

EXTRACT OF THE FIRST QUARTER REPORT

The information in respect of our Three Month Historical Financial Information set forth below is extracted from the First Quarter Report from which material has been adapted for inclusion in this Prospectus. The First Quarter Report was prepared and published on April 28, 2023 pursuant to the listing rules of the Shanghai Stock Exchange. Investors should be aware that the Three Month Historical Financial Information set forth below, which has been prepared based on the requirements of PRC GAAP, has not been audited or reviewed by Pan-China Certified Public Accountants LLP.

Capitalized terms used herein shall have the same meanings as those defined in “Definitions” and “Glossary of Technical Terms” in this Prospectus.

Major Financial Information

Major Accounting Data and Financial Indicators

	Three months ended March 31, 2023	Change as compared to the same period of last year
Operating revenue (RMB)	19,110,269,458.36	44.64%
R&D expenses (RMB).	407,449,373.71	85.00%
Net profit (RMB)	1,517,071,573.82	11.78%
Net profit attributable to owners of parent company (RMB)	1,024,101,139.05	-15.10%
Net profit attributable to owners of parent company after deduction of non-recurring profit or loss	995,692,886.87	-16.32%
Net cash flows from operating activities (RMB)	812,858,791.98	428.62%
Basic earnings per share (RMB/share)	0.64	-15.96%
Diluted earnings per share (RMB/share)	0.64	-15.96%
Weighted average return on net assets	3.08%	-2.95%

	As of March 31, 2023	As of December 31, 2022	Change
Total assets (RMB)	119,871,469,364.19	110,592,418,711.85	8.39%
Equity attributable to shareholders of the parent company (RMB)	27,177,760,747.34	25,893,158,131.43	4.96%

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Items and Amounts of Non-recurring Profits and Losses

Item	Three months ended March 31, 2023
Gains and losses arising from the disposal of non-current assets	-8,959,489.98
Government grants through the current profit or loss (except for government grants closely related to the normal business operation of the Company, which are in compliance with national policies and are provided continuously according to certain standard quota or ration) . . .	15,622,525.38
Charge to non-financial companies for fund occupation fees recorded in current profit or loss	238,909.36
In addition to the effective hedging business related to the normal business operations of the Company, the changes in fair value gains and losses arising from holding financial assets for trading, derivative financial assets, financial liabilities for trading and derivative financial liabilities, as well as investment income from disposal of financial assets for trading, derivative financial assets, financial liabilities for trading, derivative financial liabilities, and other debt investments	38,848,342.27
Other non-operating income and expenses other than the above items	4,336,944.69
Less: Effect of income tax	8,318,749.51
Effects of non-controlling interest (net of tax)	4,686,340.65
Total	28,408,252.18

Changes of Major Accounting Data and Financial Indicators and Reasons for such Changes

Items of the balance sheet	Three months ended March 31, 2023	Change as compared to the same period of last year	Reasons for change
Operating revenue (RMB).	19,110,269,458.36	44.64%	Mainly due to the increase of sales of ternary precursors and cathode materials during the reporting period
R&D expenses (RMB)	407,449,373.71	85.00%	Mainly due to the Company increased investment in research and development during the reporting period
Net cash flows from operating activities (RMB).	812,858,791.98	428.62%	Mainly due to the decrease in cash paid for purchase of goods and receipt of services during the reporting period

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Quarterly Financial Statements

Consolidated balance sheet as at March 31, 2023

(Expressed in Renminbi Yuan)

Assets	Note No.	Closing balance	December 31, 2022
Current assets:			
Cash and bank balances		17,306,627,158.22	15,435,775,480.67
Held-for-trading financial assets		129,989,370.69	251,991,490.83
Derivative financial assets		783,126,677.45	608,711,611.68
Notes receivable			
Accounts receivable		8,922,166,833.35	8,036,948,469.35
Receivables financing		2,554,017,172.33	2,437,994,963.68
Advances paid		1,546,486,660.54	1,634,719,864.00
Other receivables		790,003,714.11	580,628,313.49
Including: Interest receivable			
Dividend receivable		242,385,951.97	163,980,830.12
Inventories		16,554,341,000.90	17,692,022,676.50
Contract assets			
Assets held for sale			
Non-current assets due within			
one year			
Other current assets		3,250,466,350.14	2,891,137,816.94
Total current assets		51,837,224,937.73	49,569,930,687.14
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables		509,553,182.11	486,294,854.29
Long-term equity investments		8,484,088,546.58	7,914,624,818.43
Other equity instrument investments		42,647,182.81	42,647,182.81
Other non-current financial assets		520,560,664.49	527,509,366.89
Investment property			
Fixed assets		26,797,127,924.90	26,217,069,544.01
Construction in progress		21,592,748,835.64	14,281,929,827.36
Productive biological assets			
Oil & gas assets			
Right-of-use assets		114,684,360.24	122,205,035.22
Intangible assets		4,040,065,101.74	4,066,801,265.80
Development expenditures			
Goodwill		458,071,847.21	458,415,919.67
Long-term prepayments		90,966,952.72	79,311,504.95
Deferred tax assets		700,932,037.74	830,685,916.41
Other non-current assets		4,682,797,790.28	5,994,992,788.87
Total non-current assets		68,034,244,426.46	61,022,488,024.71
Total assets		119,871,469,364.19	110,592,418,711.85

