



**北京汽车股份有限公司**  
BAIC MOTOR CORPORATION LIMITED\*

(於中華人民共和國註冊成立的股份有限公司)  
(A joint stock company incorporated in the People's Republic of China with limited liability)

股份代號 Stock code : 1958

# 2023

## INTERIM REPORT

### 中期報告



\* 僅供識別 For identification purpose only



**北京汽车股份有限公司**  
BAIC MOTOR CORPORATION LIMITED\*



Official website



WeChat Official  
accounts

**| Brand New BJ40**

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## OVERVIEW

The board (the “Board”) of directors (the “Directors”) of BAIC Motor Corporation Limited (the “Company” or “BAIC Motor”) presents the unaudited interim condensed financial information of the Company and its subsidiaries (collectively referred to as the “Group” or “we” or “our”) for the six months ended June 30, 2023 (the “First Half of 2023” or the “Reporting Period”). The condensed financial information has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting issued by the International Accounting Standards Board and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

The results of the Group for the First Half of 2023 have been approved by the Board of the Company. The unaudited interim condensed financial information set out in this report has been reviewed by PricewaterhouseCoopers, the auditor of the Company.

In the First Half of 2023, China’s economic operation benefitted from increased positive factors, and industrial production gradually recovered. With the shift of promotional policies and market price fluctuations in the first quarter of 2023, the automobile industry saw robust growth in the First Half of 2023, driven by the central and local policies to stimulate consumption and auto marketing activities in many places. According to the statistics of China Association of Automobile Manufacturers (the “CAAM”), the wholesale sales volume of passenger vehicles in the First Half of 2023 was 11.268 million units, representing a year-on-year increase of 8.8%. The Group grasped the market opportunities and achieved healthy development in the First Half of 2023. It focused on its principal business and stabilised its fundamentals, increased the sales volume in key markets and key models, and accelerated the transition to electrification and intelligentization. During the Reporting Period, Beijing Brand, Beijing Benz, Beijing Hyundai and Fujian Benz of the Group sold a total of 507,000 units of vehicles, representing a year-on-year increase of 24.1%. It achieved consolidated revenue of RMB99.05 billion, representing a year-on-year increase of 18.4%. Profit attributable to equity holders of the Company amounted to RMB2.85 billion, representing a year-on-year increase of 31.9%, and earnings per share amounted to RMB0.36, representing a year-on-year increase of 33.3%.

The Board has not made any recommendation on the payment of an interim dividend for the Reporting Period.

## Part One

### Corporate Information

- **LEGAL NAME OF THE COMPANY**

BAIC Motor Corporation Limited

- **ENGLISH NAME OF THE COMPANY**

BAIC Motor Corporation Limited<sup>1</sup>

- **REGISTERED OFFICE**

A5-061, Unit 101, 5/F, Building No. 1, Courtyard No. 99, Shuanghe Street, Shunyi District, Beijing 101300, China

- **HEADQUARTERS**

No. 99 Shuanghe Street, Shunyi District, Beijing 101300, China

- **PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

- **AUTHORISED REPRESENTATIVES**

**Mr. Song Wei**

5/F, No. 99 Shuanghe Street, Shunyi District, Beijing, China

**Mr. Wang Jianhui**

5/F, No. 99 Shuanghe Street, Shunyi District, Beijing, China

- **COMPANY SECRETARY**

**Mr. Wang Jianhui**

5/F, No. 99 Shuanghe Street, Shunyi District, Beijing, China

- **HONG KONG LEGAL ADVISOR**

**Linklaters**

11th Floor, Alexandra House, 18 Chater Road, Hong Kong

- **CHINA LEGAL ADVISOR**

**JunHe LLP**

20/F, China Resources Building, 8 Jianguomenbei Avenue, Dongcheng District, Beijing, China

- **AUDITORS (EXTERNAL AUDIT FIRM)**

**PricewaterhouseCoopers**

Certified Public Accountants and Registered PIE Auditor

22/F, Prince's Building, Central, Hong Kong

**PricewaterhouseCoopers Zhong Tian LLP**

11/F, PricewaterhouseCoopers Center, 202 Hubin Road, Shanghai, China

- **PRINCIPAL BANKS**

**Bank of Beijing, Jinyun Branch**

Block A, Jinyun Building, A43 Xizhimen North Street, Haidian District, Beijing, China

**China CITIC Bank, Olympic Village Branch**

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- **H SHARE REGISTRAR**

**Computershare Hong Kong Investor Services Limited**

Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong

- **H SHARE STOCK CODE**

1958

- **INVESTOR ENQUIRY**

Investor hotline:(86)10 5676 1958; (852)3188 8333

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E-mail: ir@baicmotor.com

<sup>1</sup> For identification purpose only

## Part Two

### Summary of Financial and Business Information

#### I. MAJOR FINANCIAL SUMMARY

Summary of comprehensive financial information of the Group for the First Half of 2023 is as follows:

Unit: RMB million

Item	Six months ended June 30,	
	2023 (Unaudited)	2022 (Unaudited)
Revenue	99,047	83,679
Cost of sales	(78,481)	(65,119)
Gross profit	20,566	18,560
Selling and distribution expenses	(5,661)	(4,806)
General and administrative expenses	(2,258)	(2,265)
Net impairment losses on financial assets	(298)	(86)
Other gains, net	236	61
Finance (cost)/income, net	(62)	25
Share of profit/(loss) of investments accounted for using equity method	56	(43)
Profit before income tax	12,579	11,446
Income tax expense	(4,028)	(3,803)
Profit for the period	8,551	7,643
Profit attributable to		
Equity holders of the Company	2,846	2,158
Non-controlling interests	5,705	5,485
<b>Total assets, total liabilities and capital and reserves attributable to equity holders of the Company</b>	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Total assets	175,068	173,375
Total liabilities	95,482	94,438
Capital and reserves attributable to equity holders of the Company	56,170	54,497

## Part Two

### Summary of Financial and Business Information

#### II. MAJOR PERFORMANCE SUMMARY

The wholesale sales volume of vehicles of each passenger vehicle business segment of the Group for the First Half of 2023 is as follows:

Unit: thousand unit

Item	First Half of 2023 Cumulative Sales Volume	First Half of 2022 Cumulative Sales Volume
Oil-powered vehicle	459	383
New energy vehicle	49	25

Unit: thousand unit

Business Segment	First Half of 2023 Cumulative Sales Volume	First Half of 2022 Cumulative Sales Volume
Beijing Brand	72	32
Oil-powered vehicle	44	24
New energy	29	8
Beijing Benz	301	267
Beijing Hyundai	118	94
Fujian Benz	15	16

Note: Sales volume of Beijing Brand includes data on off-road vehicles starting from 2023, and off-road vehicles are included in the sales volume for the First Half of 2022 for comparison.

## Part Three

### Company Profile and Business Overview

#### I. OVERVIEW

We are a leading passenger vehicle manufacturer in China and one of the passenger vehicle manufacturers with the most optimised brand layout and business system in the industry. Our brands cover joint venture premium passenger vehicles, joint venture premium multipurpose passenger vehicles, joint venture mid-to high-end passenger vehicles, proprietary brand passenger vehicles, among others, which can maximally satisfy various consumers' demands.

The Company completed its H Shares initial public offering and was listed on the Main Board of the Stock Exchange on December 19, 2014 (H Share stock abbreviation: BAIC Motor; H Share stock code: 1958).

#### II. MAJOR BUSINESS OPERATIONS

The Group's major business operations include research and development, manufacturing, sales and after-sale services of passenger vehicles, production of core parts and components of passenger vehicles, car financing, international businesses and other related businesses. We keep optimizing industry chains and strengthening our brands.

##### PASSENGER VEHICLES

The Group is accelerating its transformation and upgrade towards electrification and intelligence. Its passenger vehicle product types covers fuel-powered and new energy models, which are carried out through four business segments, namely, Beijing Brand, Beijing Benz, Beijing Hyundai and Fujian Benz.

##### 1. Beijing Brand

Beijing Brand, our proprietary brand, covers sedans, SUVs and off-road vehicles in both fuel-powered and new energy models, providing users with a full range of travel experiences.

Beijing Brand is deepening its product layout, embracing the brand philosophy of "Embark with Family, Follow Your Heart," and dedicated to being "a trusted partner for families seeking outdoor adventures". With a focus on SUVs as the main lineup and complemented by crossover sedans, Beijing Brand established a mainstream product matrix that includes diverse levels and powertrain options. To meet different levels of needs, Beijing Brand has created three product series, which are "Excellent Off-road Performance, Joyful Outdoor Adventure and Pleasure Travel Experience", to reach more life scenes. The Excellent Off-road Performance Series is positioned as a hardcore, reliable, all-around, military-quality performance partner, attracting users who prefer off-road SUVs and aspire to freedom, authenticity, and exploration with its hardcore strength. The Joyful Outdoor Adventure Series is positioned as a product that is with high potential, intelligently interconnected, stylish and multi-functional to satisfy users' inner-city, suburban and inter-city outdoor adventures, and to attract users who love life, discovery and the outdoors. The Pleasure Travel Experience Series is positioned as the pioneer of national trend, power aesthetics, and the leader of hip and cool hedonistic players, satisfying the users who are practical and caring about the family, but also pay attention to the trend of quality.

## Part Three

### Company Profile and Business Overview

Beijing Brand's on-sale models include SUV models such as the new X7 and MOFANG, pure electric models such as the EU5 PLUS and the X7 hybrid model, as well as off-road models such as the brand new BJ40, BJ60 and BJ80, which constitute a diversified mainstream product range for the outdoor needs at different levels.

