SFC and SAIC-GMAC to related parties are as follows:

Unit: RMB

	Joint ventures	Associates	Subsidiaries of SAIC	Total
December 31, 2020	691,140,796.80	29,156,106.32		720,296,903.12
Increase due to changes in scope of consolidation			693,347,218.42	693,347,218.42
Loans offered	223,859,203.20	41,800,511.16	22,137,734.50	287,797,448.86
Loans recovered	-440,000,000.00	-18,329,753.54	-68,357,886.05	-526,687,639.59
December 31, 2021	475,000,000.00	52,626,863.94	647,127,066.87	1,174,753,930.81

(ii) Balances of loans offered by SFC and SAIC-GMAC to related parties are as follows:

Unit: RMB

	December 31, 2021	December 31, 2020
Joint ventures- Short-term loans and discounts	475,000,000.00	691,140,796.80
Associates-Short-term loans and discounts	52,626,863.94	29,156,106.32
Subsidiaries of SAIC- Short-term loans	469,237,434.87	
Subsidiaries of SAIC- long-term loans	177,889,632.00	
<b>Total</b>	<b>1,174,753,930.81</b>	<b>720,296,903.12</b>

(iii) Interest income received by SFC and SAIC-GMAC from related parties is as follows:

Unit: RMB

Related party	Year ended December 31, 2021	Year ended December 31, 2020
Joint ventures	33,223,067.05	44,173,843.90
Associates	1,546,717.69	2,405,952.93
Subsidiaries of SAIC	6,336,368.18	
<b>Total</b>	<b>41,106,152.92</b>	<b>46,579,796.83</b>

Interest rates for loans offered by SFC and SAIC-GMAC to related parties are calculated according to interest rates of financial institutions as specified by the People's Bank of China.

(b) Related parties' deposits at SFC and SAIC-GMAC

(i) Movements of related parties' deposits at SFC and SAIC-GMAC are as follows:

Unit: RMB

	Joint ventures	Associates	SAIC	Subsidiaries of SAIC	Associates of SAIC	Total
December 31, 2020	20,024,619,822.62	2,057,043,449.02	20,215,289,434.73	4,456,895,262.75	564,431.29	46,754,412,400.41
Increase due to changes in scope of				23,491,772.06		23,491,772.06

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consolidation						
Deposit taking (repayment)	3,340,586,519.43	193,111,755.94	-1,810,963,275.54	2,114,661,966.13	3,046.60	-391,923,919.70
December 31, 2021	23,365,206,342.05	2,250,155,204.96	18,404,326,159.19	2,365,725,068.68	567,477.89	46,385,980,252.77

(ii) Interest paid by SFC and SAIC-GMAC to related parties are as follows:

Unit: RMB

Related party	Year ended December 31, 2021	Year ended December 31, 2020
Joint ventures	420,283,846.87	416,774,313.07
Associates	44,635,627.13	43,307,300.65
SAIC	278,584,673.54	398,362,012.36
Subsidiaries of SAIC	45,169,460.68	3,079,159.23
Associates of SAIC	3,047.88	2,706.74
<b>Total</b>	<b>788,676,656.10</b>	<b>861,525,492.05</b>

Interest rates for deposits from related parties at SFC and SAIC-GMAC are calculated according to interest rates of financial institutions as specified by the People's Bank of China.

(c) Loans offered by the Group (except SFC and SAIC-GMAC) to related parties

(i) Movements of entrusted loans offered by the Group to related parties are as follows:

Unit: RMB

	Joint ventures	Associates	Total
December 31, 2020	979,399,592.00	237,120,000.00	1,216,519,592.00
Decrease due to changes in scope of consolidation		-6,000,000.00	-6,000,000.00
Loans offered	506,727,962.00	4,538,129.00	511,266,091.00
Loans recovered	-734,733,554.00	-145,658,129.00	-880,391,683.00
December 31, 2021	751,394,000.00	90,000,000.00	841,394,000.00

(ii) Balance of entrusted loans offered by the Group to related parties is as follows:

Unit: RMB

Related party	December 31, 2021	December 31, 2020
Joint ventures - short-term loans	352,000,000.00	546,190,000.00
Associates - short-term loans	90,000,000.00	231,120,000.00
Joint ventures - long-term loans	399,394,000.00	433,209,592.00
Associates - long-term loans		6,000,000.00
<b>Total</b>	<b>841,394,000.00</b>	<b>1,216,519,592.00</b>

(iii) Interests received by the Group from related parties are as follows:

Unit: RMB

Related party	Year ended December 31, 2021	Year ended December 31, 2020
Joint ventures	26,247,191.60	30,745,309.94
Associates	4,675,094.72	11,220,048.29
<b>Total</b>	<b>30,922,286.32</b>	<b>41,965,358.23</b>

(d) Loans received by the Group from related parties

(i) Movements of entrusted loans received by the Group from related parties are as follows:

Unit: RMB

	SAIC
December 31, 2020	
Loans received	873,000,000.00
Decrease due to changes in scope of consolidation	-873,000,000.00
December 31, 2021	

(ii) Interest paid by the Group to related parties are as follows:

Unit: RMB

Related party	Year ended December 31, 2021	Year ended December 31, 2020
SAIC	5,067,242.88	

Interest rates for entrusted loans received by the Group from related parties are determined according to contract agreements.

