

**2024 Semi-Annual Report
of
Zhejiang Huayou Cobalt Co., Ltd.**



August 2024

Important Notes

- I. The Board of Directors, Board of Supervisors, directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this semi-annual report and that there is no false representation, misleading statement contained herein, for which they will assume joint and several liabilities.**
- II. All directors have attended the Board meeting.**
- III. This semi-annual report is unaudited.**
- IV. Chen Xuehua, the person in charge of the Company, Wang Jun, the accounting principal, and Ma Xiao, the head of the accounting department (accounting officer) warrant the truthfulness, accuracy and completeness of the financial report contained in this semi-annual report.**
- V. The profit distribution proposal or the proposal on transfer of capital reserve fund to share capital for the reporting period adopted by the Board of Directors**

None

VI. Risk related to forward-looking statements

Applicable Not applicable

Forward-looking statements involved herein, such as future plans and development strategies, do not constitute any material commitment by the Company to investors. Investors are advised to pay attention to the investment risks.

VII. Whether there is a situation that the controlling shareholder or other related parties occupy funds for any non-operation purpose

None

VIII. Whether there are any guarantees provided in violation of the prescribed decision-making procedures

None

IX. Whether there are more than half of the directors who are unable to guarantee the truthfulness, accuracy and completeness of the semi-annual report disclosed by the Company

None

X. Major risks warnings

The Company has provided a detailed description of the existing risk factors in this report. Please refer to “(I) Possible risks”, “V. Other disclosures”, “Section III Management Discussion and Analysis” for details.

XI. Others

Applicable Not applicable

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Directory of reference documents	2024 Semi-Annual Report with the signature of the Company’s legal representative
	Financial statements with the signatures and seals of the person in charge of the Company, the accounting principal, and the head of the accounting department (accounting officer)
	Original copies of all corporate documents and announcements publicly disclosed on the websites designated by the China Securities Regulatory Commission (CSRC) during the reporting period

Section I Definitions

Unless the context otherwise requires, the following terms shall have the meanings given to them below when used herein:

Commonly used words		
The Company, Company, or Huayou Cobalt	mean(s)	Zhejiang Huayou Cobalt Co., Ltd.
Huayou Holding	mean(s)	Huayou Holding Group Co., Ltd.
CDM Company	mean(s)	CONGO DONGFANG INTERNATIONAL MINING SAS, with the Chinese name “刚果东方国际矿业简易股份有限公司”
MIKAS Company	mean(s)	LA MINIERE DE KASOMBO SAS, with the Chinese name “卡松波矿业简易股份有限公司”
Huayou Hong Kong	mean(s)	HUAYOU(HONGKONG) CO., LIMITED, with the Chinese name “华友（香港）有限公司”
OIM Company	mean(s)	ORIENT INTERNATIONAL MINERALS & RESOURCE (PROPRIETARY) LIMITED, with the Chinese name “东方国际矿业有限公司”
Huayou Import & Export	mean(s)	Zhejiang Huayou Import & Export Co., Ltd.
Huayou Quzhou	mean(s)	Quzhou Huayou Cobalt New Materials Co., Ltd.
Huayou Mining Hong Kong	mean(s)	HUAYOU INTERNATIONAL MINING (HONGKONG) LIMITED, with the Chinese name “华友国际矿业（香港）有限公司”
Huayou International Holding	mean(s)	HUAYOU INTERNATIONAL MINING HOLDING LIMITED, with the Chinese name “华友国际矿业控股有限公司”
Huayou New Energy Quzhou	mean(s)	Huayou New Energy Technology (Quzhou) Co., Ltd.
Huayou Recycling	mean(s)	Zhejiang Huayou Recycling Technology Co., Ltd.
Resource Recycling	mean(s)	Quzhou Huayou Resource Recycling Technology Company Limited
Huayou New Energy Technology	mean(s)	Zhejiang Huayou New Energy Technology Co., Ltd.
Jiangsu Huayou	mean(s)	Jiangsu Huayou Energy Technology Co., Ltd.
Huayou Singapore	mean(s)	HUAYOU RESOURCES PTE. LTD.
Huajin Company	mean(s)	Huajin New Energy Materials (Quzhou) Co., Ltd.
Huayou Puxiang	mean(s)	Zhejiang Huayou Puxiang New Energy Materials Co., Ltd.
Leyou Company	mean(s)	Leyou New Energy Materials (Wuxi) Co., Ltd.
Puhua Company	mean(s)	Zhejiang Puhua New Energy Materials Co., Ltd.
Zhongjing Holdings	mean(s)	Zhongjing Holdings Co., Ltd.
AMI Company	mean(s)	PT Andalan Metal Industry
Huayue Company	mean(s)	PT.HUAYUE NICKEL COBALT
Huake Indonesia	mean(s)	PT. HUAKE NICKEL INDONESIA
Indonesia Huafei	mean(s)	PT. Huafei Nickel Cobalt
Prospect Lithium	mean(s)	PROSPECT LITHIUM ZIMBABWE (PVT) LTD
Guangxi B&M	mean(s)	Guangxi B&M Technology Co., Ltd.
Chengdu B&M	mean(s)	Chengdu B&M Technology Co., Ltd.
Tianjin B&M	mean(s)	Tianjin B&M Technology Co., Ltd.
Zhejiang B&M	mean(s)	Zhejiang B&M Technology Co., Ltd.
Guangxi Huayou New Materials	mean(s)	Guangxi Huayou New Materials Co., Ltd.
Guangxi Lithium	mean(s)	Guangxi Huayou Lithium Industry Co., Ltd.
GDR	mean(s)	Global Depositary Receipts

Section II Company Profile and Major Financial Indicators

I. Company Information

Chinese name of the Company	浙江华友钴业股份有限公司
Chinese abbreviation of the Company	华友钴业
English name of the Company	ZHEJIANG HUAYOU COBALT CO.,LTD.
English abbreviation of the Company	HUAYOU COBALT
Legal representative of the Company	Chen Xuehua

II. Contact persons and contact methods

	Secretary to the Board of Directors	Representative of Securities Affairs
Name	Li Rui	He Qing
Correspondence address	79 Wuzhen East Road, Tongxiang Economic Development Zone Phase II, Zhejiang Province	79 Wuzhen East Road, Tongxiang Economic Development Zone Phase II, Zhejiang Province
Telephone	0573-88589981	0573-88589981
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E-mail	lirui@huayou.com	heqing@huayou.com

III. Changes of basic information

Registered address	18 Wuzhen East Road, Tongxiang Economic Development Zone Phase II, Zhejiang Province
Office address	18 Wuzhen East Road, Tongxiang Economic Development Zone Phase II, Zhejiang Province
Postal code of the office address	314500
Company Website	www.huayou.com
E-mail	information@huayou.com

IV. Information disclosure and changes in place for inspection

Newspaper designated by the Company for information disclosure	China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily
Website for publication of this semi-annual report	www.sse.com.cn
Place where this semi-annual report of the Company is available for inspection	Office of the Securities Management Department of the Company

V. Basic information on the Company stock

Stock type	Stock exchange	Stock abbreviation	Stock code	Stock abbreviation before change
A-share	Shanghai Stock Exchange	华友钴业 (Huayou Cobalt)	603799	N/A
GDR	SIX Swiss Exchange	Zhejiang Huayou Cobalt Co., Ltd.	HUAYO	N/A