#### 2. Beijing Benz

Beijing Benz is a subsidiary of the Company. The Company holds 51.0% equity interest of Beijing Benz, while Mercedes-Benz Group AG ("Mercedes-Benz Group") and its wholly-owned subsidiary, Mercedes-Benz China Investment Co., Ltd. (梅賽德斯－奔馳(中國)投資有限公司), together hold 49.0% equity interest in Beijing Benz. Beijing Benz commenced the manufacturing and sales of passenger vehicles of Mercedes-Benz brand in 2006.

At present, Beijing Benz has become a joint venture involved in research and development, manufacturing and sale of engines and vehicles, and after-sales services. It manufactures and sells several fuel-powered and new energy models of Mercedes-Benz brand, such as the long-wheelbase E-class sedan, the new long-wheelbase GLC SUV, the new EQE SUV, etc., while exporting core parts and components of engines and vehicles, which makes itself an important part of the global network of Mercedes-Benz.

Beijing Benz serves as an exemplary company that contributes to the capital's automobile industry to transform and upgrade towards the direction of high precision and high technology. It integrates the world's advanced manufacturing technology and modern management, applying the features of "digitalization, adaptability, efficiency and sustainability" in each stage of the production. It has won various honorary titles including "Global Excellent Operating Factory", "Green Model Factory", "Intelligent Manufacturing Benchmarking Enterprise in Beijing" and "Pilot Model Project for Sino-German Intelligent Manufacturing Cooperation", and constantly promotes its high-quality development.

#### 3. Beijing Hyundai

Beijing Hyundai Motor Co., Ltd. ("Beijing Hyundai") is a joint venture of the Company. The Company holds 50.0% equity interest of Beijing Hyundai through its subsidiary BAIC Investment Co., Ltd. ("BAIC Investment"), while Hyundai Motor Company ("Hyundai Motor") holds another 50.0% equity interest of Beijing Hyundai. Beijing Hyundai commenced the manufacturing and sales of passenger vehicles of Hyundai brand in 2002.

Beijing Hyundai manufactures and sells more than 10 sedan and SUV models, including mid-size, compact, and small-size models, mainly comprising MUFASA, the seventh-generation Elantra, the fifth-generation TUCSON L, Custo, new ix35, the tenth-generation Sonata, the fourth-generation Santa Fe Traveller and LA FESTA N-Line to fully meet the different needs of consumers.

## Part Three

### Company Profile and Business Overview

#### 4. Fujian Benz

Fujian Benz Automotive Co., Ltd. (“Fujian Benz”) is a joint venture of the Company. The Company holds 35.0% equity interest of Fujian Benz, and establishes an acting-in-concert agreement with Fujian Motor Industry Group Co. (“FJMOTOR”), which holds 15.0% equity interest of Fujian Benz. The consensus will be reached while making decisions regarding the operation, management and other matters of Fujian Benz, as well as the exercising of power by the directors appointed by FJMOTOR. Mercedes-Benz Vans Hong Kong Limited holds the remaining 50.0% equity interest of Fujian Benz. Fujian Benz commenced the manufacturing and sales of multi-purpose passenger vehicles and light passenger vehicles of Mercedes-Benz brand in 2010. At present, Fujian Benz stays on the leading edge in the field of joint venture premium business purpose vehicles, with production and sale of Mercedes-Benz V-Class vehicles and New Vito products.

#### Core Parts and Components for Passenger Vehicles

In addition to manufacturing of whole vehicles, we also produce engines, powertrain, power battery, and other core parts and components for passenger vehicles through the production bases of Beijing Brand, Beijing Benz and Beijing Hyundai.

In respect of Beijing Brand, we manufacture engines, transmissions, new energy reducer and other core automobile parts and components through entities including BAIC Motor Powertrain Co., Ltd. mainly for use in our whole vehicles as well as for sale to other automobile manufacturers. By digesting and assimilating Saab technology and through the combination of cooperative and independent research and development, we have broken through many technological difficulties, successively completed the development of many types of engines and transmission products, and realized mass production of such products. Such products have been widely used for Beijing Brand passenger vehicles. The self-developed “Magic Core\*” (魔核) 1.5T engine was awarded the “Heart of China” Top Ten Engine in the year of 2021, and a variety of hybrid engines are under research and development.

Beijing Benz commenced to manufacture engines in 2013 and currently owns two engine plants and the first power battery factory outside Germany, producing several engines, such as M282, M274, M264, M260, M254, and EB42X power battery products.

Beijing Hyundai commenced to manufacture engines in 2004. Its specific product offerings cover four major series namely BETA, Kappa, Gamma and Gammall, which are industry-leading in terms of technology and power, etc, and are mainly for use in Hyundai-branded passenger vehicles manufactured by Beijing Hyundai.

## Part Three

### Company Profile and Business Overview

#### Car Financing

We conduct car financing and automobile after-sales business of Beijing Brand, Mercedes-Benz brand and Hyundai brand through associates and joint ventures including BAIC Group Finance Co., Ltd. (“BAIC Finance”), Mercedes-Benz Leasing Co., Ltd. (“MBLC”), Beijing Hyundai Auto Finance Company Limited (“BHAF”) and BH Leasing Co., Ltd. (“BH Leasing”) and continuously promote the rapid development of car financing businesses by methods including capital investment and business cooperation.

In respect of Beijing Brand’s car financing business, we have conducted group strategic cooperation with various automobile financial companies, commercial banks and lease finance companies, offering clients a great variety of financial products covering all car models now selling in the market, and meeting different customer demands. Through BAIC Finance, we offer interest-free fixed-rate loans, low/zero down payments, zero monthly payments and other financial products to meet the different financial needs of our customers.

MBLC is an associate of the Company. The Company and Mercedes-Benz China Investment Co., Ltd. (梅賽德斯－奔馳(中國)投資有限公司) hold 35.0% and 65.0% equity interests in MBLC, respectively. MBLC comprehensively promoted its digital business, which further stimulated the sales of Beijing Benz’s electric vehicles.

BHAF is an associate of the Company. The Company holds 33.0% and 14.0% equity interests in BHAF through its subsidiary, BAIC Investment, and its joint venture, Beijing Hyundai, respectively, while Hyundai Capital Services and Hyundai Motor hold the remaining equity interest. BHAF is ranked amongst the best in the industry in terms of the number of retail loan contracts, demonstrating its commitment to diversifying its business steadily, which further stimulates the sales of Beijing Hyundai’s new models.

BH Leasing is an associate of the Company. The Company, Hyundai Capital Services and Hyundai (China) Investment Co., Ltd. hold 50%, 40% and 10% equity interests in BH Leasing, respectively. BH Leasing provides sale-leaseback and direct leasing services to customers in the car sales market, which further stimulates the sales of new vehicles.

## Part Three

### Company Profile and Business Overview

#### International Business

We promote the rapid development of international business through the production and operation businesses of the South African production base and the marketing business in South African and Southern African Development Community (SADC) markets which are in the charge of BAIC Automobile SA Proprietary Limited, a joint venture of the Company, through international marketing business in markets outside China and South Africa which are in the charge of BAIC International, a wholly-owned subsidiary of the Company, and through overseas sales companies, KD technology<sup>2</sup> cooperation, vehicle distribution, etc. International business focuses on exporting passenger vehicle products of Beijing Brand. The sales volume continued to grow at a high rate, driven by business innovations such as product restructuring, new market pilots and new energy transformation.

#### Other Related Businesses

In the First Half of 2023, we continued to conduct lightweight research and development, new energy technology transformation, information big data and used car businesses through relevant joint ventures.

#### III. INDUSTRY DEVELOPMENT IN THE FIRST HALF OF 2023

With the easing of the pandemic and the recovery of consumption, China's economic operation was gradually picking up. Central and local governments have frequently implemented policies to stimulate consumption, and the overall automobile industry has shown signs of recovery. According to the data of the CAAM, in the First Half of 2023, the sales volume of passenger vehicles in China reached 11.268 million units, representing a year-on-year increase of 8.8%, with a steady growing trend.

In the first quarter of 2023, due to the impact of industry policy transition and insufficient release of effective demand, there was a decline in the sales volume of passenger vehicles. However, since the second quarter, the sales volume has rebounded as promotional policies have been implemented frequently. According to the CAAM, new energy vehicle sales in the First Half of 2023 amounted to 3.747 million units, representing a year-on-year increase of 44.1%, with a market share of 28.3%, demonstrating a period of comprehensive market expansion; the sales volume of Chinese-brand passenger vehicles amounted to 5.986 million units in the First Half of 2023, representing a year-on-year increase of 22.4%, with a market share of 53.1%; the sales volume of high-end brand passenger vehicles amounted to 2.033 million units, representing a year-on-year increase of 19.7%; exports of passenger vehicles reached 1.78 million units, representing a year-on-year increase of 88.4%.

<sup>2</sup> means knocked down

## Part Three

### Company Profile and Business Overview

In the terms of industry policies, the year 2023 represents a period where the effects of policies promoting steady economic growth are becoming evident in China's economy. Various authorities jointly issued announcements such as the Announcement on the Continuation and Optimization of Tax Reduction and Exemption Policies for Purchase of New Energy Vehicles (《關於延續和優化新能源汽車車輛購置稅減免政策》), announcing that the tax reduction and exemption policies for purchase of new energy vehicles will be extended to 2027, further unleashing the consumption potential for new energy vehicles, which will help to stabilize the market expectation and expand the effective demand.