(e) Entrusted business of SFC

(i) Entrusted business between SFC and related parties is disclosed off balance sheet. SFC received bank charges based on agreements. The bank charges received by SFC from related parties are as follows:

Unit: RMB

Related party	Year ended December 31, 2021	Year ended December 31, 2020
Joint ventures	652,102.38	1,311,327.27
Associates	383,075.00	537,704.57
Subsidiaries of SAIC	244,931.57	250,792.52
<b>Total</b>	<b>1,280,108.95</b>	<b>2,099,824.36</b>

(ii) At the end of current year and prior year, entrusted business between SFC and related parties is as follows:

Unit: RMB

Entrusting parties	Entrusted deposit at December 31, 2021	Targets	Entrusted loans at December 31, 2021
Joint ventures	810,000,000.00	Joint ventures	210,000,000.00
Associates		Associates	606,000,000.00

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SAIC	1,393,000,000.00	Non-RPT	20,000,000.00
Subsidiaries of SAIC	439,000,000.00	Subsidiaries of SAIC	1,806,000,000.00
<b>Total</b>	<b>2,642,000,000.00</b>	<b>Total</b>	<b>2,642,000,000.00</b>

Unit: RMB

Entrusting parties	Entrusted deposit at December 31, 2020	Targets	Entrusted loans at December 31, 2020
Joint ventures	973,000,000.00	Joint ventures	373,000,000.00
Associates	32,500,000.00	Associates	632,500,000.00
SAIC	20,000,000.00	Non-RPT	20,000,000.00
Subsidiaries of SAIC	585,000,000.00	Subsidiaries of SAIC	585,000,000.00
<b>Total</b>	<b>1,610,500,000.00</b>	<b>Total</b>	<b>1,610,500,000.00</b>

(f) Lease liabilities

The Group's lease liabilities (including those due within one year) arising from lease of right-of-use assets from related parties are as follows:

Unit: RMB

Related party	December 31, 2021	December 31, 2020
SAIC	111,669,136.20	
Subsidiaries of SAIC	183,865,926.04	
<b>Total</b>	<b>295,535,062.24</b>	

The Group's interest expenses for current year due to the above lease liabilities are as follows:

Unit: RMB

Related party	Year ended December 31, 2021	Year ended December 31, 2020
SAIC	4,858,082.50	
Subsidiaries of SAIC	8,468,069.38	
<b>Total</b>	<b>13,326,151.88</b>	

**6. Amounts due from/to related parties**

**(1). Receivables**

√Applicable □N/A

Unit: RMB

Items	Related party	December 31, 2021		January 1, 2021	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Held-for-trading financial assets	Subsidiaries of SAIC	31,710,258.08			
Notes receivable	Joint ventures	76,421,463.77		196,725,172.44	

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Notes receivable	Subsidiaries of SAIC	1,374,569,711.00		211,409,780.00	
Financing with receivables	Joint ventures	2,052,086,717.05		1,316,579,773.42	
Financing with receivables	Associates	30,503,074.00		400,000.00	
Financing with receivables	Subsidiaries of SAIC			996,000,000.00	
Accounts receivable	Joint ventures	11,195,772,010.81		9,527,165,354.24	
Accounts receivable	Associates	1,837,174,163.68		2,407,536,240.30	
Accounts receivable	SAIC	531,324,244.94		612,884,161.25	
Accounts receivable	Subsidiaries of SAIC	267,198,988.63		58,781,656.25	
Accounts receivable	Associates of SAIC	811,674.26		4,649.83	
Prepayments	Joint ventures	15,462,473,368.67		31,842,390,938.88	
Prepayments	Associates	50,561,814.53		60,891,874.58	
Prepayments	Associate of SAIC	5,400.00		287,729.24	
Dividends receivable	Joint ventures	1,007,903,720.35		936,581,149.71	
Dividends receivable	Associates	423,753,604.88		108,476,163.57	
Other receivables	Joint ventures	153,714,573.63		212,047,652.61	
Other receivables	Associates	212,275,910.20		307,586,303.36	
Other receivables	Subsidiaries of SAIC	1,832,337.85		1,441,350.00	
Other receivables	Associates of SAIC	6,825,651.14		972,717.25	
Interest receivable	Joint ventures	293,319.13			
Interest receivable	Associates	166,451.28		204,624.00	

**(2). Payables**

√Applicable □N/A

Unit: RMB

Item	Related party	Book balance at December 31, 2021	Book balance at January 1, 2020
Notes payable	Joint ventures	2,613,019,642.33	15,148,601,041.75
Notes payable	Associates	90,274,825.29	224,660,000.00
Notes payable	Subsidiaries of SAIC	31,500,000.00	
Accounts payable	Joint ventures	14,300,463,598.55	6,914,910,136.69
Accounts payable	Associates	2,890,185,921.16	1,883,467,545.18
Accounts payable	SAIC	31,630,620.00	26,571,270.00