VI. Other relevant information

Applicable Not applicable

VII. Major accounting data and financial indicators of the Company

(I) Major accounting data

Monetary unit: Yuan Currency: RMB

Major accounting data	Current period (January to June)	Same period last year	Increase/decrease compared with the same period last year (%)
Operating income	30,050,314,564.41	33,345,537,519.76	-9.88
Net profit attributable to shareholders of the listed company	1,670,732,131.17	2,085,104,942.66	-19.87
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses	1,751,932,466.61	1,839,200,954.15	-4.74
Net cash flow from operating activities	2,763,581,330.49	1,794,476,677.55	54.00
	As of the end of the current period	As of the end of the previous year	Increase/decrease compared with that at the end of the last year (%)
Net assets attributable to the shareholders of the listed company	34,547,888,789.61	34,277,801,337.40	0.79
Total assets	131,246,143,028.26	125,520,277,340.78	4.56

(II) Major financial indicators

Major financial indicators	Current period (January to June)	Same period last year	Increase/decrease compared with the same period last year (%)
Basic earnings per share (RMB/share)	1.00	1.32	-24.24
Diluted earnings per share (RMB/share)	1.00	1.32	-24.24
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	1.04	1.16	-10.34
Weighted average return on net assets (%)	4.74	7.63	-2.89
Weighted average return on net assets after deducting non-recurring gains and losses (%)	4.97	6.73	-1.76

Description of the Company's major accounting data and financial indicators

Applicable Not applicable

VIII. Differences of accounting data under Chinese and foreign accounting standards

Applicable Not applicable

IX. Items and amounts of non-recurring gains/losses

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Non-recurring gains/losses	Amount	Remark (if applicable)
Gains/losses from disposal of non-current assets, including the write-offs of provision for assets impairment	-3,755,887.75	
Government subsidies included in current gains/losses except for those that are closely related to the Company's normal operation, granted in line with national policies and in accordance with defined criteria, and have a continuing impact on the Company's profits/losses	44,766,492.92	
Gains/losses from changes in the fair value of financial assets and liabilities held by non-financial enterprises and gains/losses from the disposal of financial assets and liabilities, except for effective hedging business related to the Company's normal operation	61,901,099.12	
Fund occupancy fees charged to non-financial enterprises included in the current profit or loss	2,010,208.29	

Gains/losses from entrusting others to invest or manage assets		
Gains/losses from external entrusted loans		
Various asset losses arising from force majeure events, such as natural disasters		
Reversal of provision for accounts receivable impairment subject to individual impairment test		
Gains arising from the excess of the enterprise's share of the fair value of the identifiable net assets of the subsidiaries, associates and joint ventures as at the time of acquisition over its investment costs of acquiring such investees		
Current net profit and loss of subsidiaries arising from business combination under common control from the beginning of the period to the combination date		
Gains/losses from exchange of non-monetary assets		
Gains/losses from debt restructuring		
One-time expenses incurred due to the cessation of the relevant business activities, such as expenses for the placement of employees		
Impact amount of one-time adjustment to current profit or loss in accordance with requirements of tax, accounting, and other laws and regulations on current profit or loss		
One-time share-based payment expense recognized due to cancellation or modification of equity incentive plans	-133,985,994.90	
For share-based payments settled in cash, gains/losses arising from changes in the fair value of employee compensation payable after the vesting date		
Gains/losses arising from changes in the fair value of investment real estate that are subsequently measured at fair value		
Gains/losses arising from transactions where the transaction price is obviously unfair		
Gains/losses arising from contingent events unrelated to the normal operation of the Company		
Custody fee income from entrusted operations		
Other non-operating income and expenses except for the abovementioned items	-25,341,249.26	
Other gain/loss items that meet the definition of non-recurring gains/losses		
Less: impact amount of income tax	9,427,006.47	
Impact amount of minority equity (after-tax)	17,367,997.39	
Total	-81,200,335.44	

Explain the reasons if the Company recognizes items not listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-recurring Gains/Losses* as non-recurring gains/losses and the amount of such items is material, or if the Company recognizes items listed therein as recurring gains/losses.

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount involved	Reason
Amortization of government grants related to assets	37,345,965.17	As the government grants related to assets received by the Company were closely related to its operating activities, which complied with national policies and regulations, enjoyed based on certain standards, and had continuous impacts on the Company's profit and loss, its amortization included into other income in the current period was identified as a recurring profit or loss item.

X. Others

Applicable Not applicable

Section III Management Discussion and Analysis

I. Description of the industry in which the Company operates and its primary business during the reporting period

(I) Main business conditions

The Company is mainly engaged in the R&D, production and sale of products made from new energy lithium-ion battery materials and new cobalt materials. As a high-tech enterprise with a vertically integrated business model from the development of nickel, cobalt and lithium resources to the production of lithium-ion battery materials, the Company is committed to the development of low-carbon and environment-friendly new energy lithium-ion battery materials.

After more than two decades of development and endeavors, the Company has completed the spatial layout of headquarter in Tongxiang, resource security outside the country, manufacturing base in China, and market in the world, and formed an industrial pattern of integrated and synergistic development of the three major businesses of resources, new materials, and new energy. The three major businesses have formed a vertically integrated business model within the Company. At the same time, the Company is also planning its recycling business, and is striving to create a kind of new energy lithium-ion battery industry ecology from the development of nickel, cobalt and lithium resources, green smelting and processing, production of ternary precursors and cathode materials to the recycling of resources.

(II) Business model

1. New energy business

The Company's new energy business mainly focuses on the R&D, production, and sale of lithium-ion battery cathode materials, including ternary cathode materials and lithium-cobalt oxide materials. The products are mainly used in the production of electric vehicles, batteries for energy storage systems, consumer electronics, etc. The cathode materials products are mainly produced by the processes of mixing, high-temperature sintering, comminution and sieving iron removal, and so on. Raw materials required for the production of cathode materials are mainly sourced from the internal supply of subsidiaries and market-oriented procurement. Lithium-ion battery manufacturers, who mainly adopt the direct selling model, are the customers of cathode materials. With respect to sales pricing, the Company mainly conducts comprehensive pricing based on the technical content of products and market supply and demand, as well as the market prices of nickel, cobalt, manganese, and lithium metals.

Adhering to the positioning of "rapid development, making a breakthrough in high-end products, benefit-oriented, obtaining the leading strategic position of new energy lithium-ion battery materials" and the competitive strategy of "product leadership and cost leadership", the new energy business, supported by scientific and technological innovation, has achieved the industry-leading level in terms of production capacity, product quality and product innovations by continuously improving the production organization capacity and product quality control level. Cathode materials for lithium-ion battery materials have been widely applied in the international high-end brand automobile industry chain, international energy storage market, and consumer electronics market. The Company's ternary cathode materials have been supplied in large quantities to global head power battery customers such as CATL and LG Energy Solution, forming a rich industrial ecological chain, and are widely used in domestic and international well-known electric vehicles brands. The Company's lithium-cobalt oxide are gradually upgraded to rate type and high voltage, and have fully entered the global mainstream consumer electronics supply chain, covering terminal mobile phone factories such as Samsung, Apple, Huawei, Xiaomi, VIVO, etc. As the strategic focus of the Company's transition to the field of new energy lithium-ion battery materials, the Company's new energy business will play a leading role in the Company's future industrial development.

2. New material business

The Company's new material business primarily includes the R&D, production, and sale of ternary precursor materials, nickel, cobalt and lithium new materials products, which are primarily used in cathode materials for new energy vehicle (NEV) power batteries and consumer electronics. The ternary precursor products are mainly produced by synthesis, deterging, dehydration, and other processes. The

raw materials needed for the production of ternary precursors are mainly supplied internally and supplemented by outsourcing. Lithium-ion battery cathode material manufacturers, which mainly adopt the direct selling model, are the main customers of the ternary precursors. With respect to sales pricing, the Company mainly conducts comprehensive pricing based on the technical content of products and market supply and demand, as well as the market prices of nickel, cobalt, and manganese metals. The price for the procurement of nickel and cobalt raw materials is determined based on a certain discount to the market transaction price of such metals. Cobalt products are primarily sold through direct sales, with distribution also used in some markets; nickel products are primarily sold through direct sales. Lithium raw materials are mainly supplied by the Company itself, and lithium products are primarily sold through direct sales. Sales prices are determined by the Company based on supply and demand in various markets, as well as international and domestic market prices for metals such as nickel and cobalt.