#### IV. OPERATIONAL PERFORMANCE OF THE GROUP IN THE FIRST HALF OF 2023

During the Reporting Period, the Group strengthened its development base and achieved remarkable results in electrification and intelligent transformation. In the First Half of 2023, the Group's overall sales volume was 507,000 units, representing a year-on-year increase of 24.1%. Among them, the sales volume of new energy models was 49,000 units, representing a year-on-year increase of 91.5%, marking the realization of market expansion. The sales volume of fuel-powered vehicles increased by 19.7% year-on-year to 459,000 units, showing a steady growth.

#### OPERATIONAL PERFORMANCE BY BRANDS

##### 1. Beijing Brand

In the First Half of 2023, despite price wars in the first quarter and other unstable factors, Beijing Brand, based on the "dual strategy" domestic and international markets development, responded quickly to market changes, implemented lean operation, and improved production and sales volume. Beijing Brand recorded accumulated sales in the First Half of 2023 of 72,000 units, representing a year-on-year increase of 125.9%. Through optimization of product lineup, the electric vehicle sector underwent a paradigm shift, resulting in an accumulated sales of 29,000 vehicles. The export segment has been growing steadily, with an accumulated sales of 18,000 units, representing a year-on-year increase of 234.8%. By improving the supply chain and increasing the supply pipeline, Beijing Brand substituted several key chips to enhance operational efficiency.

With a continued focus on key markets in international business, export sales volume has been enhanced. MOFANG was awarded the "Best Family SUV of the Year 2023" in South Africa, and has entered the South American and other markets.

## Part Three

### Company Profile and Business Overview

#### 2. Beijing Benz

In the First Half of 2023, despite the external pressures of tight supply chain and lack of market vitality, Beijing Benz strengthened its market positioning, conducted in-depth studies on the changes in the industry and the transformation strategy of electrification, digitization and low-carbonization, and devoted itself to stimulating the vitality of research and development, planning, production, and upstream and downstream value chain. It recorded the sales of 301,000 vehicles, a year-on-year increase of 12.9%, and still ranked the forefront of the domestic luxury brands while maintaining high-quality growth.

In addition, Beijing Benz made every effort to promote the implementation of its product strategy, and completed the production and launch of the new long-wheelbase GLC SUV and the new EQE SUV in the First Half of 2023 as scheduled.

#### 3. Beijing Hyundai

In the First Half of 2023, Beijing Hyundai actively addressed various challenges stemming from intensified industry competition and external factors. It accelerated the adoption of digitalization, intelligent network technology, and autonomous driving technology. It successfully launched the MUFASA model, representing a further upgrade of its level of intelligence. At the same time, Beijing Hyundai focused on brand marketing innovation, and further increased the sales proportion of main models such as Elantra and high-end models such as the fifth-generation TUCSON L, realizing vehicle sales of 118,000 units, a year-on-year increase of 25.7%.

Beijing Hyundai actively promoted the optimization of network layout and coverage, continuously improved the health of channels, and leveraged on hotspot innovative marketing to enhance the popularity of the brand and models. It strengthened the dissemination of technical brand features and promoted fan marketing.

#### 4. Fujian Benz

In the First Half of 2023, Fujian Benz made full efforts to stabilize vehicle prices and optimize the vehicle portfolio. It achieved sales of 15,000 vehicles, with benign development.

### SALES NETWORK

The Group always attaches great importance to the interests of customers, strives to optimize its product-service system, and is devoted to enabling product distributors and customers to receive timely, efficient, accurate and high-quality service guarantee. There are independent marketing channels for all brands.

Beijing Brand embarked on a new journey, leveraging innovative marketing and the operation of a new media matrix to support terminal online sales and continue to optimize channel layout. The service end closely focused on customer concerns and drove service ecosystem construction, while the customer end concentrated on clubs, APPs, and word-of-mouth communication, deepening systematized operations.

Guided by the “2020 network upgrade plan”, Beijing Benz assisted its Benz brand’s sales network with retail transformation by upgrading store design, improving channel development capabilities, and optimizing customer experience. Meanwhile, Beijing Benz kept an eye on the profitability of dealers and pushed forward their efforts to improve quality and increase efficiency by focusing on key cost items.

## Part Three

### Company Profile and Business Overview

Beijing Hyundai actively promoted the optimization of network layout and coverage, continuously improved the health of channels, and leveraged on hotspot innovative marketing to enhance the popularity of the brand and models. It strengthened the dissemination of technical brand features and promoted fan marketing to realize precise marketing/service/line management, thereby facilitating the conversion of customer value.

#### RESEARCH AND DEVELOPMENT

The Group believes that the research and development capability is crucial to future development. In the First Half of 2023, it made efforts to promote the construction of research and development systems and capability, for all of its brand businesses.

Beijing Brand continued to focus on “electrification”, intelligence” and “networking”, promoting a combination of independent innovation and strategic cooperation to achieve breakthroughs in core technologies and core capabilities. Beijing Brand aimed to enhance autonomous control capabilities in core technologies such as intelligent driving, hybrid powertrains, and vehicle architecture. In terms of intelligent cockpits, Beijing Brand built a unified hardware platform and software ecosystem to improve customer data operation capabilities. In the area of hybridization, Beijing Brand developed engines with high thermal efficiency. In terms of electrification, the Company advanced self-development of super charging cores, improved the energy density of batteries, and increased the power density and operating efficiency of electric drive assemblies with an aim to build a 800V high-voltage platform. In terms of off-road vehicle technology, it created off-road ATS technology and adopted unique body structures such as cage body and all-metal anti-roll bar, which comprehensively improved the safety performance in off-road. Meanwhile, the first off-road SUV with unladen body + four-wheel independent suspension was launched, ensuring off-road performance and comfort at the same time.

Beijing Benz has the largest research and development center among all joint venture enterprises of Mercedes-Benz Group, and introduced the Mercedes-Benz development system, continuously shortening the development cycle and strengthening the digital verification capability. The research and development center has an internationally advanced test laboratory for power battery testing, weather corrosion, emissions, engine, vibration and noise and electric drive testing, which is built and operated in strict accordance with the Mercedes-Benz Group’s standards, so as to establish the only fully functional prototype plant of the Mercedes-Benz Group abroad, which is able to finish high-quality localized prototype trials, significantly shortens the validation cycle for new product introduction and increases product maturity. Meanwhile, Beijing Benz has a high-level research and development team, with a leading level technology in China in localization of components, product introduction and problem analysis, digital verification of research and development, problem analysis of new energy electric drive/battery systems, implementation and verification of localized technology solutions, and engineering change control, providing strong technical support for the research and development and production of Mercedes-Benz’s domestic traditional and new energy models.

Beijing Hyundai continued to pay attention to the changes in the Chinese market and consumer demand, expanding the product matrix and promoting the new transformation of the enterprise. In the First Half of 2023, Beijing Hyundai launched a new class of “intelligent two-room, one-compartment” SUVs, the MUFASA models, with class-leading intelligence, space and safety performance to meet the needs of young families in China. In the second half of 2023, the seventh-generation Elantra facelift model and its N-Line model will be launched to ensure the long-term competitiveness of the main sales models. At the same time, we are actively promoting the research and development of various technologies, such as hybrid and pure electric, to help enterprises realize the “2025 New Plan”.

## Part Three

### Company Profile and Business Overview

#### PRODUCTION FACILITIES

We have specialized production facilities to manufacture and assemble products. All of our production facilities are equipped with flexible production lines. This not only enables us to flexibly change production plans and respond quickly to changes in market demand, but also reduces our capital expenditures and operating costs.

The factories in Guangzhou and Zhuzhou City of Beijing Brand have adopted an advanced digital and intelligent production quality management system with a focus on the design and manufacturing process for the quality of whole vehicle products and the continuous improvement of the accuracy of implementation of digital standards as well as the enhancement of product quality.

Based on the principle of “digitization, flexibility, high efficiency and sustainability”, Beijing Benz strives to build the world’s most comprehensive Mercedes-Benz manufacturing base and continuously promotes its high-quality development. Beijing Benz has established a quality center based on Mercedes-Benz Group’s global standards to ensure that every unit of Mercedes-Benz vehicles is up to its globally unified standards and quality management system.

Upholding the production philosophy of “greenness, quality, intelligentization and high efficiency”, Beijing Hyundai relies on the intelligent production equipment, international management systems and a more than 90% automation rate to fully ensure accuracy and manufacture high-quality products. In the meantime, it uses flexible production plans and mixed model production reasonably to effectively reduce manufacturing costs.

#### INDUSTRY CHAIN EXTENSION AND COOPERATION

In the First Half of 2023, the Group continuously promoted the integration of industry and finance and industrial cooperation in various fields, further optimised the industry chain covering research, production, supply and marketing, focused on principal businesses and enhanced its competitiveness.

#### PROFILE OF EMPLOYEES

As at June 30, 2023, the total number of employees of the Group was 30,691 (December 31, 2022: 31,511).

#### V. OUTLOOK FOR THE SECOND HALF OF 2023

Looking ahead to the second half of 2023, the recovery of the macro-economy will be gradually transmitted to the automobile market, and the good performance of new energy vehicles and automobile exports has effectively boosted market growth. As policies gradually pan out, the consumption potential of the automobile market will be further unleashed, which will help the industry achieve stable growth throughout the year. Meanwhile, the current external environment is complex, with noticeable structural problems. Consumer demand is insufficient, and the industry is facing increased pressure. In the second half of 2023, the Group will strive to keep pace with market changes and improve its system capacity and market share, so as to maintain stable and progressive development.