Accounts payable	Subsidiaries of SAIC	813,415,736.78	267,115,745.71
Accounts payable	Associates of SAIC	22,025,913.18	33,551,159.21
Contract liabilities	Joint ventures	3,823,663,456.84	3,392,415,319.30
Contract liabilities	Associates	22,715,605.86	33,830,581.35
Contract liabilities	SAIC	211,566,839.78	465,765,407.42
Contract liabilities	Subsidiaries of SAIC	215,557,515.78	42,877,232.77
Contract liabilities	Associates of SAIC	14,121,570.00	
Other payables	Joint ventures	82,388,777.00	133,453,760.09
Other payables	Associates	108,152,003.45	392,890.23
Other payables	SAIC	3,036,533.21	
Other payables	Subsidiaries of SAIC	1,396,294.53	6,333,676.54
Other payables	Associates of SAIC	502,215.32	470,350.00

**7. Commitments of related parties**

Applicable N/A

**8. Others**

Applicable N/A

**XIII. SHARE-BASED PAYMENTS****1. Summary of share-based payments**

Applicable N/A

**2. Equity-settled share-based payments**

Applicable N/A

**3. Cash-settled share-based payments**

Applicable N/A

**4. Amendment and termination of share-based payments**

Applicable N/A

**5. Others**

Applicable N/A

**XIV. COMMITMENTS AND CONTINGENCIES****1. Significant commitments**

Applicable N/A

Significant external commitments and their nature and amounts as at the balance sheet date

**(1). Capital commitments**

Unit: RMB Thousand

	Consolidated	
	December 31, 2021	December 31, 2020
Capital commitments that have been signed but have not been recognized in the financial statements		
- Commitment for acquisition of long-term assets	9,638,492	8,977,924
- External investment commitment	2,940	2,940
<b>Total</b>	<b>9,641,432</b>	<b>8,980,864</b>

**2. Contingencies**

**(1). Significant contingencies at the balance sheet date**

Applicable N/A

As at December 31, 2021, guarantees provided by the Group to related parties are as follows:

Guarantor	Guarantee	Relationship between Guarantor and the Group	Category	Currency	Ceiling amount
Anji Logistics	Guangzhou Harbour Haijia Vehicle Dock Co., Ltd.	Joint venture	Liability guarantee	RMB	60,000,000.00 (Note)

Note: According to the relevant guarantee contract, Anji Logistics assumes the guarantee liability based on 50.00% of the actual guarantee loan balance amounting to RMB 120,000,000.00 at the end of the year.

**(2). Explanations on contingencies should be presented even if no significant contingency needs to be disclosed in the Company:**

Applicable N/A

**3. Others**

Applicable N/A

**XV. EVENTS AFTER THE BALANCE SHEET DATE**

**1. Significant non-adjusting events**

Applicable N/A

**2. Profits appropriation**

Applicable N/A

Unit: RMB

Proposed distributions of profits or dividends	7,846,983,360.13
Distributions of profits or dividends authorized and declared	



**3. Sales return**

□Applicable √N/A

**4. Other events after the balance sheet date**

√Applicable □N/A

According to Shanghai SASAC's Document "Reply on Approving Shanghai Automotive Industry Corporation (Group) to Implement Corporate Restructuring" (Shanghai SASAC Reform [2021] No.360), the parent company of the Company, Shanghai Automotive Industry Corporation (Group), was transformed from an enterprise owned by the whole people to a wholly state-owned company funded by the municipal SASAC. SAIC changed its name to Shanghai Automotive Industry Group Co. Ltd. and obtained a renewed "Business License" (Uniform Social Credit Code: 913100001322221746) on February 14, 2022.

**XVI. OTHER SIGNIFICANT EVENTS****1. Corrections of prior period errors****(1). Retrospective restatement**

□Applicable √N/A

**(2). Prospective application**

□Applicable √N/A

**2. Debt restructuring**

□Applicable √N/A

**3. Exchange of assets****(1). Exchange of non-monetary assets**

□Applicable √N/A

**(2). Other exchange of assets**

□Applicable √N/A

**4. Annuity plan**

□Applicable √N/A

**5. Discontinued operations**

□Applicable √N/A

**6. Segment information****(1). Determining basis and accounting policies of reporting segments**

√Applicable □N/A

Based on the Group's internal organization structure, management requirements and internal reporting system, the operations of the Group are classified into two reporting segments, which are "vehicles and parts" and

“financing”. The reporting segments are determined based on the Group’s operating structure. The Group’s management periodically evaluates the operating results of these reporting segments to make decisions about resources to be allocated to the segments and assess their performance. Major products and services delivered or provided by each of the reporting segments are vehicles and parts and financing services. The Group carried out internal management on SFC, Equity Investment, SAIC Insurance, SAIC Financial Holding Changzhou Qide, and Multi-finance Indonesia other investees managed by the Financial Business Division, SAIC HK Investment Co., Ltd. and SAIC Motor North America Co., Ltd. of the Group as financial transactions.

Segment information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management.