The new materials business plays an important role in the integrated industrial structure, is an important support for the company's manufacturing capacity, and is the core link for the company to transform upstream nickel, cobalt and lithium resources into new energy materials. In accordance with the positioning of "creating an industry benchmark with resource conservation, environmental friendliness, and leading efficiency", the new material business has become an industry benchmark with advanced and green manufacturing, and leading efficiency by continuously improving its scientific and technological innovation, product R&D, intelligent manufacturing capability and cost control level. The Company's ternary precursor products have entered the core industrial chain of the global leading power battery enterprises such as LGES, SDI, CATL, EVE, etc. The products have begun to be applied to Tesla, Volkswagen, BMW, Hyundai, Stellantis, GM, Ford and other high-end electric vehicles. The Company has signed a supply framework agreement with Tesla, entering the Tesla core supply chain. The Company's new material business further consolidates its leading position in the industry of new cobalt materials, enabling the Company to fully enjoy the benefit of synergy and cost advantages. The Company offers mainstream products which suit the needs of mainstream customers in such markets. The rapid growth of its ternary precursor business makes it a leading supplier in the industry and ensures a stable supply of raw materials for its new energy business. The Company's new material business also provides highly competitive quality products, carrying the key task of the Company's transformation and upgrade towards new lithium-ion battery materials.

3. Resources business

The Company's resources business consists primarily of the extraction, selection, and primary processing of non-ferrous metals such as nickel, cobalt, lithium and copper. The main products of the cobalt and copper business are crude cobalt hydroxide and electrolytic copper. At present, the African resources sector has formed a business model that is supported by its own mines and supplemented by the procurement of local mines and mining companies in the Democratic Republic of the Congo. After the cobalt and copper ores are mined, copper-cobalt concentrates are produced by mineral processing, and crude cobalt hydroxide and electrolytic copper products are produced by HPAL. Copper-cobalt ore materials are supplied from the Company's own mines and purchased from local mining companies, and the purchase price of cobalt-containing raw materials is determined based on a certain discount from the MB price. The purchase price of copper raw materials is also mainly linked to the price of copper in the international market. The crude cobalt hydroxide products are primarily used for the production of refined cobalt products for domestic new material business. The electrolytic copper products are generally sold to international commodity trading houses and are primarily priced based on the LME copper price. The main products of the nickel business are crude nickel hydroxide, nickel matte, and other nickel intermediates. The supply of nickel ore materials is primarily secured through mines in which the Company has non-controlling interests and long-term supply cooperation agreements, supplemented by market-based sourcing. Nickel intermediate products are mainly used as raw materials for the domestic new material business and are mainly priced based on international and domestic public market prices. The lithium business is conducted primarily through the mining and beneficiation of the Company's own mines, with the main products being spodumene and petalite. These concentrate products serve as raw materials for the domestic production of lithium salts.

The resource business is the source of the Company's vertically integrated business model. Through years of resource development in Africa, the Company has established a cobalt and copper resource assurance system integrating mining, beneficiation, and smelting in D. R. Congo. It has invested in the construction of the Arcadia lithium mine project in Zimbabwe, providing domestic manufacturing

platforms with a stable and reliable cobalt and lithium raw material guarantee. In 2018, the Company started the development of lateritic nickel ore resources in Indonesia. In recent years, the development of nickel resources in Indonesia has been further promoted and achieved leapfrog development. Huafei Company's HPAL project reached its designed capacity. Huayue Company's HPAL project has maintained stable and overproduction. And Huake Indonesia's nickel matte project achieved stable operation. The preliminary work of Pomalaa HPAL project was orderly carried out. The strategic cooperation with Volkswagen, Ford, PT Vale Indonesia, Tsingshan and other business partners on the development of nickel and cobalt resources in Indonesia has been continuously promoted. With the further development of the nickel and cobalt resource distribution in Indonesia, these projects will provide nickel and cobalt raw materials with more cost-competitive advantages for the development of the Company's new energy lithium-ion battery materials, and further consolidate the competitive advantages of the vertically integrated business model. The Company's low-cost, large-scale, high-ESG-standard, stable and reliable resource assurance has laid a solid raw material foundation for the Company to become the industry leader in the new energy lithium-ion battery materials industry.

In addition, the Company actively planned the lithium-ion battery recycling business, and its subsidiaries, Huayou New Energy Technology (Quzhou) Co., Ltd., Quzhou Huayou Resource Recycling Technology Company Limited, and Jiangsu Huayou Energy Technology Co., Ltd., were respectively included in the first, second and fourth batch of the list of enterprises meeting the *Requirements of Industry Standards for the Comprehensive Utilization of Waste Power Batteries for New Energy Vehicles* issued by the Ministry of Industry and Information Technology of the People's Republic of China. The Company innovated its business models through the establishment of a recycling network system, ladder-style utilization and development, resource utilization, waste material exchange, and battery maintenance and remanufacturing, and maintained extensive cooperation with mainstream automobile production enterprises and battery leaders both in China and abroad such as BMW, Volkswagen, Toyota, LG New Energy, FAW, Chang'an, GAC, SAIC, NIO, and Li Auto, and provided customers with global, harmless and sustainable waste battery solutions. With the development of business, the Company is building a kind of new energy lithium-ion battery industry ecology from the development of nickel, cobalt and lithium resources, green smelting and processing, production of ternary precursor and cathode material to the recycling of resources recycling.

In its development strategy plan, the Company mentioned that it will focus on advancing the new energy lithium-ion battery materials industry, and comprehensively implement the strategy of "two new energy materials and three product concepts," adhering to the overarching roadmap of "resource control, market expansion and capability enhancement". The Company aims to build a business framework that encompasses overseas resource acquisition, international manufacturing and a global market presence, with the goal of establishing itself as a global leader in the new energy lithium-ion battery materials industry.

(III) Industry situation

The development of NEVs carries an important mission for addressing climate change, reshaping the energy pattern and building an ecological civilization. In the past few years, China's NEV industry has entered a stage of comprehensive market-oriented competition, and NEV enterprises showed a first-mover advantage in global competition by relying on the advantages of China's local complete industry chain, becoming a typical representative of new quality productivity. At present, the NEV industry in China is moving from the stage of rapid development to a new stage of global, intelligent and high-quality development.

Since this year, the Chinese government has introduced a series of policies to boost the automobile terminal consumption market. In April, fourteen departments including the Ministry of Commerce jointly issued the *Action Plan to Promote Consumer Goods Trade-in* to guide the market development towards green and low-carbon; in May, the State Council issued the *2024-2025 Energy Conservation and Carbon Reduction Action Plan* to gradually lift restrictions on the purchase of NEVs in various regions; in June, thirteen departments including the Ministry of Transport jointly issued the *Action Plan for Large-scale Transportation Equipment Replacement*, and formulated NEV replacement plans according to local conditions. In July, the NDRC and the MOF issued the *Circular on Certain Measures to Strengthen Support for Large-Scale Equipment Upgrades and Trade-ins of Consumer Goods*, further

increasing the subsidy for NEV purchases. In August, the CPC Central Committee and the State Council issued the *Opinions on Accelerating the Comprehensive Green Transformation of the Economy and Society*, making the systematic deployment to accelerate the comprehensive green transportation of the economy and society. Car makers kept to launching new models and increasing high-quality supply, so that NEVs were further recognized by consumers, and market penetration continued to rise. According to the data from China Association of Automobile Manufacturers, in the first seven months of 2024 (from January to July 2024), retail sales in the domestic NEV market reached 4.988 million vehicles, marking a 33.7% year-on-year increase; the retail penetration rate for NEVs in the domestic market hit 51.1% in July, up 15% year-on-year, marking the first time domestic NEVs have outperformed fuel vehicles in terms of retail sales. From a global perspective, while the growth rate of the NEV industry has slowed down compared with last year, the overall growth rate remains high, and the general trend of electrification remains unchanged. According to CleanTechnica, global NEV sales in the first half of 2024 reached RMB 7.17 billion, a 23% increase year-on-year.