## Part Three

### Company Profile and Business Overview

Beijing Brand will adhere to the business principle of “Survival • Reform • Development”, adjust the business rhythm according to changes, retain key users in each segment, and strive to achieve market expansion. Internationally, it will focus on the core markets and secure new orders to achieve positive growth. Meanwhile, efforts will be made to accelerate product iteration and enhance its marketing capabilities to ensure the completion of its full-year business objectives.

Beijing Benz will insist on adopting a systems thinking approach, strategically plan for development, and integrate the concept of high-quality development throughout the entire production and operational process. We will continue to excel in guaranteeing production and increasing sales volume, expedite the implementation of high-quality projects, and actively pursue the transformation and development strategies of electrification, digitization, and low-carbonization. By doing so, Beijing Benz aims to strengthen its leading position in the high-end luxury car market in China.

Beijing Hyundai will steadily push forward lean operations and achieve year-on-year increases in the sales volume and revenue by strengthening exchanges between joint venture partners, accelerating the optimization of its production capacity, revitalizing its sales channels and building a foundation for exports, etc.

With focus on economic benefits, Fujian Benz will ensure the stability of the supply chain to improve production efficiency and quality. It is committed to achieving steady growth in comprehensive strength and operating results, with a goal of “becoming a respected front-runner in the high-end multi-purpose vehicle market in the new era”.

## Part Four

### Governance Practice

#### I. CORPORATE GOVERNANCE

##### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to building and maintaining a high level of corporate governance so as to protect the rights and interests of shareholders and enhance its sense of worth and sense of responsibility. With reference to the code provisions under Part 2 of the Corporate Governance Code (the “CG Code”) as set forth in Appendix 14 to the Listing Rules, the Company has set up the purposes, values and strategies that are consistent with its culture and established a modern corporate governance structure comprising the shareholders’ general meeting, the Board, the board of supervisors (the “Board of Supervisors”) and senior management that operate independently and are subject to checks and balances.

The Company had complied with all applicable code provisions under the CG Code throughout the Reporting Period.

##### COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in securities of the Company by all Directors, supervisors (the “Supervisors”) and senior management.

In response to the Company’s enquiries, all Directors, Supervisors and senior management have confirmed that they strictly complied with the Model Code during the Reporting Period.

##### CHANGES IN COMPOSITION OF THE BOARD AND THE COMMITTEES

On June 26, 2023, the Company held its 2022 annual general meeting (the “2022 AGM”). Mr. Song Wei was appointed as a non-executive director of the Company and a member of the strategy committee of the Board (the “Strategy Committee”) at the meeting for a term commencing from June 26, 2023 until the expiration of the term of the fourth session of the Board.

On June 28, 2023, Mr. Huang Wenbing ceased to be an executive director of the Company, a member of each of the Strategy Committee, the remuneration committee of the Board (the “Remuneration Committee”) and the nomination committee of the Board (the “Nomination Committee”) due to work adjustment.

On June 30, 2023, in view of Mr. Song Wei’s participation in the daily operation and management of the Company due to job reassignment, he was re-designated from a non-executive Director to an executive Director, with effect from June 30, 2023. On the same day, the Board resolved to appoint Mr. Song Wei as a member of each of the Remuneration Committee and the Nomination Committee for a term commencing from June 30, 2023 until the expiration of the term of the fourth session of the Board.

For details, please refer to the related announcements of the Company dated June 26, 2023 and June 30, 2023 and the related circular dated May 24, 2023.

Save as disclosed above, there was no change in the composition of the Board, the Strategy Committee, the audit committee of the Board (the “Audit Committee”), the Nomination Committee or the Remuneration Committee from January 1, 2023 and up to the Latest Practicable Date.

## Part Four

### Governance Practice

#### CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND COMPANY SECRETARY

##### Supervisors

On March 15, 2023, Mr. Sun Zhihua ceased to be a Supervisor due to work adjustment.

On June 26, 2023, the Company held the 2022 AGM. Ms. Jiao Feng was appointed as a non-employee representative supervisor of the Company at the meeting for a term commencing from June 26, 2023 until the expiration of the term of the fourth session of the Board of Supervisors.

For details, please refer to the related announcements of the Company dated March 17, 2023 and June 26, 2023 and the related circular dated May 24, 2023.

##### Senior Management and Company Secretary

On June 28, 2023, Mr. Huang Wenbing ceased to be the president of the Company (the “President”), with effect from the date of the election of a new President by the Board of Directors. On June 30, 2023, the Board resolved to appoint Mr. Song Wei as the President for a term commencing from June 30, 2023 until the expiration of the term of the fourth session of the Board. For details, please refer to the announcement of the Company dated June 30, 2023.

Save as disclosed above, there was no change in Directors, Supervisors, senior management and company secretary of the Company from January 1, 2023 and up to the Latest Practicable Date. Meanwhile, the Directors, Supervisors, senior management and company secretary of the Company confirmed that there was no change in information required to be disclosed in accordance with Rule 13.51B(1) of the Listing Rules.

##### INTERIM DIVIDEND

The Board has not made any recommendation on the payment of an interim dividend for the First Half of 2023.

##### AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference. As at the Latest Practicable Date, the Audit Committee comprises Mr. Edmund Sit (Chairman), Mr. Hu Hanjun and Mr. Tang Jun, among which two are independent non-executive Directors. The Audit Committee has reviewed with the management the accounting standards and practices adopted by the Group and reviewed the unaudited interim financial statements for the First Half of 2023, the 2023 interim results and the 2023 interim report of the Group.

##### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company and its subsidiaries did not purchase, sell or redeem any of the Company’s listed securities during the Reporting Period.

## Part Four

### Governance Practice

#### INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at June 30, 2023, none of the Directors, Supervisors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or to be entered in the register as referred to therein pursuant to section 352 of the SFO, or to be notified to the Company and the Stock Exchange pursuant to the Model Code.

#### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at June 30, 2023, to the best knowledge of the Directors, the following entities/persons (except for the Directors, Supervisors and chief executive) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of SFO, or recorded in the register required to be kept under section 336 of the SFO, or who were directly and/or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meeting of the Company:

Name of Shareholder	Class of Shares	Number of Shares/ Underlying Shares Held <sup>Note 1</sup>	Percentages of Relevant Class of Shares (%) <sup>Note 2</sup>	Percentage of the Total Share Capital (%)
Beijing Automotive Group Co., Ltd.	Domestic Shares	3,566,659,704(L)	64.91	44.50
Shougang Group Co., Ltd.	Domestic Shares	1,028,748,707(L)	18.72	12.83
Mercedes-Benz Group AG	H Shares	765,818,182(L)	30.38	9.55

Note 1: (L) – Long position, (S) – Short position, (P) – Lending pool.

Note 2: The percentage is calculated based on the number of Shares held by relevant shareholders/the number of relevant classes of Shares of the Company in issue as at June 30, 2023.

#### MATERIAL LITIGATION AND ARBITRATION

As at June 30, 2023, the Company had no material litigation or arbitration. The Directors were also not aware of any material litigations or claims which were pending or had a significant adverse impact on the Company.

#### EVENTS AFTER THE REPORTING PERIOD

There were no events that had a significant impact on the Group after the end of the Reporting Period.

## Part Four

### Governance Practice

## II. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

As at the Latest Practicable Date, the Directors, Supervisors and senior management of the Company are set out as follows:

### Directors

Name	Positions
Mr. Chen Wei	Chairman of the Board and non-executive Director
Mr. Hu Hanjun	Non-executive Director
Mr. Chen Hongliang	Non-executive Director
Mr. Song Wei	Executive Director
Mr. Ye Qian	Non-executive Director
Mr. Hubertus Troska	Non-executive Director
Mr. Harald Emil Wilhelm	Non-executive Director
Mr. Gu Tiemin	Non-executive Director
Mr. Sun Li	Non-executive Director
Mr. Ge Songlin	Independent Non-executive Director
Ms. Yin Yuanping	Independent Non-executive Director
Mr. Xu Xiangyang	Independent Non-executive Director
Mr. Tang Jun	Independent Non-executive Director
Mr. Edmund Sit	Independent Non-executive Director

### Supervisors

Name	Positions
Mr. Zhang Ran	Chairman of the Board of Supervisors and Employee Representative Supervisor
Ms. Jiao Feng	Non-employee representative Supervisor
Mr. Zhou Xuehui	Non-employee representative Supervisor
Mr. Zhang Yanjun	Employee Representative Supervisor
Ms. Qiao Yufei	Non-employee representative Supervisor

### Senior Management and Company Secretary

Name	Positions
Mr. Song Wei	President
Mr. Li Deren	Vice President
Mr. Peng Gang	Vice President
Mr. Ding Zuxue	Vice President
Mr. Yang Xueguang	Vice President
Mr. Wang Jianhui	Vice President, Secretary to the Board and Company Secretary

## Part Five

### Management Discussion and Analysis

#### REVENUE AND NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The Group's main business operations are the research and development, manufacturing, sales and after-sales services of passenger vehicles. The above business has brought sustained and stable revenue to the Group. The Group's revenue increased from RMB83,678.6 million for the six months ended June 30, 2022 (the "First Half of 2022") to RMB99,047.1 million for the First Half of 2023, representing a year-on-year increase of 18.4%, mainly attributable to the increase in the sales volume and the change in model portfolio.

The Group's net profit attributable to equity holders of the Company increased from RMB2,158.3 million for the First Half of 2022 to RMB2,845.7 million for the First Half of 2023, representing a year-on-year increase of 31.9%. The basic earnings per share increased from RMB0.27 for the First Half of 2022 to RMB0.36 for the First Half of 2023.