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## 1) Segmental reporting information

Unit: RMB

	Vehicles and parts		Finance		Elimination		Total	
	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020
Total operating income								
External revenue	758,445,553,672.35	721,467,998,803.51	21,400,232,721.21	20,664,451,567.22			779,845,786,393.56	742,132,450,370.73
Inter-segment revenue			19,000,154.50	57,820,274.18	-19,000,154.50	-57,820,274.18		
Total segment operating income	758,445,553,672.35	721,467,998,803.51	21,419,232,875.71	20,722,271,841.40	-19,000,154.50	-57,820,274.18	779,845,786,393.56	742,132,450,370.73
Total operating costs	756,846,892,937.49	717,884,582,344.19	14,215,262,937.56	12,299,129,984.24	-312,425,593.54	-654,913,876.45	770,749,730,281.51	729,528,798,451.98
Add: Other income	3,538,635,041.29	2,359,870,889.24	284,548,365.34	219,692,280.54			3,823,183,406.63	2,579,563,169.78
Gain on changes in fair value	20,813,459.74	15,076,172.25	1,717,056,229.80	3,796,559,105.87			1,737,869,689.54	3,811,635,278.12
Investment income	21,248,815,649.51	17,749,537,290.59	6,272,369,342.23	5,584,029,383.15	-356,779,404.51	-2,323,706,035.93	27,164,405,587.23	21,009,860,637.81
Exchange gain			29,790,917.63	19,634,717.19			29,790,917.63	19,634,717.19
Impairment gain (loss) of credit	-642,257,667.79	-210,571,594.40	513,552,312.40	-716,079,742.66	-102,548,687.67	-189,594,312.15	-231,254,043.06	-1,116,245,649.21
Impairment gain (loss) of assets	-983,363,760.04	-3,189,619,975.38					-983,363,760.04	-3,189,619,975.38
Gain (loss) on disposal of assets	830,715,926.92	-73,869,098.79	-20,654,348.61	-37,112,084.55			810,061,578.31	-110,981,183.34
Operating profit	25,612,019,384.49	20,233,840,142.83	16,000,632,756.94	17,289,865,516.70	-165,902,653.14	-1,916,206,745.81	41,446,749,488.29	35,607,498,913.72
Add: Non-operating income	456,764,294.16	730,277,913.88	12,470,968.90	19,306,058.64			469,235,263.06	749,583,972.52
Less: Non-operating expenses	357,538,806.01	465,087,529.59	786,556.55	370,681.22			358,325,362.56	465,458,210.81
Total profit	25,711,244,872.64	20,499,030,527.12	16,012,317,169.29	17,308,800,894.12	-165,902,653.14	-1,916,206,745.81	41,557,659,388.79	35,891,624,675.43
Less: Income tax expenses	5,096,328,760.52	4,265,785,025.66	2,519,571,770.72	2,437,788,780.60			7,615,900,531.24	6,703,573,806.26
Net profit	20,614,916,112.12	16,233,245,501.46	13,492,745,398.57	14,871,012,113.52	-165,902,653.14	-1,916,206,745.81	33,941,758,857.55	29,188,050,869.17
Total assets of segments	621,728,759,087.26	641,047,094,713.52	440,251,223,172.34	415,130,255,349.76	-145,057,286,616.27	-136,762,594,266.34	916,922,695,643.33	919,414,755,796.94
Total liabilities of segments	408,738,351,282.41	427,251,724,442.67	324,852,521,153.20	320,920,817,737.82	-145,438,907,347.38	-138,799,098,267.13	588,151,965,088.23	609,373,443,913.36
Supplementary information								
Depreciation and amortization expenses	17,568,120,231.22	14,370,513,243.84	116,676,051.96	91,092,926.98			17,684,796,283.18	14,461,606,170.82
Impairment gain or loss recognized in the current period	1,625,621,427.83	3,400,191,569.78	-513,552,312.40	716,079,742.66	102,548,687.67	189,594,312.15	1,214,617,803.10	4,305,865,624.59
Capital expenditure	18,669,630,343.66	15,102,175,567.03	73,067,017.04	35,645,601.87			18,742,697,360.70	15,137,821,168.90
Including: Construction in progress and prepayments for	13,544,026,202.60	11,938,851,289.59					13,544,026,202.60	11,938,851,289.59

equipment								
Expenditure used for purchase of fixed assets	1,701,634,465.51	673,814,920.25	27,377,196.45	19,488,941.93			1,729,011,661.96	693,303,862.18
Expenditure used for purchase of intangible assets	1,924,706,602.92	545,451,621.19	45,689,820.59	16,156,659.94			1,970,396,423.51	561,608,281.13
Expenditure in long-term deferred expenses	572,516,497.86	371,967,292.02					572,516,497.86	371,967,292.02
Development expenditure	926,746,574.77	1,572,090,443.98					926,746,574.77	1,572,090,443.98

**(2). Financial information of reporting segments**

Applicable N/A

**(3). If the Company has no reporting segments, or cannot disclose the total assets and liabilities of reporting segments, specify the reasons.**