The broad market prospect of NEVs has brought huge business opportunities for the whole industry chain of lithium-ion battery materials. During the reporting period, the lithium-ion battery industry experienced a growth trend. According to GGII, the global power battery loading capacity in the first half of 2024 was approximately 346.5GWh, representing a 15% year-on-year increase. However, due to its cost advantages, lithium iron phosphate (LFP) batteries gained market share, leading to a slight decline in the installation rate of ternary batteries, and a corresponding limited demand for ternary materials. According to GGII, shipments of lithium-ion battery cathode materials in the first half of 2024 totaled 1.34 million tons, including 0.3 million tons of ternary cathode materials, which saw a slight year-on-year decline of 1%. Despite this, given the prominent advantages of high-nickel and high-voltage ternary materials in various aspects as energy density, light weight and low-temperature performance, along with the prices of nickel, cobalt, lithium and other energy metals falling sharply, the cost-effectiveness of ternary materials will be significantly improved and the market share of ternary materials is expected to rebound. Additionally, as NEV, energy storage system, eVTOL low-altitude aircraft and other industrial technologies move towards higher energy density, the industrialization of semi-solid and solid state batteries has accelerated, the material system has been comprehensively optimized, the cathode materials have been iterated and upgraded in the direction of high performance, the high-nickel ternary battery has been promoted and popularized more rapidly, and the demand for nickel sulfate and upstream nickel materials is expected to return to rapid growth.

During the reporting period, driven by industry innovation, economic recovery and other positive factors, the demand for consumer electronics showed a significant recovery, and global shipments of smartphones, PCs and other consumer electronics experienced overall growth. According to Canalys, from January to June 2024, global smartphone shipments exceeded 585 million units, marking an 11% year-on-year increase, while global PC shipments reached 120 million, representing a 5.5% year-on-year increase. In the future, 5G, 6G, AI and satellite communication technologies have great potential for development, and will be more widely used in the interconnection and intelligence of various terminals, driving the industry into a new development cycle of recovery and innovation resonance. The continuous commercial application of various new technologies will also further increase the demand for battery capacity of mobile phones, thus driving the market demand for cobalt-containing lithium-ion batteries to maintain rapid growth.

During the reporting period, the pure nickel market grew steadily. According to SMM, there was a 9% year-on-year increase in pure nickel demand in the first half of 2024. As for downstream industries, demand in the alloy sector was bolstered by military orders, resulting in relatively stable overall performance, while the stainless steel market experienced growing demand. According to the China Iron and Steel Association, from January to June 2024, nationwide production capacity for stainless steel and crude steel reached 18.75 million tons, representing a year-on-year increase of 1.04 million tons, or 5.88%.

In summary, in the context of the rapid development of the new energy lithium-ion battery industry and the intelligent terminal industry, the new energy lithium-ion battery materials industry and cobalt and nickel new materials industry engaged in by the Company are emerging industries supported by the national development strategy and industrial policy, and the products made by the Company are the core materials necessary for new energy materials such as ternary electrical batteries. The future of the industry in which the company is engaged is very bright, and management is very confident about it.

The Company is currently committed to further consolidating its leading position in the cobalt industry, being a pioneer in developing new productive forces and promoting high-quality development, constantly developing its new advantages and driving forces for development, and striving to become a global leader in the new energy lithium-ion battery industry to contribute to the high-quality development of the new energy industry.

II. Core competence analysis during the reporting period

Applicable Not applicable

During the reporting period, there was no significant change in the Company's core competence. Please refer to "IV. Core competence analysis during the reporting period" in "Section III Management Discussion and Analysis" of the Company's 2023 Annual Report for details.

III. Business discussion and analysis

During the reporting period, in the face of a slowdown in NEV demand growth and an increasingly competitive industry environment, the Company adhered to the following: (i) maintaining its strategic focus; (ii) implementing a business approach centered on comprehensive coordination, structural optimization, technological support, cost reduction and efficiency improvement; (iii) following the working principles of enhancing stability and achieving success through improvement; (iv) vigorously pursuing the competitive strategy of "two leadership positions", the business strategy of "to be among the best" and the development strategy of "beneficial collaboration and a win-win future"; (v) continuously integrating into the global new energy industry supply system; (vi) steadily promoting the global layout of industry chain integration, advancing management reform, deepening ESG global governance. These efforts contributed to a recovery in business performance and sustained a robust growth trend, laying a solid foundation for the completion of the annual tasks.

During the reporting period, the Company primarily accomplished the following tasks regarding the business plan developed at the beginning of 2024:

1. Adhered to steady progress, and achieved greater integration advantages

During the reporting period, due to the Company's coordination of overseas resources, domestic manufacturing and global markets, and its every effort to expand the market, increase orders and improve production capacity, the shipment volume of main products increased steadily, and the business performance stabilized and recovered, achieving greater integration advantages. The Company achieved operating income of RMB 30.05 billion, and net profit attributable to the parent company of RMB 1.671 billion, including net profit attributable to the parent company of RMB 1.148 billion achieved in the second quarter, a significant increase of 119.81% from the previous quarter, and has maintained sequential growth for two consecutive quarters. During the reporting period, the shipment volume of lithium-ion battery cathode precursors was 67,000 tons (including ternary precursor and cobalt oxide (Co₃O₄), and including those supplied for internal use), a year-on-year increase of about 11%; the shipment volume of sodium battery precursors was over 100 tons. The shipment volume of cathode materials was 53,000 tons (including those supplied for internal use and the quantity corresponding to the Company's equity stake in equity-invested companies), slightly down year-on-year, but an increase by more than 20% in the second quarter; the shipment volume of cobalt products was about 23,000 tons (including those supplied for internal use), a year-on-year increase of about 13%, maintaining a leading position in the industry; the shipment volume of nickel products was about 76,000 tons (including those supplied for internal use), a year-on-year increase of more than 40%. The Company comprehensively deepened customer cooperation, and continued to increase efforts to develop overseas markets on the basis of in-depth consolidation of the domestic market. The Company worked with LGES, Volkswagen and other world-renowned battery and vehicle companies to explore a new path for the integration of lithium-ion battery materials industry, and signed project location agreements with customers such as AESC, EVE and BMW to promote in-depth cooperation in the industrial chain and enhance customer stickiness. Up to now, the Company's main products have covered CATL, LGES, SDI, Gotion, EVE, AESC and other global power battery brand enterprises, and have been widely used in domestic and international renowned electric vehicles such as Tesla, BMW, Stellantis, Volkswagen, Hyundai, GM, Ford, Daimler, Renault, Zeekr, Changan and Geely, further enhancing the Company's market position.