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Consolidated balance sheet as at March 31, 2023 (continued)

(Expressed in Renminbi Yuan)

Liabilities & Equity	Note No.	Closing balance	December 31, 2022
Current liabilities:			
Short-term borrowings		13,605,939,653.91	12,019,822,703.67
Held-for-trading financial liabilities . . .		50,634,462.21	40,024,798.40
Derivative financial liabilities			
Notes payable		11,853,593,602.01	10,782,231,308.54
Accounts payable		14,855,036,690.99	14,610,891,201.30
Advances received		492,095,799.99	492,117,670.03
Contract liabilities		2,168,361,575.50	2,359,463,860.52
Employee benefits payable		335,089,761.63	685,740,642.95
Taxes and rates payable		565,177,468.72	542,406,489.43
Other payables		5,032,284,102.65	4,612,710,195.77
Liabilities held for sale			
Non-current liabilities due			
within one year		6,713,754,617.48	5,757,928,311.87
Other current liabilities		2,321,992,086.75	1,546,983,360.95
Total current liabilities		57,993,959,821.84	53,450,320,543.43
Non-current liabilities:			
Long-term borrowings		13,857,501,227.19	11,927,781,731.79
Bonds payable		6,384,324,869.00	6,323,799,832.42
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		100,967,892.30	57,070,601.81
Long-term payables		5,445,584,959.57	5,155,378,248.88
Long-term employee benefits payable . .			
Provisions		85,635,782.68	42,977,538.13
Deferred income		594,348,133.17	592,727,660.93
Deferred tax liabilities		382,994,799.19	359,884,559.27
Other non-current liabilities			
Total non-current liabilities		26,851,357,663.10	24,459,620,173.23
Total liabilities		84,845,317,484.94	77,909,940,716.66
Equity:			
Share capital		1,599,464,709.00	1,599,678,228.00
Other equity instruments		1,490,102,769.09	1,490,112,966.16
Including: Preferred shares			
Perpetual bonds			
Capital reserve		10,523,581,587.18	10,398,505,364.59
Less: Treasury shares		621,464,554.50	631,014,574.20
Other comprehensive income		897,866,745.52	776,405,562.87
Special reserve		31,950,916.50	27,349,451.51
Surplus reserve		328,198,605.34	328,198,605.34
General risk reserve			
Undistributed profit		12,928,059,969.21	11,903,922,527.16
Total equity attributable to the parent company		27,177,760,747.34	25,893,158,131.43
Non-controlling interest		7,848,391,131.91	6,789,319,863.76
Total equity		35,026,151,879.25	32,682,477,995.19
Total liabilities & equity		119,871,469,364.19	110,592,418,711.85

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Consolidated income statement for the three months ended March 31, 2023 (Expressed in Renminbi Yuan)

Items	Note No.	Current period cumulative	Preceding period comparative
I. Operating revenue		19,110,269,458.36	13,211,980,166.94
Less: Operating cost		16,011,069,124.72	10,772,278,666.21
Taxes and surcharges		93,541,673.45	114,333,737.37
Selling expenses.		29,214,042.62	12,437,326.47
Administrative expenses		566,581,298.94	378,744,176.72
R&D expenses		407,449,373.71	220,242,949.24
Financial expenses		746,243,568.80	139,619,444.60
Including: Interest expenses		483,991,115.38	164,225,979.05
Interest income		45,675,284.29	21,128,594.02
Add: Other income		19,811,313.54	33,492,624.28
Investment income (or less: losses)		426,017,357.24	175,705,741.46
Including: Investment income from associates and joint ventures			
Gains from derecognition of financial assets at amortized cost			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)		83,199,221.33	-48,719,505.55
Credit impairment loss		-64,738,977.33	-33,568,970.66
Assets impairment loss			-2,570,131.42
Gains on asset disposal (or less: losses)		63,947.54	975,791.43
II. Operating profit (or less: losses)		1,720,523,238.44	1,699,639,415.87
Add: Non-operating revenue		2,233,637.76	2,550,245.86
Less: Non-operating expenditures.		15,353,075.02	3,161,120.10
III. Profit before tax (or less: total loss)		1,707,403,801.18	1,699,028,541.63
Less: Income tax expenses.		190,332,227.36	341,843,494.68
IV. Net profit (or less: net loss)		1,517,071,573.82	1,357,185,046.95
(I) Categorized by the continuity of operations			
1. Net profit from continuing operations (or less: net loss)		1,517,071,573.82	1,357,185,046.95
2. Net profit from discontinued operations (or less: net loss)			
(II) Categorized by the portion of equity ownership			
1. Net profit attributable to owners of parent company (or less: net loss)		1,024,101,139.05	1,206,305,555.40
2. Net profit attributable to non-controlling shareholders (or less: net loss)		492,970,434.77	150,879,491.55
V. Other comprehensive income after tax		133,982,241.89	-34,201,551.36
Items attributable to the owners of the parent company		121,461,182.65	-29,806,612.19