#### GROSS PROFIT

The Group's gross profit increased to RMB20,566.1 million for the First Half of 2023 from RMB18,559.9 million for the First Half of 2022, representing a year-on-year increase of 10.8%, mainly attributable to the increase in the sales volume and the change in model portfolio.

#### WORKING CAPITAL AND FINANCIAL RESOURCES

The Group usually satisfied its daily working capital requirements through self-owned cash and borrowings. The Group's net cash generated from operating activities increased from RMB9,058.5 million for the First Half of 2022 to RMB13,707.7 million for the First Half of 2023, representing a year-on-year increase of 51.3%, mainly due to the increase in the net cash inflow generated from operating activities of the Group resulted from the increase in the sales volume.

As at June 30, 2023, the Group had cash and cash equivalents of RMB35,501.5 million, notes receivable of RMB1,972.5 million, notes payable of RMB3,175.9 million, outstanding borrowings of RMB17,297.9 million, unused bank credit lines of RMB23,820.9 million and commitments for capital expenditure of RMB29,456.0 million.

#### CAPITAL STRUCTURE

The Group maintained a reasonable combination of equity and debt to ensure an effective capital structure.

The Group's debt-to-asset ratio (total debt/total assets) was 54.5% as at December 31, 2022 (the "End of 2022") and 54.5% as at June 30, 2023 with no change as compared to the End of 2022.

The Group's net gearing ratio (total borrowings less cash and cash equivalents/(total equity plus total borrowings less cash and cash equivalents)) increased from -27.3% as at the End of 2022 to -29.7% as at June 30, 2023, mainly attributable to (i) an increase in total equity and a decrease in the total borrowings and cash and cash equivalents; and (ii) a smaller increase in total equity and a greater decrease in total amount of borrowings than the decrease in the cash and cash equivalents.

As at June 30, 2023, the total outstanding borrowings were RMB17,297.9 million, including short-term borrowings of RMB10,104.3 million in aggregate and long-term borrowings of RMB7,193.6 million in aggregate. The Group will repay the aforesaid borrowings in a timely manner at maturity.

As at June 30, 2023, none of the Group's debt covenants in effect included any agreement on the obligations to be performed by controlling shareholders. In the meantime, the Group also strictly followed all the terms and conditions in its debt covenants, and no default took place.

## Part Five

### Management Discussion and Analysis

#### SIGNIFICANT INVESTMENTS

Total capital expenditures of the Group decreased to RMB2,374.1 million in the First Half of 2023 from RMB2,689.2 million in the First Half of 2022.

Total research and development expenditures of the Group decreased to RMB1,034.7 million in the First Half of 2023 from RMB1,326.0 million in the First Half of 2022. Research and development expenditures were mainly incurred by the Group for its product research and development activities. Based on the accounting standards and the Group's accounting policy, the amount of the aforesaid total research and development expenditures which met capitalization conditions had been capitalized accordingly.

#### MATERIAL ACQUISITIONS AND DISPOSALS

On July 15, 2022, the Group entered into a conditional subscription agreement on non-publicly issued shares with BAIC BluePark, an A-share listed company under BAIC Group. BAIC BluePark completed the formalities in registration of the aforesaid share issuance on May 25, 2023. Upon completion of the subscription, the Company and BAIC Guangzhou Automotive Co., Ltd., a wholly-owned subsidiary of the Company, hold 10.99% and 4.81% of the total share capital of BAIC BluePark, respectively, together holding 15.80% in aggregate.

Please refer to the relevant announcements of the Group dated July 15, 2022, August 7, 2022 and August 26, 2022 for details of the above cooperation.

#### FOREIGN EXCHANGE GAINS OR LOSSES<sup>3</sup>

The Group's foreign exchange gains or losses changed from foreign exchange losses of RMB63.1 million in the First Half of 2022 to foreign exchange gains of RMB101.8 million in the First Half of 2023, mainly due to (i) the effective control on the foreign exchange rate risks due to the judgment in foreign exchange forward contracts; and (ii) the decrease in exchange gains from Euro-denominated payments as a result of the decline in the exchange rate of RMB against Euro.

The Group used foreign currencies (primarily Euro) to pay for part of its imported parts and components. It had borrowings denominated in foreign currencies. Foreign exchange fluctuations may affect the Group's operating results.

The Group has a well-developed foreign exchange management strategy that continuously and orderly controls foreign exchange rate risks of foreign exchange exposure. At present, the Group mainly uses foreign exchange forward contracts as its hedging tool.

#### EMPLOYEES REMUNERATION POLICIES

Through the implementation of its human resources strategy, the Group has established a performance- and competence-oriented remuneration system on the basis of job classification. The annual operating objectives are linked to the performance appraisal of employees via a performance appraisal system, providing an effective guarantee for the Group to recruit, retain and motivate talents, and carry out its human resources strategy.

In addition, the Group has established an enterprise annuity system to provide the qualified and voluntary employees with the supplementary pension system with certain guarantee on retirement income.

#### PLEDGE OF ASSETS

As at June 30, 2023, the Group had pledged notes receivable of RMB957.5 million.

#### CONTINGENT LIABILITIES

As at June 30, 2023, the Group had no material contingent liabilities.

<sup>3</sup> Foreign exchange gains and losses include foreign exchange forward contracts at fair value through profit or loss

## Part Six

### Report on Review of Unaudited Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023



羅兵咸永道

#### Report on Review of Interim Financial Information

#### To the Board of Directors of BAIC Motor Corporation Limited

(incorporated in the People's Republic of China with limited liability)

### INTRODUCTION

We have reviewed the interim financial information set out on pages 23 to 45, which comprises the interim condensed consolidated balance sheet of BAIC Motor Corporation Limited (the “Company”) and its subsidiaries (together, the “Group”) as at June 30, 2023 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

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

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

#### PricewaterhouseCoopers

*Certified Public Accountants*

Hong Kong, August 28, 2023

## Part Seven

## Interim Condensed Consolidated Balance Sheet

As at June 30, 2023

	Note	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	48,120,007	49,086,066
Land use rights	6	6,696,723	6,787,039
Investment properties		235,058	242,107
Intangible assets	6	10,104,051	10,474,252
Investments accounted for using equity method		12,341,909	13,113,315
Financial assets at fair value through other comprehensive income		4,740,535	1,597,924
Deferred income tax assets		8,798,717	8,739,006
Other receivables and prepayments		1,214,611	880,895
		<b>92,251,611</b>	90,920,604
<b>Current assets</b>			
Inventories		27,301,450	26,092,623
Accounts receivable	7	16,576,137	15,738,853
Advances to suppliers		205,688	219,126
Other receivables and prepayments		2,457,897	2,312,559
Restricted cash and term deposits with initial term of over three months		773,878	864,662
Cash and cash equivalents		35,501,456	37,227,015
		<b>82,816,506</b>	82,454,838
<b>Total assets</b>		<b>175,068,117</b>	173,375,442

## Part Seven

### Interim Condensed Consolidated Balance Sheet

As at June 30, 2023

	Note	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	8	8,015,338	8,015,338
Other reserves		21,901,287	21,711,410
Retained earnings		26,253,127	24,770,018
		56,169,752	54,496,766
<b>Non-controlling interests</b>		<b>23,416,066</b>	24,440,339
<b>Total equity</b>		<b>79,585,818</b>	78,937,105
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	9	7,193,595	8,580,404
Lease liabilities		114,265	169,525
Deferred income tax liabilities		13,753	16,208
Provisions		3,203,931	3,590,878
Deferred income		2,535,710	2,710,497
Other payables		-	23,534
		13,061,254	15,091,046
<b>Current liabilities</b>			
Accounts payable	10	31,895,243	29,869,141
Contract liabilities		908,677	1,214,906
Other payables and accruals		34,682,451	32,095,423
Current income tax liabilities		1,706,382	1,772,890
Borrowings	9	10,104,272	11,732,976
Lease liabilities		106,777	105,076
Provisions		3,017,243	2,556,879
		82,421,045	79,347,291
<b>Total liabilities</b>		<b>95,482,299</b>	94,438,337
<b>Total equity and liabilities</b>		<b>175,068,117</b>	173,375,442

## Part Eight

### Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2023

	Note	For the six months ended June 30,	
		2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
<b>Revenue</b>	5	<b>99,047,066</b>	83,678,641
Cost of sales		<b>(78,480,963)</b>	(65,118,724)
<b>Gross profit</b>		<b>20,566,103</b>	18,559,917
Selling and distribution expenses		<b>(5,660,586)</b>	(4,805,472)
General and administrative expenses		<b>(2,257,793)</b>	(2,265,474)
Net impairment losses on financial assets		<b>(298,218)</b>	(86,234)
Other gains, net		<b>235,672</b>	60,932
<b>Operating profit</b>	11	<b>12,585,178</b>	11,463,669
Finance income		<b>211,002</b>	375,848
Finance costs		<b>(273,194)</b>	(350,580)
Finance (cost)/income, net		<b>(62,192)</b>	25,268
Share of profit/(loss) of investments accounted for using equity method		<b>56,127</b>	(43,414)
<b>Profit before income tax</b>		<b>12,579,113</b>	11,445,523
Income tax expense	12	<b>(4,027,808)</b>	(3,802,473)
<b>Profit for the period</b>		<b>8,551,305</b>	7,643,050
<b>Profit attributable to:</b>			
Equity holders of the Company		<b>2,845,716</b>	2,158,298
Non-controlling interests		<b>5,705,589</b>	5,484,752
		<b>8,551,305</b>	7,643,050
<b>Earnings per share for profit attributable to ordinary shareholders of the Company for the period (expressed in RMB)</b>			
Basic and diluted	13	<b>0.36</b>	0.27