Applicable N/A

**(4). Other explanations**

Applicable N/A

**7. Other significant transactions and matters having an impact on the decisions of investors**

Applicable N/A

**8. Others**

Applicable N/A

**XVII. NOTES TO THE COMPANY'S FINANCIAL STATEMENTS****1. Accounts receivable****(1). Disclosure of accounts receivable by aging**

Applicable N/A

Unit: RMB

Aging	December 31, 2021
Sub-total of accounts receivable within 1 year	4,091,572,110.90
1-2 years	339,226,488.88
2-3 years	164,944,803.12
Total	4,595,743,402.90

**(2). Disclosure by categories under bad debt provision methods**

Applicable N/A

Unit: RMB

Category	December 31, 2021					January 1, 2021				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	%	Amount	%		Amount	%	Amount	%	
Bad debt provision on a portfolio basis	4,595,743,402.90	100.00	5,479,572.32	0.12	4,590,263,830.58	5,422,606,432.12	100.00	4,226,090.47	0.08	5,418,380,341.65
Total	4,595,743,402.90	100.00	5,479,572.32	0.12	4,590,263,830.58	5,422,606,432.12	100.00	4,226,090.47	0.08	5,418,380,341.65

Bad debt provision on an individual basis

Applicable N/A

Bad debt provision on a portfolio basis

Applicable N/A

Provision item on a portfolio basis: Aging

Unit: RMB

Aging	December 31, 2021		
	Accounts receivable	Bad debt provision	Proportion (%)
Within 1 year	4,091,572,110.90	199,297.73	0.00
1-2 years	339,226,488.88	1,382,143.37	0.41
2-3 years	164,944,803.12	3,898,131.22	2.36
<b>Total</b>	<b>4,595,743,402.90</b>	<b>5,479,572.32</b>	<b>0.12</b>

Recognition standards of bad debt provision on a portfolio basis and the explanations thereon

Applicable N/A

If bad debt provision is made by using general model of expected credit loss, please refer to disclosure of other receivables:

Applicable N/A

### (3). Details of bad debt provision

Applicable N/A

Unit: RMB

Type	January 1, 2021	Changes for the period				December 31, 2021
		Provision	Recovery or reversal	Write-off or charge-off	Others	
Bad debt provision	4,226,090.47	2,215,245.66	-961,763.81			5,479,572.32
<b>Total</b>	<b>4,226,090.47</b>	<b>2,215,245.66</b>	<b>-961,763.81</b>			<b>5,479,572.32</b>

Recovery or reversal of bad debt provision that is significant:

Applicable N/A

### (4). Accounts receivable actually written off in the current period

Applicable N/A

Write-off of significant accounts receivable

Applicable N/A

### (5). Top five accounts receivable categorized by debtors

Applicable N/A

### (6). Accounts receivable derecognized due to transfer of financial assets

Applicable N/A

### (7). Assets and liabilities arising from transfer of accounts receivable and continuous involvement:

Applicable N/A

Other explanations:

Applicable N/A

## 2. Other receivables

### Presentation by items

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Interest receivable	954,864,657.87	1,559,376,166.02
Dividends receivable	701,073,371.50	885,581,149.71
Other receivables	4,609,459,838.50	3,867,068,875.86
<b>Total</b>	<b>6,265,397,867.87</b>	<b>6,312,026,191.59</b>

Other explanations:

Applicable N/A

### Interest receivable

#### (1). Classification of interest receivable

Applicable N/A

Unit: RMB

Item	December 31, 2021	January 1, 2021
Time deposit	762,866,563.02	1,411,268,093.04
Entrusted loans	191,998,094.85	148,108,072.98
<b>Total</b>	<b>954,864,657.87</b>	<b>1,559,376,166.02</b>

#### (2). Significant overdue interest

Applicable N/A

#### (3). Details of bad debt provision accrued

Applicable N/A

Other explanations:

Applicable N/A

### Dividends receivable

#### (4). Dividends receivable

Applicable N/A

**(5). Significant dividends receivable aged more than one year**

Applicable N/A

**(6). Details of bad debt provision accrued**

Applicable N/A

Other explanations:

Applicable N/A

**Other receivables****(1). Disclosure of other receivables by aging**

Applicable N/A

Unit: RMB

Aging	December 31, 2021
Sub-total of other receivables within 1 year	1,749,190,931.69
1-2 years	575,740,107.61
2-3 years	1,437,395,202.68
Over 3 years	1,001,486,338.11
<b>Total</b>	<b>4,763,812,580.09</b>

**(2). Classification of other receivables by nature**

Applicable N/A

**(3). Details of bad debt provision accrued**

Applicable N/A

Bad debt provision in the current period and the basis to assess whether credit risk of financial instruments is increased significantly:

Applicable N/A

**(4). Details of bad debt provision**

Applicable N/A

Unit: RMB

Type	January 1, 2021	Changes for the period				December 31, 2021
		Provision	Recovery or reversal	Write-off or charge-off	Others	
Bad debt provision	118,231,761.05	92,248,497.06	-56,127,516.52			154,352,741.59
<b>Total</b>	<b>118,231,761.05</b>	<b>92,248,497.06</b>	<b>-56,127,516.52</b>			<b>154,352,741.59</b>