2. Accelerate technological progress and achieved a series of breakthroughs in the R&D of new products

During the reporting period, due to the Company's coordination of scientific and technological resources, technological progress, product R&D, in-depth implementation of the scientific and technological innovation strategy of "supporting the industry and leading the future", and continuous strengthening of the accurate R&D of new products, new technologies and new processes, the Company's innovation capability further increased, providing strong scientific and technological support for the Company's high-quality development. The two science and technology projects participated in by the Company won the second prize of the National Prize for Progress in Science and Technology in 2023. In the field of nickel resource development, the Company continuously and efficiently carried out technological innovation for the core smelting technologies for lateritic nickel ore, so that its more than 10 R&D results were industrialized in Indonesia nickel smelting projects, effectively reducing production costs. In the field of precursors, the Company fully implemented a platform-based product development strategy, focusing on mainstream supply chains such as Tesla, LGES, SDI, PPES, EVE and AESC. Significant breakthroughs were achieved with over 20 new precursor products, leading to the mass production, development and finalization of multiple new products. High-performance NCMA system Ni89 medium particle precursors and high-safety Ni88 small-particle precursors achieved large-scale production. The production technologies for large particles in high-cycle, low DCR, ultra-narrow distribution precursors reached an internationally leading level. The development of sodium battery precursor products and technologies has achieved a series of major landmark results and has already reached batch shipments in the hundred-ton level. In the field of cathode materials, the Company continued to leverage the technical advantages in high-nickel products, and achieved the full-spectrum coverage of mainstream technical routes from medium-nickel and high-voltage products to single-crystal and polycrystalline high-nickel and ultra-high-nickel products, with multiple new products featuring at least Ni95% entering the mass production or production line certification stage. The Company cooperated with downstream customers to develop a number of sodium battery cathode materials, and achieved tonnage delivery in batch. Hundreds of tons of ultra-high nickel ternary materials were used in batches in eVTOL low-altitude aircrafts and semi-solid state batteries for electric vehicles. Ultra-high nickel ternary and lithium-rich manganese based dual-path solid state battery materials advanced hand in hand to seize the cutting-edge development channel of customers. A number of new high-voltage lithium cobalt oxide products passed customer certification. At the same time, the Company further strengthened the protection of patents and intellectual property rights, and passed level 3 certification by ISO56005 *Innovation and Intellectual Property Management*.

3. Deepened integration layout and continuously injected strong impetus for growth

During the reporting period, the Company actively participated in global resource allocation, integrated into the global industrial division, deepened the industrial layout covering overseas resources, international manufacturing and global markets, and continued to enhance its international competitiveness in the integrated industrial chain of new energy lithium-ion battery materials. At the resource side upstream, the Company continuously leveraged the development advantages of Indonesia's nickel industry, enabling Huafei's HPAL project with an annual output of 120,000 tons of nickel metal to put into operation at the end of the first quarter. As the world's largest lateritic nickel ore HPAL project, the completion and commissioning of the Huafei project helps support the Company's integrated development strategy and has an epoch-making impact on the global nickel industry landscape. Huayue achieved stable and over production in its HPAL project with an annual output of 60,000 tons of nickel metal. The SCM ore pulp pipelines have been fully connected, further reducing MHP production costs. Huake achieved stable operation of its nickel matte project with an annual output of 45,000 tons of nickel metal, and the total shipment of nickel intermediate products is about 112,000 tons, a year-on-year increase of more than 90%. In addition, the preliminary work for the construction of the Pomalaa HPAL project in cooperation with Vale Indonesia and Ford Motor was carried out in an orderly manner. The Sorowako HPAL project in cooperation with Vale Indonesia was advanced in an orderly manner. The IPIP park, as the first park independently operated by the Company, has been included in national strategic project of Indonesia. The Company further enlarged nickel ore reserves through equity participation in WKM and other mining projects. The Arcadia lithium mine in Zimbabwe was in orderly operation, and the lithium carbonate production line of the 50,000 tons battery-grade lithium salt project in Guangxi has reached its production capacity and standards, building an integrated industrial system from lithium mine to lithium salt. At the lithium-ion battery materials side downstream, the Company adjusted its industry space layout, and fully promoted the internalization of the vertically

integrated business model for new energy lithium-ion battery materials. In Indonesia, by leveraging upstream resource development advantages and facilitating the extension of industry chains downstream, the nickel sulfate project with an annual output of 50,000 tons was advanced in an orderly manner, and Huaneng's ternary precursor project with an annual output of 50,000 tons was commenced, further enhancing the collaborative advantages of nickel industry in Indonesia, and contributing to the gradual implementation of the integrated development model of new energy lithium-ion battery materials in Indonesia. In South Korea, the positive electrode project in Gumi-si carried out by the Company in cooperation with LG has put into operation in some production lines as an effort to enter the North American market. In Europe, the first phase of the cathode materials project with an annual output of 25,000 tons in Hungary was commenced, which made the Company take substantial steps into the European market. Against the backdrop of intensified competition in the domestic industry, the promulgation of foreign industry protection policies and the continuously fierce struggle over supply chain leadership, the Company actively promoted the opening up of the industrial chain, international cooperation and global layout, and deeply integrated with the world's new energy industry to achieve industrial interconnection and complement each other's advantages, promoting the Company's internationalization and high-quality development.

4. Adhered to value creation and significantly improved management quality

During the reporting period, the Company deeply promoted management reform and mechanism innovation, continued to improve management capacity and governance level, so as to promote high-quality development of the Company with high-level management. Based on its business characteristics and operating characteristics, the Company promoted subdivision of the accounting units and independent accurate accounting, paid close attention to increase income and reduce expenditure and consumption, improved labor efficiency, and sought benefits from management, making the Company's management fee decrease by about 15% compared with the same period last year. The Company continued to promote production and manufacturing process innovation, comprehensively carried out process consumption reduction and technology cost reduction work, and created the ultimate manufacturing benchmark to achieve cost reduction and efficiency improvement. The Company made efforts to reduce financing costs, repaid some bank loans with relatively high interest rates in advance in light of the stock of funds, and made structural adjustment to reduce comprehensive financing costs. Financing currency conversion was carried out for Huayue USD Project Loan to continuously promote the conversion from USD financing to RMB financing, making the annual interest rate reduce by more than 5%. As of the end of the reporting period, the Company's overall financing cost decreased by 0.4% compared with the end of the previous year. During the reporting period, the Company attached great importance to ensuring capital chain safety, integrating industry and finance, expanding financing channels, and effectively managing capital expenditures to ensure stable operations and safe growth. The Company strengthened its linkage with banks and enterprises, and achieved strategic cooperation with the head offices of multiple banks such as CITIC, Ping An, Minsheng and SPD Bank. This helped continuously optimize the financing structure, increase the proportion of direct and long-term financing, and enhancing liquidity management, at the end of the reporting period, the Company's monetary funds amounted to RMB 19.03 billion, a 24.53% increase compared with the end of last year. By reasonably using financial leverage, the Company was able to maintain a relatively stable asset-to-liability ratio. The Company strengthened budget control, took financial affordability as the boundary and red line of business budget and investment budget, and established an independent accounting mechanism for functional expenses of headquarters and a hard constraint mechanism for budget implementation to ensure the security and reliability of the capital chain. The Company continued to optimize the allocation of resources, strictly controlled capital expenditure, focused on resource investment in advantageous projects with output, efficiency and cash flow, and strived to enhance its hematopoietic and blood transfusion capabilities through investment projects to ensure the steady operation and safe development of the Company. During the reporting period, the net cash flows from the Company's business operations amounted to RMB 2.764 billion, representing a 54% year-on-year increase.

5. Adhered to sustainable development and further enhanced ESG global governance

During the reporting period, the Company constructed an ESG governance system in accordance with international first-class standards, carried out ESG governance activities with its own characteristics based on local conditions, and enhanced its global ESG governance capabilities. The Company, by adopting carbon reduction process and energy structure optimization in all links of the entire industrial chain, has promoted the green and low-carbon transformation of the industrial chain. Upon certification by SGS, 14 subordinate units of the Company have completed carbon emission verification at the

organizational level, and carbon footprint accounting based on CTW has been completed for 20 products, resulting in a year-on-year drop of an average of 12% in carbon emissions of mainstream products. As a founding member and board member of the Responsible Minerals Initiative (RMI), the Company attended the 17th OECD Mineral Supply Chain Forum to share experience in the management of mineral supply chains. In addition, the Company actively assumed social responsibility, carried out various forms of community building and public welfare activities such as medical care, education support, water and electricity supply in overseas bases such as Indonesia, the Democratic Republic of Congo and Zimbabwe. Besides, the Company joined the United Nations Global Compact (UNGC), followed the ten principles of the UNGC in areas such as human rights, labor, environment and anti-corruption, and contributed to sustainable global economic development. During the reporting period, the Company was included in the China ESG New Establishment List of *Fortune* 2024, won the major awards of the 2024 IDX Channel ESG Award, and its overseas ESG achievements were included in the *100 Best Practice Cases of Companies Listed in China following the Belt and Road Initiative in Ten Years*.