## Part Eight

### Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2023

	For the six months ended June 30,	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
<b>Profit for the period</b>	<b>8,551,305</b>	7,643,050
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Gain on cash flow hedges, net of tax	118,345	103,414
Share of other comprehensive income of investments accounted for using the equity method	2,228	5,211
Currency translation differences	(170,721)	(57,776)
<i>Items that will not be reclassified to profit or loss</i>		
Changes in fair value of financial assets at fair value through other comprehensive income	263,728	(201,041)
<b>Other comprehensive income/(loss) for the period</b>	<b>213,580</b>	(150,192)
<b>Total comprehensive income for the period</b>	<b>8,764,885</b>	7,492,858
<b>Attributable to:</b>		
Equity holders of the Company	3,035,593	1,950,777
Non-controlling interests	5,729,292	5,542,081
	<b>8,764,885</b>	7,492,858

## Part Nine

### Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2023

	(Unaudited)					
	Attributable to equity holders of the Company					
	Share capital RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
<b>For the six months ended June 30, 2023</b>						
<b>At January 1, 2023</b>	<b>8,015,338</b>	<b>21,711,410</b>	<b>24,770,018</b>	<b>54,496,766</b>	<b>24,440,339</b>	<b>78,937,105</b>
Profit for the period	-	-	2,845,716	2,845,716	5,705,589	8,551,305
Other comprehensive income	-	189,877	-	189,877	23,703	213,580
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>189,877</b>	<b>2,845,716</b>	<b>3,035,593</b>	<b>5,729,292</b>	<b>8,764,885</b>
<b>Transactions with owners</b>						
2022 final dividends	-	-	(1,362,607)	(1,362,607)	-	(1,362,607)
Dividends to non-controlling interest holders of a subsidiary	-	-	-	-	(6,860,000)	(6,860,000)
Contribution from non-controlling interest holder of a subsidiary	-	-	-	-	106,435	106,435
	-	-	(1,362,607)	(1,362,607)	(6,753,565)	(8,116,172)
<b>Balance at June 30, 2023</b>	<b>8,015,338</b>	<b>21,901,287</b>	<b>26,253,127</b>	<b>56,169,752</b>	<b>23,416,066</b>	<b>79,585,818</b>

## Part Nine

### Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2023

	(Unaudited)						
	Attributable to equity holders of the Company					Non-controlling interests	Total
	Share capital	Other reserves	Retained earnings	Sub-total	RMB'000		
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
<b>For the six months ended June 30, 2022</b>							
<b>At January 1, 2022</b>	8,015,338	22,711,546	21,855,875	52,582,759	22,304,316	74,887,075	
Profit for the period	-	-	2,158,298	2,158,298	5,484,752	7,643,050	
Other comprehensive (loss)/income	-	(207,521)	-	(207,521)	57,329	(150,192)	
<b>Total comprehensive income for the period</b>	-	(207,521)	2,158,298	1,950,777	5,542,081	7,492,858	
<b>Transactions with owners</b>							
2021 final dividends	-	-	(1,282,454)	(1,282,454)	-	(1,282,454)	
Dividends to non-controlling interest holders of a subsidiary	-	-	-	-	(4,655,000)	(4,655,000)	
Contribution from non-controlling interest holder of a subsidiary	-	-	-	-	30,703	30,703	
	-	-	(1,282,454)	(1,282,454)	(4,624,297)	(5,906,751)	
<b>Balance at June 30, 2022</b>	8,015,338	22,504,025	22,731,719	53,251,082	23,222,100	76,473,182	

## Part Ten

### Interim Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2023

	For the six months ended June 30,	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
<b>Cash flows from operating activities</b>		
Cash generated from operations	17,866,177	12,659,473
Interest paid	(173,564)	(227,146)
Interest received	211,002	375,848
Income tax paid	(4,195,930)	(3,749,723)
Net cash generated from operating activities	13,707,685	9,058,452
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,967,004)	(3,012,822)
Addition of intangible assets	(679,750)	(901,251)
Addition of investments accounted for using equity method	–	(1,497,079)
Payment for financial assets at fair value through other comprehensive income	(2,878,883)	–
Receipt of government grants for capital expenditures	410	2,478
Proceeds from disposals of property, plant and equipment	5,688	3,364
Proceeds from disposal of investments accounted for using equity method in prior year	22,107	–
Dividends received from investments accounted for using equity method	813,964	548,907
Net cash used in investing activities	(5,683,468)	(4,856,403)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	5,440,310	7,947,230
Repayments of borrowings	(8,557,579)	(10,495,974)
Repayment of loans from a fellow subsidiary	(101,681)	–
Contribution from non-controlling interest holder of a subsidiary	106,435	30,703
Principal elements of lease payments	(53,559)	(53,338)
Dividends paid to non-controlling interest holders of a subsidiary	(6,860,000)	(4,655,000)
Net cash used in financing activities	(10,026,074)	(7,226,379)
<b>Net decrease in cash and cash equivalents</b>	<b>(2,001,857)</b>	<b>(3,024,330)</b>
Cash and cash equivalents at January 1	37,227,015	40,968,622
Exchange differences on cash and cash equivalents	276,298	(72,619)
<b>Cash and cash equivalents at June 30</b>	<b>35,501,456</b>	<b>37,871,673</b>

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 1 GENERAL INFORMATION

BAIC Motor Corporation Limited (the “Company”), together with its subsidiaries (collectively referred to as the “Group”), are principally engaged in the manufacturing and sales of passenger vehicles, engines and auto parts in the People’s Republic of China (the “PRC”).

The address of the Company’s registered office is A5-061, Unit 101, 5th Floor, Building No. 1, Courtyard No. 99, Shuanghe Street, Shunyi District, Beijing, the PRC.

The Company was incorporated in the PRC on September 20, 2010 as a joint stock company with limited liability under Company Law of the PRC. The immediate parent company of the Company is Beijing Automotive Group Co., Ltd. (“BAIC Group”), which is beneficially owned by the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality (“SASAC Beijing”). The Company’s ordinary shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since December 19, 2014.

This interim condensed consolidated financial information (“Condensed Financial Information”) is presented in thousands of Renminbi Yuan (“RMB’000”), unless otherwise stated, and is approved for issue by the Board of Directors on August 28, 2023.

This Condensed Financial Information has not been audited.

#### 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

##### 2.1 Basis of preparation

This Condensed Financial Information has been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. The Condensed Financial Information should be read in conjunction with the annual financial statements for the year ended December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

##### 2.2 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended December 31, 2022, as described in those annual financial statements except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of certain amended standards as set out below.

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

## 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.2 Accounting policies (Continued)

#### Amended standards adopted by the Group

The following amended standards became applicable for the current reporting period:

- |  |  |
|--|--|
| • IFRS 17  | Insurance Contracts  |
| • Amendments to IAS 1 and IFRS Practice Statements 2 | Disclosure of Accounting Policies  |
| • Amendments to IAS 8                                | Definition of Accounting Estimates   |
| • Amendments to IAS 12                               | International Tax Reform – Pillar Two Model Rules                                |
| • Amendments to IAS 12                               | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |

The above did not have any significant impact on the Group's accounting policies and did not require retrospective adjustments.

Certain new standard and amendments to standards have been published that are not mandatory for June 30, 2023 reporting period and have not been early adopted by the Group.

		<b>Effective for annual periods beginning on or after</b>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2024
Amendments to IAS 1	Non-current Liabilities with Covenants	January 1, 2024
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	January 1, 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	January 1, 2024
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

## 3 ESTIMATES

The preparation of the Condensed Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Condensed Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2022.

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 4 FINANCIAL RISK MANAGEMENT

##### 4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Condensed Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2022.

There have been no changes in the risk management policies since year end.

##### 4.2 Liquidity risk

The tables below analyze the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 1 year RMB'000	1-2 years RMB'000	2-5 years RMB'000	Over 5 years RMB'000 (Note)	Total RMB'000
<b>At June 30, 2023 (unaudited)</b>					
Borrowings	10,380,819	3,077,875	4,411,091	-	17,869,785
Lease liabilities	110,872	55,621	2,947	12,073,773	12,243,213
Accounts payable	31,895,243	-	-	-	31,895,243
Other payables	31,685,345	-	-	-	31,685,345
<b>At December 31, 2022 (audited)</b>					
Borrowings	12,041,689	5,257,098	3,587,473	-	20,886,260
Lease liabilities	110,952	110,726	3,017	12,852,939	13,077,634
Accounts payable	29,869,141	-	-	-	29,869,141
Other payables	29,256,661	23,926	-	-	29,280,587

Note: This is mainly related to a long-term lease with significant discounting impact by which the present value of its lease payments is calculated and recognized in the consolidated balance sheet.

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 4 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### 4.3 Fair value estimation

The table below analyzed financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities. The quoted market price already incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk. (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets</b>				
Financial assets at FVOCI				
At June 30, 2023 (unaudited)	4,737,535	–	1,960,651	6,698,186
At December 31, 2022 (audited)	1,594,924	–	920,168	2,515,092
Derivative financial instruments				
At June 30, 2023 (unaudited)	–	707,628	–	707,628
At December 31, 2022 (audited)	–	352,027	–	352,027

#### 5 SEGMENT INFORMATION

The Group's segment information is presented on the basis of internal reports that are regularly reviewed by the Group's executive committee, in order to allocate resources to the segments and assess their performance. For each of the Group's reportable segments, the Group's executive committee reviews internal management reports on monthly basis, at a minimum. Management has determined the reporting segments based on these reports.