Significant reversal or recovery of bad debt provision for the period:

Applicable N/A



**(5). Other receivables actually written off in the current period**□Applicable N/A**(6). Top five other receivables categorized by debtors**□Applicable N/A**(7). Other receivables related to government grants**□Applicable N/A**(8). Other receivables derecognized due to transfer of financial assets**□Applicable N/A**(9). Assets and liabilities arising from transfer of other receivables and continuous involvement:**□Applicable N/A

Other explanations:

□Applicable N/A**3. Long-term equity investments**Applicable □N/A

Unit: RMB

Item	December 31, 2021			January 1, 2021		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Investments in subsidiaries	101,278,274,197.89		101,278,274,197.89	87,178,547,124.75		87,178,547,124.75
Investments in joint ventures and associates	29,844,538,185.14		29,844,538,185.14	31,820,389,596.63		31,820,389,596.63
<b>Total</b>	<b>131,122,812,383.03</b>		<b>131,122,812,383.03</b>	<b>118,998,936,721.38</b>		<b>118,998,936,721.38</b>

**(1). Investments in subsidiaries**Applicable □N/A

Unit: RMB

Investee	January 1, 2021	Increase	Decrease	December 31, 2021	Impairment provision for the period	Impairment provision as at December 31, 2021
SAIC GM Wuling Co., Ltd.	1,126,669,400.01			1,126,669,400.01		
SAIC Maxus Vehicle Co., Ltd. (Note 1)	9,185,110,000.00	781,000,000.00		9,966,110,000.00		
SAIC Finance Co., Ltd.	11,534,123,733.09			11,534,123,733.09		
SAIC Volkswagen Sales	225,339,303.84			225,339,303.84		

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Co., Ltd.						
Shanghai Pengpu Machine Building Plant Co., Ltd.	925,582,955.01			925,582,955.01		
SAIC Motor Transmission Co., Ltd.	5,359,590,000.00			5,359,590,000.00		
Nanjing Automobile (Group) Corporation	3,423,861,978.39			3,423,861,978.39		
Shanghai New Power Automotive Technology Company Limited (Note 2)	1,173,419,996.46	2,962,082,062.81		4,135,502,059.27		
SAIC HK Investment Co., Ltd.	2,046,066,390.00			2,046,066,390.00		
SAIC Motor UK Co., Ltd.	46,468,800.00			46,468,800.00		
SAIC Capital Company Limited. (Note 3)	4,031,024,000.00	27,146,000.00		4,058,170,000.00		
SAIC General Motors Sales Co., Ltd.	158,319,147.00			158,319,147.00		
HUAYU Automotive Systems Co., Ltd.	12,878,718,472.88			12,878,718,472.88		
SAIC Motor (Beijing) Co., Ltd.	316,317,252.11			316,317,252.11		
Shanghai Automobile Asset Management Co., Ltd	970,325,316.32			970,325,316.32		
Shanghai Automotive Industry Sales Co., Ltd	4,825,048,435.94			4,825,048,435.94		
SAIC Motor North America Co., Ltd.	172,336,204.50			172,336,204.50		
Anji Automotive Logistics Co., Ltd.	2,118,090,251.55			2,118,090,251.55		
Donghua Automobile Industrial Co., Ltd.	654,940,453.36			654,940,453.36		
Shanghai Shangyuan Investment Management Co., Ltd.	349,767,221.39			349,767,221.39		
China Automotive Industrial Development Co., Ltd.	274,872,910.12			274,872,910.12		
SAIC Activity Centre Co., Ltd.	163,314,188.68			163,314,188.68		
Shanghai Automotive News Press Co., Ltd.	9,891,593.78			9,891,593.78		
SAIC Investment Management Co., Ltd. (Note 4)	8,509,326,363.62	210,952,750.00		8,720,279,113.62		
Shanghai Shanghong Real Estate Co., Ltd.	2,071,880,000.00			2,071,880,000.00		
Shanghai Sunwin Bus Co., Ltd.	922,209,374.40			922,209,374.40		
SAIC Group Financial Holding Management Co., Ltd.	10,050,000,000.00			10,050,000,000.00		
SAIC HONGYAN Automobile Co., Ltd. (Note 2)	790,020,393.30		790,020,393.30			
Shanghai Yuanjie Intelligent Technology Equity Investment Fund Partnership (Limited Partnership) (hereinafter referred to as "Yuanjie Intelligent" (Note 5)	2,159,600,000.00	3,239,400,000.00		5,399,000,000.00		