6. Valued investor returns and shared fruits of development

During the reporting period, the Company earnestly carried out the action plan of “improving quality, enhancing performance and valuing returns”. In terms of investor returns, the Company released and implemented the 2023 profit distribution plan by distributing a cash dividend of RMB 10.00 per 10 shares to all shareholders, with a total dividend of RMB 1.675 billion. In addition, the Company has orderly promoted share repurchases, and repurchased a total of RMB 731 million as of the end of the reporting period. In terms of investor relations management, the Company attached importance to communication and exchange with investors, and responded to investors through different communication channels such as holding performance briefing meetings, receiving investors’ on-site research, holding telephone conferences, holding strategy meetings, interacting with SSE online and answering investors’ hotline calls. In addition, the Company actively expressed its long-term investment value to the market, which helped enhance its transparency as a listed company and build a good investor interaction ecosystem.

Major changes in the Company’s business during the reporting period, and events occurring during the reporting period that have a significant impact on the Company’s business and are expected to have a significant impact in the future

Applicable Not applicable

IV. Main operation status during the reporting period

(I) Analysis of primary business

1. Analysis of changes in relevant items of the financial statements

Monetary unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the same period of last year	Change ratio (%)
Operating income	30,050,314,564.41	33,345,537,519.76	-9.88
Operating costs	25,072,084,315.56	28,372,311,948.40	-11.63
Selling and distribution expenses	64,498,737.06	64,306,725.80	0.30
General and administrative expenses	949,622,184.12	1,115,686,302.41	-14.88
Financial expenses	1,070,089,436.67	538,714,362.86	98.64
R&D expenses	687,116,126.78	759,738,617.49	-9.56
Net cash flow from operating activities	2,763,581,330.49	1,794,476,677.55	54.00
Net cash flow from investing activities	-4,664,287,691.76	-8,937,502,406.53	47.81
Net cash flow from financing activities	5,095,391,106.74	7,805,047,664.23	-34.72
Taxes and surcharges	249,009,302.65	220,240,292.44	13.06
Other income	131,746,500.49	156,153,655.93	-15.63
Investment income	434,760,472.08	788,520,751.65	-44.86
Income from changes in fair value	10,168,786.70	131,980,619.08	-92.30
Loss from credit impairment	30,201,247.88	-71,078,135.82	-142.49

Loss from assets impairment	-48,134,564.59	-19,818,834.87	142.87
Income from asset disposal	761,008.74	-3,019,116.47	-125.21
Non-operating income	5,094,360.93	4,640,028.84	9.79
Non-operating expenses	34,952,506.71	25,074,036.21	39.40
Income tax expenses	117,547,787.20	289,596,293.99	-59.41

Reasons for changes in operating income: Mainly due to a decrease in the amount of operating income caused by the fluctuation in metal price

Reasons for changes in operating costs: Mainly due to a decrease in the amount of operating costs caused by the fluctuation in raw material price

Reasons for changes in selling and distribution expenses: Mainly due to an increase in employee salaries

Reasons for changes in general and administrative expenses: Mainly due to a decrease in employee salaries and share-based payments

Reasons for changes in financial expenses: Mainly due to a decrease in current exchange gain or loss

Reasons for changes in R&D expenses: Mainly due to a decrease in material consumption

Reasons for changes in net cash flow from operating activities: Mainly due to a decrease in inventories and operating receivables

Reasons for changes in net cash flow from investing activities: Mainly due to a year-on-year decrease in investments in construction in progress

Reasons for changes in net cash flow from financing activities: Mainly due to additional cash from repayment of current liabilities and payment of profit distributions

Reasons for changes in investment income: Mainly due to a year-on-year decrease in investment income from participating companies

Reasons for changes in loss from credit impairment: Mainly due to the decrease in the bad debt losses

Reasons for changes in income from changes in fair value: Mainly due to a decrease in the unrealized profit or loss from derivative financial instruments

Reasons for changes in loss from assets impairment: Mainly due to an increase in inventory impairment losses

Reasons for changes in income from asset disposal: Mainly due to a decrease in the disposal of fixed assets in the current period

Reasons for changes in non-operating income: Mainly due to an increase in the gain on disposal of non-current assets

Reasons for changes in non-operating expenses: Mainly due to an increase in external donations

2. Detailed description of major changes in the Company's business type, profit composition, or profit source in the current period

Applicable Not applicable

(II) Significant changes in profits resulting from non-primary business

Applicable Not applicable

(III) Analysis of assets and liabilities

Applicable Not applicable

1. Assets and liabilities conditions

Monetary unit: Yuan

Item	Amount as at the end of the current period	Proportion in the total assets (%)	Amount as at the end of the previous year	Proportion in the total assets (%)	Proportion of change (%)	Detailed description
Cash and cash equivalents	19,002,674,776.81	14.48	15,259,921,078.81	12.16	24.53	Mainly due to an increase in borrowings and the collection of receivables
Derivative financial assets	2,100,966,984.02	1.60	1,395,343,385.26	1.11	50.57	Mainly due to an increase in the held futures contracts at the end of the period

Accounts receivable financing	922,636,746.24	0.70	2,425,306,902.49	1.93	-61.96	Mainly due to an increase in endorsement payments in the current period
Advance to suppliers	2,339,253,970.78	1.77	1,810,825,646.66	1.44	28.31	Mainly due to an increase in advances
Intangible assets	4,989,630,763.02	3.80	3,914,395,969.88	3.12	27.47	Mainly due to the acquisition of Zhongjing Holdings in the current period
Goodwill	813,797,974.31	0.62	456,351,378.26	0.36	78.33	Mainly due to the acquisition of Zhongjing Holdings in the current period, resulting in the recognition of goodwill
Short-term borrowings	20,545,553,146.48	15.65	15,048,622,566.53	11.99	36.53	Mainly due to an increase in the size of the Company and an increase in the types of borrowings
Notes payable	6,366,764,608.37	4.85	8,019,127,039.81	6.39	-20.61	Mainly due to a decrease in the payment for goods through note issuance
Taxes and surcharges payable	581,153,959.54	0.44	429,374,847.76	0.34	35.35	Mainly due to an increase in income tax payable at the end of the period
Other current liabilities	2,482,790,257.27	1.89	1,433,223,782.84	1.14	73.23	Mainly due to the issuance of ultra-short-term financing bonds in the current period
Less: treasury shares	996,120,633.72	0.76	1,323,606,826.04	1.05	-24.74	Mainly due to the Company's repurchase of shares and the termination of the restricted shares incentive plan in the current period
Other comprehensive income	1,277,204,871.85	0.97	1,042,018,898.84	0.83	22.57	Mainly due to an increase in foreign currency translation differences

Other remarks

None

2. Overseas assets

Applicable Not applicable

(1) Asset size

Including: overseas assets of 63,248,571,750.87 (Monetary unit: Yuan Currency: RMB), accounting for 48.20% of the total assets.