The Group considers the business from a product perspective and has the following reportable segments:

- Passenger vehicles of Beijing Brand: manufacturing and sales of passenger vehicles of BAIC brands, and providing other businesses and related services;
- Passenger vehicles of Beijing Benz Automotive Co., Ltd. ("Beijing Benz"): manufacturing and sales of passenger vehicles of Beijing Benz brand, and providing other related services.

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 5 SEGMENT INFORMATION (CONTINUED)

Management defines segment results based on gross profit. Information about reportable segments and reconciliations of reportable segment results are as follows:

	Passenger vehicles – Beijing Brand (Unaudited) RMB'000	Passenger vehicles – Beijing Benz (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
<b>For the six months ended June 30, 2023</b>				
Total revenue	8,299,821	90,816,874	(69,629)	99,047,066
Inter-segment revenue	(69,629)	–	69,629	–
Revenue from external customers	8,230,192	90,816,874	–	99,047,066
Timing of revenue recognition				
– At a point in time	8,053,472	89,961,128	–	98,014,600
– Over time	176,720	855,746	–	1,032,466
	8,230,192	90,816,874	–	99,047,066
Segment gross (loss)/profit	(2,048,967)	22,615,070	–	20,566,103
<b>Other profit &amp; loss disclosures:</b>				
Selling and distribution expenses				(5,660,586)
General and administrative expenses				(2,257,793)
Net impairment losses on financial assets				(298,218)
Other gains, net				235,672
Finance cost, net				(62,192)
Share of profit of investments accounted for using equity method				56,127
<b>Profit before income tax</b>				12,579,113
Income tax expense				(4,027,808)
<b>Profit for the period</b>				8,551,305
<b>Other information:</b>				
<b>Significant non-cash expenses</b>				
Depreciation and amortization	(1,768,617)	(2,582,002)	–	(4,350,619)
Provisions for impairments on assets	(423,619)	(107,649)	–	(531,268)
<b>As at June 30, 2023</b>				
<b>Total assets</b>	76,019,023	114,181,912	(15,132,818)	175,068,117
Including:				
Investments accounted for using equity method	12,341,909	–	–	12,341,909
<b>Total liabilities</b>	(30,223,466)	(65,273,026)	14,193	(95,482,299)

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 5 SEGMENT INFORMATION (CONTINUED)

	Passenger vehicles – Beijing Brand (Unaudited) RMB'000	Passenger vehicles – Beijing Benz (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
<b>For the six months ended June 30, 2022</b>				
Total revenue	2,263,458	81,474,011	(58,828)	83,678,641
Inter-segment revenue	(58,828)	–	58,828	–
Revenue from external customers	2,204,630	81,474,011	–	83,678,641
Timing of revenue recognition				
– At a point in time	2,145,752	80,660,220	–	82,805,972
– Over time	58,878	813,791	–	872,669
	2,204,630	81,474,011	–	83,678,641
Segment gross (loss)/profit	(2,653,190)	21,213,107	–	18,559,917
<b>Other profit &amp; loss disclosures:</b>				
Selling and distribution expenses				(4,805,472)
General and administrative expenses				(2,265,474)
Net impairment losses on financial assets				(86,234)
Other gains, net				60,932
Finance income, net				25,268
Share of loss of investments accounted for using equity method				(43,414)
<b>Profit before income tax</b>				11,445,523
Income tax expense				(3,802,473)
<b>Profit for the period</b>				7,643,050
<b>Other information:</b>				
<b>Significant non-cash expenses</b>				
Depreciation and amortization	(1,947,902)	(2,549,395)	–	(4,497,297)
(Provisions)/reversal of provisions for impairments on assets	(222,002)	13,047	–	(208,955)
<b>As at December 31, 2022 (audited)</b>				
<b>Total assets</b>	73,840,724	114,675,089	(15,140,371)	173,375,442
Including:				
Investments accounted for using equity method	13,113,315	–	–	13,113,315
<b>Total liabilities</b>	(30,476,937)	(63,974,955)	13,555	(94,438,337)

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 5 SEGMENT INFORMATION (CONTINUED)

There is no customer accounting for 10 percent or more of the Group's revenue for each of the six months ended June 30, 2023 and 2022.

The Group is domiciled in the PRC. The percentage of its revenue from external customers residing in the PRC is approximately 98.4% for the six months ended June 30, 2023 (six months ended June 30, 2022: 99.3%).

As at June 30, 2023, the percentage of the Group's non-current assets, other than financial instruments and deferred income tax assets, located in the mainland of the PRC is approximately 98.1% (December 31, 2022: 98.4%).

#### 6 PROPERTY, PLANT AND EQUIPMENT, LAND USE RIGHTS AND INTANGIBLE ASSETS

	Property, plant and equipment RMB'000	Land use rights RMB'000	Intangible assets RMB'000
<b>Six months ended June 30, 2023</b>			
<b>Net book amount at January 1, 2023 (audited)</b>	<b>49,086,066</b>	<b>6,787,039</b>	<b>10,474,252</b>
Additions	2,282,985	-	735,721
Disposals	(24,779)	-	-
Depreciation/amortization	(3,222,059)	(90,316)	(1,105,922)
Impairment	(2,206)	-	-
<b>Net book amount at June 30, 2023 (unaudited)</b>	<b>48,120,007</b>	<b>6,696,723</b>	<b>10,104,051</b>
<b>Six months ended June 30, 2022</b>			
<b>Net book amount at January 1, 2022 (audited)</b>	50,573,099	6,977,295	11,016,548
Additions	2,650,700	-	1,004,189
Transfers upon completion to investment properties	(85,160)	-	-
Disposals	(5,943)	-	-
Depreciation/amortization	(3,432,680)	(90,615)	(1,113,397)
Impairment	(1,805)	-	-
<b>Net book amount at June 30, 2022 (unaudited)</b>	<b>49,698,211</b>	<b>6,886,680</b>	<b>10,907,340</b>

Notes:

- The Group has capitalized borrowing costs amounting to RMB58,828,000 on qualifying assets of property, plant and equipment and intangible assets for the six months ended June 30, 2023 (six months ended June 30, 2022: RMB63,785,000). Borrowing costs were capitalized at the weighted average of its borrowing rate of 2.90% during the six months ended June 30, 2023 (six months ended June 30, 2022: 3.28%).
- The right-of-use assets included in property, plant and equipment as of June 30, 2023 amounted to RMB238,200,000 (December 31, 2022: RMB294,815,000).

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 7 ACCOUNTS RECEIVABLE

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
Trade receivables, gross (note (a))	15,684,766	15,702,633
Less: Provision for impairment	(1,081,163)	(890,428)
	<b>14,603,603</b>	14,812,205
Notes receivable (note (b)) measured at		
– FVOCI	1,957,651	917,168
– amortized cost	14,883	9,480
	<b>16,576,137</b>	15,738,853

Notes:

- (a) The majority of the Group's sales are on credit. A credit period may be granted in respect of sales to customers with good credit history and long-established relationship with the Group. The ageing analysis of trade receivables based on invoice date is as follows:

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
Current to 1 year	8,853,300	8,392,827
1 to 2 years	521,847	349,340
2 to 3 years	549,432	485,389
Over 3 years	5,760,187	6,475,077
	<b>15,684,766</b>	15,702,633

- (b) The amounts of accounts receivable pledged as collateral as at respective balance sheet dates are as follows:

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
Notes receivable (i)	957,487	545,005

- (i) collateral for notes payable issued by banks

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 8 SHARE CAPITAL

	Number of ordinary shares of RMB1 each (thousands)	RMB'000
At January 1, 2023 (audited) and June 30, 2023 (unaudited)	8,015,338	8,015,338
At January 1, 2022 (audited) and June 30, 2022 (unaudited)	8,015,338	8,015,338

#### 9 BORROWINGS

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
<b>Non-current</b>		
Borrowings from financial institutions	3,701,151	2,655,662
Corporate bonds	3,492,444	5,924,742
	<b>7,193,595</b>	8,580,404
<b>Current</b>		
Borrowings from financial institutions	4,685,711	6,283,888
Add: Current portion of non-current borrowings from financial institutions	2,825,643	3,278,064
Corporate bonds	2,592,918	2,171,024
	<b>10,104,272</b>	11,732,976
<b>Total borrowings</b>	<b>17,297,867</b>	20,313,380

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 9 BORROWINGS (CONTINUED)

Notes:

(a) Movements in borrowings are analyzed as follows:

	For the six months ended June 30,	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
At the beginning of the period	20,313,380	22,383,645
Proceeds of new borrowings	5,440,310	7,947,230
Repayments of borrowings	(8,557,579)	(10,495,974)
Amortization of bond issuance costs	4,206	3,263
Exchange differences	97,042	119,237
Others	508	27,394
At the end of the period	17,297,867	19,984,795

(b) Undrawn facilities at floating rates:

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
Within 1 year	20,969,914	17,194,021
Over 1 year	2,851,000	6,140,434
	23,820,914	23,334,455

#### 10 ACCOUNTS PAYABLE

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
Trade payables	28,719,354	27,183,330
Notes payable	3,175,889	2,685,811
	31,895,243	29,869,141

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 10 ACCOUNTS PAYABLE (CONTINUED)