Jiaxing Qijun No. 1 Equity Investment Partnership (Limited Partnership)	136,722,100.00			136,722,100.00		
SAIC Qizhen New Energy No. 1 Private Equity Securities Investment Fund	499,990,889.00			499,990,889.00		
Shanghai Hydrogen Propulsion Technology Co., Ltd. (Note 6)	69,600,000.00		35,535,440.00	34,064,560.00		
Jiaxing Ruijia Equity Investment Partnership (Limited Partnership) (Note 7)		2,369,342,093.63		2,369,342,093.63		
Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (Limited Partnership) (Note 8)		4,914,000,000.00		4,914,000,000.00		
Jiaxing Dongxi Zhihang Equity Investment Partnership (Limited partnership) (Note 9)		272,030,000.00		272,030,000.00		
Rising Automotive Technology Co., Ltd. (Note 10)		50,000,000.00		50,000,000.00		
Nanjing Iveco Automobile Co., Ltd. (Note 11)		99,330,000.00		99,330,000.00		
<b>Total</b>	<b>87,178,547,124.75</b>	<b>14,925,282,906.44</b>	<b>825,555,833.30</b>	<b>101,278,274,197.89</b>		

Note 1: In the current year, the Company made additional capital contributions of RMB 781,000,000.00 by monetary funds to SAIC Maxus.

Note 2: In the current year, New Power Technology purchased 50.00% equity interest in SII and 56.96% equity interest in SAIC HONGYAN held by the Company by way of issuing shares to purchase assets, and the Company's long-term equity investments in SII and SAIC HONGYAN were correspondingly reduced to zero. The number of shares issued by New Power Technology to the Company was 366,594,314, amounting to RMB 2,962,082,062.81, and the Company's investment cost in New Power Technology increased by RMB 2,962,082,062.81 accordingly, with the shareholding ratio changed to 47.99%.

Note 3: In the current year, the Company made additional capital contributions of RMB 27,146,000.00 by monetary funds to SAIC Capital.

Note 4: In the current year, the Company made additional capital contributions of RMB 210,952,750.00 by monetary funds to Investment Management.

Note 5: In the current year, the Company made additional capital contributions of RMB 3,239,400,000.00 by monetary funds to Yuanjie Intelligent.

Note 6: In the current year, the Company took June 30, 2021 as the benchmark date, and based on the evaluation results filed by the State-owned Assets Supervision and Administration Commission, transferred 6.1268% equity in SHPT to New Power Technology with monetary funds of RMB 199,000,000.00 through agreement, thus reducing the investment cost of SHPT by RMB 35,535,440.00.

Note 7: In the current year, the Company invested monetary fund amounting to RMB 2,369,342,093.63 to participate in establishing Jiaxing Ruijia Equity Investment Partnership (Limited Partnership), and the Company held 99.95% of shares.

Note 8: In the current year, the Company invested monetary fund amounting to RMB 4,914,000,000.00 to participate in establishing Qingdao SAIC Innovation and Upgrading Industry Equity Investment Fund Partnership (Limited Partnership), and the Company held 99.634% of shares.

Note 9: In the current year, the Company invested monetary fund amounting to RMB 272,030,000.00 to participate in establishing Jiaxing Dongxi Zhihang Equity Investment Partnership (Limited partnership), and the Company held 84.219% of shares.

Note 10: In the current year, the Company invested monetary fund amounting to RMB 50,000,000.00 to participate in establishing Rising Automotive Technology Co., Ltd., and the Company held 95.00% of shares.

Note 11: During the year, the Company acquired 30.10% equity interest of Nanjing Iveco from Iveco with monetary funds of RMB 99,330,000.00. After the completion of the equity transfer, the Company held 30.10% of shares directly and 50.00% of shares through its subsidiary Nanjing Automobile Group, thus Nanjing Iveco became a subsidiary of the Company.

## (2). Investments in joint ventures and associates

√Applicable □N/A

Unit: RMB

Investee	January 1, 2021	Increase (decrease) during the year	December 31, 2021	Impairment provision as at December 31, 2021
		Others		
<b>I Joint ventures</b>				
SAIC Volkswagen Automotive Co., Ltd.	16,375,311,375.31	-2,681,915,347.15	13,693,396,028.16	
SAIC General Motors Co., Ltd.	9,790,303,688.58	1,543,812,134.50	11,334,115,823.08	
Shanghai GM Dong Yue Motors Co., Ltd.	582,367,524.89	37,593,152.37	619,960,677.26	
Shanghai GM Dong Yue Automotive Powertrain Co., Ltd.	1,550,047,641.47	48,826,045.65	1,598,873,687.12	
Shanghai GM (Shenyang) Norsom Motors Co., Ltd.	668,151,813.61	-1,161,093.23	666,990,720.38	
Pan-Asia Technical Automotive Centre	423,809,257.79	-22,782,444.20	401,026,813.59	
SAIC Iveco Commercial Vehicle Investment Co., Ltd. (Note)	781,817,000.44	-781,817,000.44		
<b>Sub-total</b>	<b>30,171,808,302.09</b>	<b>-1,857,444,552.50</b>	<b>28,314,363,749.59</b>	
<b>II Associates</b>				
Volkswagen Automotive Powertrain Co., Ltd.	1,503,848,846.56	-118,787,531.26	1,385,061,315.30	
Volkswagen Transmission (Shanghai) Co., Ltd.	144,732,447.98	380,672.27	145,113,120.25	
<b>Sub-total</b>	<b>1,648,581,294.54</b>	<b>-118,406,858.99</b>	<b>1,530,174,435.55</b>	
<b>Total</b>	<b>31,820,389,596.63</b>	<b>-1,975,851,411.49</b>	<b>29,844,538,185.14</b>	