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Consolidated income statement for the three months ended March 31, 2023 (continued) (Expressed in Renminbi Yuan)

Items	Note No.	Current period cumulative	Preceding period comparative
(I) Not to be reclassified subsequently to profit or loss			
1. Remeasurements of the net defined benefit plan			
2. Items under equity method that will not be reclassified to profit or loss . .			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of own credit risk			
5. Others			
(II) To be reclassified subsequently to profit or loss		121,461,182.65	-29,806,612.19
1. Items under equity method that may be reclassified to profit or loss		-13,828,546.92	-3,151,993.32
2. Changes in fair value of other debt investments			
3. Profit or loss from reclassification of financial assets into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserve			
6. Translation reserve		135,289,729.57	-26,654,618.87
7. Others			
Items attributable to non-controlling shareholders		12,521,059.24	-4,394,939.17
VI. Total comprehensive income		1,651,053,815.71	1,322,983,495.59
Items attributable to the owners of the parent company		1,145,562,321.70	1,176,498,943.21
Items attributable to non-controlling shareholders		505,491,494.01	146,484,552.38
VII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)		0.64	0.76
(II) Diluted EPS (yuan per share)		0.64	0.76

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Consolidated cash flow statement for the three months ended March 31, 2023

(Expressed in Renminbi Yuan)

Items	Current period cumulative	Preceding period comparative
I. Cash flows from operating activities:		
Cash receipts from sale of goods or rendering of services	18,995,001,859.13	13,320,811,438.56
Receipts of tax refund	749,398,102.28	301,540,659.37
Other cash receipts related to operating activities	323,665,423.54	139,712,316.07
Subtotal of cash inflows from operating activities	20,068,065,384.95	13,762,064,414.00
Cash payments for goods purchased and services received	17,147,371,480.55	11,821,395,210.85
Cash paid to and on behalf of employees	999,513,271.91	758,456,887.77
Cash payments for taxes and rates	409,180,657.71	459,092,637.61
Other cash payments related to operating activities	699,141,182.80	569,349,101.74
Subtotal of cash outflows from operating activities	19,255,206,592.97	13,608,293,837.97
Net cash flows from operating activities	812,858,791.98	153,770,576.03
II. Cash flows from investing activities:		
Cash receipts from withdrawal of investments	203,771,576.39	—
Cash receipts from investment income	171,987,131.48	97,311,162.29
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets	594,823.98	8,800.00
Net cash receipts from the disposal of subsidiaries & other business units		
Other cash receipts related to investing activities	496,962,686.32	389,982,729.10
Subtotal of cash inflows from investing activities	873,316,218.17	487,302,691.39
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets	4,920,579,361.99	3,361,602,543.90
Cash payments for investments	387,110,148.50	487,760,270.42
Net cash payments for the acquisition of subsidiaries & other business units		
Other cash payments related to investing activities	609,011,671.90	134,272,938.07
Subtotal of cash outflows from investing activities	5,916,701,182.39	3,983,635,752.39
Net cash flows from investing activities	-5,043,384,964.22	-3,496,333,061.00
III. Cash flows from financing activities:		
Cash receipts from absorbing investments	296,781,905.96	304,924,146.00
Including: Cash received by subsidiaries from non-controlling shareholders as investments	296,781,905.96	295,180,000.00
Cash receipts from borrowings	9,519,589,089.53	15,905,169,211.66
Other cash receipts related to financing activities	2,395,408,682.31	830,075,342.05
Subtotal of cash inflows from financing activities	12,211,779,677.80	17,040,168,699.71
Cash payments for the repayment of borrowings	4,219,306,901.53	3,549,155,238.12
Cash payments for distribution of dividends or profits and for interest expenses	438,315,831.09	205,970,975.56
Including: Cash paid by subsidiaries to non-controlling shareholders as dividend or profit		
Other cash payments related to financing activities	1,682,751,373.57	1,005,717,427.06
Subtotal of cash outflows from financing activities	6,340,374,106.19	4,760,843,640.74
Net cash flows from financing activities	5,871,405,571.61	12,279,325,058.97
IV. Effect of foreign exchange rate changes on cash & cash equivalents		
	80,816,937.03	9,718,369.09
V. Net increase in cash and cash equivalents		
	1,721,696,336.40	8,946,480,943.09
Add: Opening balance of cash and cash equivalents		
	8,579,643,614.59	6,108,393,395.75
VI. Closing balance of cash and cash equivalents		
	10,301,339,950.99	15,054,874,338.84