(2) Explanation for relatively high proportion of overseas assets
Applicable Not applicable

Other remarks

None

3. Restriction of major assets as of the end of the reporting period
Applicable Not applicable

Item	Ending book value	Restriction reasons
Cash and cash equivalents	4,903,727,652.85	i.e., RMB 4,903,727,652.85 in other cash and cash equivalents, including RMB 1,881,937,260.00 in deposits for bank acceptance drafts, RMB 385,173,740.98 in deposits for letters of credit (L/Cs), RMB 6,052,500.00 in deposits for letters of guarantee (L/Gs), RMB 2,563,286,331.10 in deposits for borrowings, RMB 29,001,910.10 in deposits for forward settlement and sales of foreign exchange, RMB 25,615,271.56 in deposits for environmental impact assessments, RMB 10,522,599.11 in frozen funds from litigation, and RMB 2,138,040.00 in other deposits.
Accounts receivable financing	77,368,313.85	Pledged as collateral for bank financing
Inventories	1,406,178,426.01	Inventories pledged as collateral for bank financing and related to after-sales repurchase agreements
Fixed assets	15,467,694,436.37	Fixed assets pledged as collateral for bank financing and related to after-sales leaseback agreements
Intangible assets	264,298,283.89	Pledged as collateral for bank financing
Construction in progress	111,216,379.73	Construction in progress pledged as collateral for bank financing and related to after-sales leaseback agreements
Accounts receivable	628,832,098.69	Pledged as collateral for bank financing
Financial assets held for trading	300,000,000.00	Pledged as collateral for bank financing
Total	23,159,315,591.39	/

4. Other information
Applicable Not applicable

(IV) Analysis of investments
1. Overall analysis of equity investments
Applicable Not applicable

1. In January 2024, the General Manager's Office Meeting of the Company approved the construction by the Company's subsidiary, Huaxing NICKEL INDONESIA Co., Ltd., of a high-nickel production project with an annual output of 40,000 tons of nickel.

2. In January 2024, the General Manager's Office Meeting of the Company approved the establishment by the Company of a wholly-owned subsidiary, Zhejiang Huayou Supply Chain Co., Ltd., with a registered capital of RMB 20 million.

3. In January 2024, the General Manager's Office Meeting of the Company approved the transfer by its sub-subsidiary, Jiangsu Huayou Energy Technology Co., Ltd. of 4.775% equity in Shenzhen Phoenicia Technology Co., Ltd. (corresponding to registered capital of RMB 1.5 million) to Shenzhen Shandun Energy Technology Co., Ltd. at a consideration of RMB 4.775 million. Upon completion of the transaction, Jiangsu Huayou will not hold any equity in Shenzhen Phoenicia.

4. In February 2024, the General Manager's Office Meeting of the Company approved the Company's acquisition of 15.9598% equity of Zhejiang Huayou New Energy Technology Co., Ltd. held by Wuhu Xinshi Xinjin Equity Investment Partnership (Limited Partnership) at a consideration of RMB 526.0224 million. Upon completion of the transaction, the Company will hold a 100% equity in Zhejiang Huayou New Energy.
5. In March 2024, the General Manager's Office Meeting of the Company approved the establishment by the Company of a wholly-owned subsidiary, Zhejiang Huayou New Materials Co., Ltd., with a registered capital of RMB 20 million.
6. In March 2024, the General Manager's Office Meeting of the Company approved the establishment by the Company of a wholly-owned subsidiary, Huayou Battery Materials and Technologies Co., Ltd., in Tokyo, Japan, with a registered capital of JPY 5 million.
7. In March 2024, the General Manager's Office Meeting of the Company approved the construction by the Company of a ternary precursor project with an annual output of 50,000 tons in Indonesia through its subsidiary, PT. HUANENG NEW MATERIAL, with a total investment of approximately USD 240 million.
8. In March 2024, the General Manager's Office Meeting of the Company approved the establishment by the Company, CGN Wind Power Co., Ltd. and Yulin Energy Investment Co., Ltd. of a joint venture, CGN Energy (Yulin) Co., Ltd., with a registered capital of RMB 2 million, in which the Company will hold 3% equity, and approved the establishment by the Company, CGN Wind Power Co., Ltd. and Yulin Energy Investment Co., Ltd. of a joint venture, Yulin Hualong Electric Power Co., Ltd., with a registered capital of RMB 2 million, in which the Company will hold 5% equity.
9. In March 2024, the General Manager's Office Meeting of the Company approved the joint establishment by the Company's wholly-owned subsidiary HUAYOU LITHIUM RECYCLE TECHNOLOGY SINGAPORE PTE. LTD., SONY INC. and HEK CO., LTD. of SONID HUAYOU RECYCLE INC with a registered capital of KRW 1 billion, in which HUAYOU LITHIUM RECYCLE TECHNOLOGY SINGAPORE PTE. LTD. will hold 24% equity.
10. In April 2024, the General Manager's Office Meeting of the Company approved the establishment by the Company of a wholly-owned subsidiary, Zhejiang Huayou Catering Management Co., Ltd., with a registered capital of RMB 15 million, and the establishment of Zhejiang Huayou Catering Management Co., Ltd. Quzhou Branch in Quzhou and Zhejiang Huayou Catering Management Co., Ltd. Property Management Branch in Yulin.
11. In April 2024, the General Manager's Office Meeting of the Company approved the establishment by the Company of a wholly-owned subsidiary, Zhejiang Huayou Property Management Co., Ltd., with a registered capital of RMB 15 million, and the establishment of Zhejiang Huayou Property Management Co., Ltd. Quzhou Branch in Quzhou and Zhejiang Huayou Property Management Co., Ltd. Property Management Branch in Yulin.
12. In May 2024, the General Manager's Office Meeting of the Company approved the joint establishment by Huayou Xunli Technology Singapore Co., Ltd. and OONO ASSOCIATES of Ono Huayou Japan Co., Ltd. with a registered capital of JPY 200 million, in which Huayou Xunli Technology Singapore Co., Ltd. will hold 40% equity.
13. In May 2024, the General Manager's Office Meeting of the Company approved the investment by the Company in constructing a lithium sulfate project in Zimbabwe, with an annual output of 50,000 tons and a total investment of approximately USD 230 million.

(1) Major equity investments

Applicable Not applicable

(2) Major non-equity investments

Applicable Not applicable

(3) Financial assets measured at fair value

Applicable Not applicable

Details are seen in “XIII. Disclosure of Fair Value” of “Section X Financial Report” of this Report.

Securities investments

Applicable Not applicable

Explanation on securities investments

Applicable Not applicable

Private fund investments

Applicable Not applicable

Derivatives investments

Applicable Not applicable

(V) Sales of major assets and major equity
Applicable Not applicable

(VI) Analysis of major holding companies and participating companies
Applicable Not applicable

Name of subsidiary	Business nature	Main products or services	Registered capital	Total assets	Liabilities	Net assets	Operating income	Net profits
Huayou Quzhou	Manufacturing	R&D, production and sales of cobalt, copper and nickel products	RMB 2,401.2436 million	22,671,196,601.69	16,417,211,949.59	6,253,984,652.10	11,699,870,879.15	158,000,997.27
Chengdu B&M	Manufacturing	R&D, production and sales of electronic components and telecommunication equipment; R&D and production of high-tech battery materials and products, etc.	RMB 1,030 million	10,552,487,457.46	8,017,632,881.91	2,534,854,575.55	5,193,043.910.11	100,158,788.98
Huayou New Energy Quzhou	Manufacturing	Production and sales of ternary precursor materials	RMB 2,265.7866 million	9,957,505,956.34	6,348,991,908.29	3,608,514,048.05	2,756,231,029.77	76,759,020.92
Huayou Hong Kong	Trade and wholesale	Trade in cobalt and copper raw materials and products	HKD 469.092 million	18,881,485,618.68	13,175,563,855.45	5,705,921,763.23	15,194,757,998.86	1,461,513,551.25
Huayou Mining Hong Kong	Business and service	African mining development and investment platform	HKD 10,000	18,651,289,168.49	7,056,532,215.17	11,603,643,077.66	18,136,865.88	37,535,507.66
Huayou Singapore	Trade and wholesale	Trade in cobalt, copper and nickel products	USD 15 million	4,350,250,695.89	3,998,094,802.97	352,155,892.92	7,012,604,597.67	150,887,367.92
Huayue Company	Manufacturing	Manufacturing of non-ferrous base metals; bulk trade in metals and metal ores; bulk trade in cement, lime, sand and gravel; and bulk trade in materials and basic chemicals	USD 260 million	12,660,018,005.68	6,574,989,195.48	6,085,028,810.20	3,509,917,388.56	689,782,356.44