Ageing analysis of trade payables based on invoice date is as follows:

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
Current to 1 year	28,535,773	26,945,233
1 to 2 years	76,465	124,767
2 to 3 years	64,211	21,736
Over 3 years	42,905	91,594
	<b>28,719,354</b>	27,183,330

#### 11 SIGNIFICANT PROFIT AND LOSS ITEMS

Operating profit is arrived at after charging/(crediting) the following:

	For the six months ended June 30,	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Depreciation and amortization	4,350,619	4,497,297
Employee benefit costs	2,932,004	2,564,549
Warranty expenses	363,540	642,556
Provision for impairment on non-financial assets	233,050	122,721
Foreign exchange gains	(97,018)	(283,255)
(Gain)/loss on forward foreign exchange contracts with fair value through profit or loss	(4,753)	346,379
Loss on disposals of property, plant and equipment	5,989	4,353
Government grants	(164,866)	(204,098)

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 12 INCOME TAX EXPENSE

	For the six months ended June 30,	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Current income tax	4,129,423	3,940,793
Deferred income tax	(101,615)	(138,320)
	<b>4,027,808</b>	3,802,473

#### 13 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	For the six months ended June 30,	
	2023 (Unaudited)	2022 (Unaudited)
Profit attributable to ordinary shareholders of the Company (RMB'000)	2,845,716	2,158,298
Weighted average number of ordinary shares in issue (thousands)	8,015,338	8,015,338
Earnings per share for profit attributable to ordinary shareholders of the Company for the period (RMB)	0.36	0.27

Note: During the six months ended June 30, 2023 and 2022, there were no potential dilutive ordinary shares and diluted earnings per share was equal to basic earnings per share.

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### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 14 DIVIDENDS

The Board of Directors of the Company does not recommend the payment of any interim dividend for the six months ended June 30, 2023 (six months ended June 30, 2022: Nil).

The final dividend of approximately RMB1,362,607,000(RMB0.17 per share) relating to the year ended December 31, 2022 was approved by the shareholders at the annual general meeting held in June 2023.

#### 15 CAPITAL COMMITMENTS

The Group has the following capital commitments for property, plant and equipment as at June 30, 2023 and December 31, 2022 respectively:

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
Contracted but not provided for	15,100,678	16,991,077
Authorized but not contracted for	14,355,308	17,521,529

#### 16 RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in this Condensed Financial Information, the followings are related party transactions which were carried out in the ordinary course of the Group's business and determined based on mutually agreed terms for each of the six months ended June 30, 2023 and 2022.

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 16 RELATED PARTY TRANSACTIONS (CONTINUED)

##### (a) Significant transactions with related parties

	For the six months ended June 30,	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Sale of goods and materials and property, plant and equipment to		
– fellow subsidiaries	11,004,034	7,151,433
– joint ventures	385,784	424,900
– other related companies	2,139,346	819,333
Services provided to		
– fellow subsidiaries	16,809	1,916
– joint ventures	1,280	–
– other related companies	68,155	356,585
Purchases of goods and materials from		
– fellow subsidiaries	7,590,081	3,439,080
– joint ventures	59,643	18,749
– other related companies	33,319,185	28,153,524
Services received from		
– immediate parent company	383,345	344,105
– fellow subsidiaries	1,854,377	1,552,123
– joint ventures	669,008	569,700
– an associate	23,123	–
– other related companies	2,998,748	2,837,241
Lease income from		
– fellow subsidiaries	4,791	328
– other related companies	34,504	26,527
Lease expenses to		
– fellow subsidiaries	52,580	53,152
Interest income from		
– an associate	41,388	138,885
– other related companies	478	325
Interest expenses to		
– immediate parent company	–	19,596
– a fellow subsidiary	3,365	4,114
– an associate	14,795	42,345
Key management compensations		
– salaries, allowances and other benefits	3,736	3,215
– employer's contributions to pension schemes	387	343
– discretionary bonuses	–	1,814

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### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 16 RELATED PARTY TRANSACTIONS (CONTINUED)

##### (b) Significant balances with related parties

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
<b>Assets</b>		
Financial assets at FVOCI		
– a fellow subsidiary	4,737,535	1,594,924
Trade receivables		
– fellow subsidiaries	1,275,365	1,133,554
– joint ventures	156,255	100,521
– other related companies	1,123,374	1,049,273
Notes receivables		
– fellow subsidiaries	244,231	12,650
– joint ventures	22,604	–
Advances to suppliers		
– immediate parent company	6,661	3,462
– fellow subsidiaries	54,539	31,910
– an associate	–	65
Other receivables		
– fellow subsidiaries	313,228	138,135
– joint ventures	335,638	427,751
– other related companies	261,551	483,413
Cash and cash equivalents		
– an associate	13,624,794	13,325,601
– an other related company	26,646	46,224

## Part Eleven

### Notes to the Interim Condensed Consolidated Financial Information

For the six months ended June 30, 2023

#### 16 RELATED PARTY TRANSACTIONS (CONTINUED)

##### (b) Significant balances with related parties (Continued)

	June 30, 2023 (Unaudited) RMB'000	December 31, 2022 (Audited) RMB'000
<b>Liabilities</b>		
Trade payables		
– fellow subsidiaries	3,309,110	3,079,852
– joint ventures	44,450	30,296
– other related companies	8,390,480	8,836,917
Notes payable		
– fellow subsidiaries	82,528	200,315
– a joint venture	21,937	45,941
– other related companies	36,134	44,253
Contract liabilities		
– fellow subsidiaries	31,698	28,768
Other payables and accruals		
– immediate parent company	1,160,788	1,413,375
– fellow subsidiaries	1,830,982	953,736
– joint ventures	192,597	384,655
– associates	6,480	5,049
– other related companies	4,787,516	4,430,728
Borrowings from		
– an associate	891,042	1,175,490
Lease liabilities		
– a fellow subsidiary	158,984	210,241

## Part Twelve

### Definitions

“Audit Committee”	audit committee of the Board
“BAIC BluePark”	BAIC BluePark New Energy Technology Co., Ltd.
“BAIC Finance”	BAIC Group Finance Co., Ltd.
“BAIC Group”	Beijing Automotive Group Co., Ltd.
“BAIC International”	BAIC International Development Co., Ltd.
“BAIC Investment”	BAIC Investment Co., Ltd.
“Beijing Benz”	Beijing Benz Automotive Co., Ltd. (previously known as Beijing Jeep Motor Co., Ltd. and Beijing Benz-Daimler Chrysler Automotive Co., Ltd.)
“Beijing Brand”	when referring to a brand, “Beijing Brand” means the passenger vehicle business of our proprietary brand. When referring to a business segment, it means the consolidated business of the Company and its subsidiaries (excluding Beijing Benz). Segment profits of Beijing Brand include the share of investment income attributed to Beijing Hyundai and other invested enterprises
“Beijing Hyundai”	Beijing Hyundai Motor Co., Ltd.

## Part Twelve

### Definitions

<b>“BH Leasing”</b>	BH Leasing Co., Ltd.
<b>“BHAF”</b>	Beijing Hyundai Auto Finance Co., Ltd.
<b>“Board” or “Board of Directors”</b>	the board of directors of the Company
<b>“Board of Supervisors”</b>	the board of supervisors of the Company
<b>“CAAM”</b>	China Association of Automobile Manufacturers
<b>“Company” or “BAIC Motor”</b>	BAIC Motor Corporation Limited
<b>“controlling shareholder(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“CG Code”</b>	the Corporate Governance Code as set forth in Appendix 14 to the Listing Rules
<b>“Director(s)”</b>	director(s) of the Company
<b>“Domestic Share(s)”</b>	ordinary shares in the Company’s share capital, with a nominal value of RMB1.0 each, which are subscribed for and paid up in Renminbi

## Part Twelve

### Definitions

“End of 2022”	December 31, 2022
“First Half of 2022”	six months ended June 30, 2022
“First Half of 2023” or “Reporting Period”	six months ended June 30, 2023
“Fujian Benz”	Fujian Benz Automotive Co., Ltd.
“Group” or “we” or “our”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.0 each, to be subscribed for and traded in HK dollars and listed and traded on the Stock Exchange
“HK dollar(s)”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hyundai Motor”	Hyundai Motor Company
“IFRS”	International Financial Reporting Standards issued by the International Accounting Standards Board
“Latest Practicable Date”	September 11, 2023, being the latest practicable date prior to the printing of this interim report for the purpose of ascertaining the relevant information contained in this interim report
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

## Part Twelve

### Definitions

<b>“Main Board”</b>	the stock market operated by the Stock Exchange (excluding options market), independent of the GEM of the Stock Exchange and under parallel operation with the GEM
<b>“MBLC”</b>	Mercedes-Benz Leasing Co., Ltd.
<b>“Mercedes-Benz Group”</b>	Mercedes-Benz Group AG (formerly known as Daimler AG)
<b>“Model Code”</b>	the Model Code for Securities Transactions by Directors of Listed Issuers as set forth in Appendix 10 to the Listing Rules
<b>“Nomination Committee”</b>	nomination committee of the Board
<b>“Remuneration Committee”</b>	remuneration committee of the Board
<b>“RMB” or “Renminbi”</b>	the lawful currency of the PRC

## Part Twelve

### Definitions

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	Domestic Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy Committee”	strategy committee of the Board
“subsidiary(ies)”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“Supervisor(s)”	supervisor(s) of the Company
“2022”	the year ended December 31, 2022



**北京汽车股份有限公司**  
BAIC MOTOR CORPORATION LIMITED\*