**4. Operating income/costs****(1). Details of operating income/costs**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021		Year ended December 31, 2020	
	Income	Costs	Income	Costs
Primary operations	64,132,246,826.81	61,739,028,310.12	54,476,008,896.42	52,096,100,487.91
Other operations	6,259,357,068.34	5,292,927,953.04	5,568,035,278.07	4,849,996,704.88
<b>Total</b>	<b>70,391,603,895.15</b>	<b>67,031,956,263.16</b>	<b>60,044,044,174.49</b>	<b>56,946,097,192.79</b>

**(2). Details of income from contacts**

□Applicable √N/A

**(3). Explanation of performance obligations**

√Applicable □N/A

The Group's mainly engaged in the research and development, production and sales of automobiles and parts and components. For goods sold to customers, the Group completes sales of goods when the control of the goods is transferred, namely, when the goods are delivered to the counterparty's designated location, delivered to the counterparty's designated carrier, or otherwise agreed.

**(4). Explanation of allocation to remaining performance obligations**

□Applicable √N/A

Other explanations:

Primary operations

Unit: RMB

Item	Year ended December 31, 2021		Year ended December 31, 2020	
	Income	Costs	Income	Costs
Sales of vehicles	61,185,025,613.64	59,655,383,483.97	51,965,263,700.16	50,292,000,540.70
Sales of parts and components	2,947,221,213.17	2,083,644,826.15	2,510,745,196.26	1,804,099,947.21
<b>Total</b>	<b>64,132,246,826.81</b>	<b>61,739,028,310.12</b>	<b>54,476,008,896.42</b>	<b>52,096,100,487.91</b>

Other operations

Unit: RMB

Item	Year ended December 31, 2021		Year ended December 31, 2020	
	Income	Costs	Income	Costs
Rendering of services	2,379,289,061.90	2,186,692,756.69	3,202,404,832.87	3,136,570,820.19
Sales of raw materials and waste	2,980,400,032.46	2,915,740,346.97	1,693,702,313.41	1,555,425,543.06
Commission and royalties of technology	593,389,859.25	34,025,452.61	505,253,706.07	72,624,427.71
Rental	67,854,321.62	18,234,499.90	60,968,193.51	16,385,339.18
Others	238,423,793.11	138,234,896.87	105,706,232.21	68,990,574.74
<b>Total</b>	<b>6,259,357,068.34</b>	<b>5,292,927,953.04</b>	<b>5,568,035,278.07</b>	<b>4,849,996,704.88</b>

**5. Investment income**

√Applicable □N/A

Unit: RMB

Item	Year ended December 31, 2021	Year ended December 31, 2020
Dividends declared by subsidiaries	13,633,205,154.55	7,152,881,085.41
Income from long-term equity investments under equity method	9,867,561,273.70	11,143,789,038.61
Dividends income from investments in other equity instruments in holding period	388,587,654.97	382,129,477.16
Investment income from entrusted loans	140,669,789.74	194,722,534.78
Investment income from disposal of long-term equity investments	1,381,384,308.29	
Investment income from held-for trading financial assets	1,549,810.84	
<b>Total</b>	<b>25,412,957,992.09</b>	<b>18,873,522,135.96</b>

**6. Others**

□Applicable √N/A

**XVIII. SUPPLEMENTARY INFORMATION****1. Statement of non-recurring profit or loss**

√Applicable □N/A

Unit: RMB

Item	Amount	Explanation
Profit or loss on disposal of non-current assets	4,522,318,862.58	
Government grants recognized in profit or loss for the current year, except those which are closely related with normal business courses, and granted on quota basis continuously based on the state policy	4,032,306,772.41	
The excess of acquirer's proportionate share of fair value of identifiable net assets of acquiree over the consideration paid for the acquisition of subsidiaries, associates and joint ventures	5,456,162.00	
Profit or loss on debt restructuring	1,695,113.00	
Profit or loss on changes in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, except for effective hedging business related to normal operations of the Company	35,968,969.21	
Profit or loss on offering entrusted loans	24,606,304.16	
Other non-operating income and expenses other than the above	-105,364,740.28	
Gain from business combinations not involving enterprises under common control achieved in stages involving multiple transactions	-1,711,806.78	
Less: Tax effects of income tax	781,094,388.83	
Effects of minority interests	1,776,084,568.70	
<b>Total</b>	<b>5,958,096,678.77</b>	

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

Applicable N/A

## 2. Return on net assets and earnings per share

Applicable N/A

Profit for the reporting period	Weighted average return on net assets (%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to common stock holders of the Company	9.19	2.120	N/A
Net profit attributable to common stock holders of the Company after deducting non-recurring profit or loss	6.96	1.605	N/A

## 3. Differences between amounts prepared under foreign accounting standards and China Accounting Standards

Applicable N/A

## 4. Others

Applicable N/A

President: Mr. Chen Hong

Date of Approval by the Board: April 30, 2022

## Revised information

Applicable N/A