Huake Indonesia	Manufacturing	Bulk trade in metals and metal ores, and manufacturing of non-ferrous metals	USD 103.182 million	4,483,832,755.14	2,413,085,249.77	2,070,747,505.37	2,779,855,583.00	467,934,516.17
Indonesia Huafei	Manufacturing	Non-ferrous base metal manufacturing/industry	USD 540 million	17,510,323,098.76	13,020,728,941.42	4,489,594,157.34	3,812,457,525.49	445,845,055.97

(VII) Structural entities controlled by the Company

Applicable Not applicable

V. Other disclosures

(I) Possible risks

Applicable Not applicable

1. Market risk

The Company's main products include lithium-ion cathode materials, precursor products, nickel, cobalt and lithium new material products, and copper products. Due to the influence of various factors such as global economy, supply and demand, market expectations and speculative speculation, the prices of nickel, cobalt, lithium and copper metals present high volatility feature, which in turn leads to product market price fluctuations. During the reporting period, the prices of cobalt products remained at a low level, the prices of nickel products fell after reaching a record high, the prices of lithium products showed a downward trend after a brief rebound, and the prices of copper products fluctuated at high levels. The increase in prices would improve the Company's profitability to some extent, while a decrease in prices would weaken it. If there is a significant decline in the prices of nickel, cobalt, lithium and copper metals in the future, the Company will face the risk of inventory depreciation loss and operating performance falling short of expectations, significant decline, or losses.

2. Exchange risk

At present, the Company's business layout is highly internationalized. The overseas operations of the subsidiaries, the procurement of major raw materials such as nickel, cobalt and lithium, and the export and sales of products such as cobalt-nickel new materials, precursors and cathode materials are mainly settled in U.S. dollars. As a result, production and operations are exposed to significant risks from fluctuations in foreign currency exchange rates. During the reporting period, the exchange rate of RMB against USD fluctuated greatly. The above settlement method generally resulted in exchange losses for the Company. However, if further exchange rate fluctuations occur, it may cause the Company to incur exchange loss or increase its operating expenses, which in turn may have a certain negative impact on the Company's profitability. At the same time, the functional currency of the Company's overseas subsidiaries is mostly USD, and the change in the RMB exchange rate will expose the Company to the risk of foreign currency statement translation.

3. Risks from environmental protection

Since the production and operations of the Company must comply with a number of environmental laws and regulations relating to air, water quality, waste disposal, public health and safety, the Company is required to obtain relevant environmental protection permits and accept inspection by the relevant environmental protection authorities of its country and places where overseas investments are made. In recent years, the Company has invested a large amount of capital and technical force in the renovation of environmental protection equipment and production processes, and has carried out the treatment and discharge of pollutants in accordance with the environmental protection requirements of its country and the places where overseas investments are made. However, in the future, more stringent environmental protection standards may be implemented at home and abroad, and more extensive and stringent environmental protection control measures may be adopted. As a result, the Company's environmental protection costs and management difficulties will increase.

4. Risk of uncertainty in technology R&D

The Company organized R&D for a series of products such as ternary and single crystal applications of various models. Some products have been mass-produced and sold, and some products have been certified. However, some products are still in the process of development and certification, and there is great uncertainty, which may result in the risk of not achieving the expected targets. At the same time, due to the high technology content of new energy lithium-ion battery materials and the rapid upgrading of technology, there is a certain uncertainty as to whether the Company can seize the opportunity in this process to achieve the first breakthrough in R&D, production, and sales. If the Company is unable to keep up with the pace of industrial development in new product R&D, certification, and sales, or if downstream manufacturers choose or develop other potential technological routes, it may lead to the risk of transformation and upgrading not meeting the expectations.

5. Management risk

The Company has secured its supply of raw overseas, expanded its production and operation across China, and marketed and sold its products globally, and has formed its business model which underpinned by its three major business segments, namely, new energy business, new material business and resource business. The characteristics of the transnational and trans-regional, wide variety of products, and long industrial chain increase the management difficulty of the Company. During the reporting period, due to the continuous expansion of the Company's main business, the continuous growth of the product quantity and the continuous adjustment of the product structure, how to establish and improve the effective management system, investment control system and internal control system, and how to introduce and train management, technical and marketing talents will become the major problems facing the Company. If the Company's operation management system, investment control ability and human resources coordination ability cannot be improved correspondingly with the international expansion of the Company's business, the future development of the Company's business will be affected, and the investment projects will face the risk of not meeting the expectations.

6. Risks of transnational business

The NEV industry has a highly globalized characteristic. The Company, based on characteristics of the industry, arranged its business operation internationally and invested in mineral resource development, smelting and processing, battery material manufacturing and other projects in Indonesia, D. R. Congo, Zimbabwe, South Korea, Hungary and other places, with its product coverage extending to both domestic and international markets, including Japan, South Korea, Europe and the United States. Due to uncertainty factors such as industrial policies, politics, economy, regulation and law in the countries where the investment projects are located and the end markets are located, if the Company is unable to effectively respond to and resolve the said risks in the future, it may lead to the risk of litigation and development not meeting expectations.

7. Risk of overcapacity

The Company has currently formed an integrated industrial chain from the development of nickel, cobalt and lithium resources, green smelting and processing, manufacturing of ternary precursors and cathode materials, to resource recycling and reuse. During the reporting period, with the slowdown in the growth rate of NEVs and the gradual release of production capacity in various links of the industry chain, the supply and demand of power batteries and lithium-ion battery materials has reversed, resulting in phased and structural overcapacity and intensified competition. If the overcapacity continues and demand grows slowly down in the future, it may lead to the risk of low capacity utilization and development of the Company falling short of expectations.

(II) Other disclosures

Applicable Not applicable

Section IV Corporate Governance

I. General information about the shareholders' meeting

Session	Date of meeting	Query index of the designated website on which the poll results is disclosed	Date on which the poll results is disclosed	Poll results of the meeting
The 2024 First Extraordinary General Meeting of Shareholders	January 29, 2024	Website of the Shanghai Stock Exchange http://www.sse.com.cn	January 29, 2024	<i>Announcement of Huayou Cobalt on Resolutions of the 2024 First Extraordinary General Meeting of Shareholders (2024-014)</i>
2023 Annual General Meeting of Shareholders	May 10, 2024	Website of the Shanghai Stock Exchange http://www.sse.com.cn	May 10, 2024	<i>Announcement of Huayou Cobalt on Resolutions of 2023 Annual General Meeting of Shareholders (2024-057)</i>

Whether there is the situation that preferred shareholders with voting rights resumed request to convene an extraordinary shareholder' meeting

Applicable Not applicable

Description of the shareholders' meeting

Applicable Not applicable

II. Changes in directors, supervisors and senior officers of the Company
Applicable Not applicable

Changes in directors, supervisors, and senior officers of the Company

Applicable Not applicable

III. Plan for profit distribution or conversion of capital reserve into share capital
Formulated semi-annual plan for profit distribution or conversion of capital reserve into share capital

Is there any profit distribution or conversion of capital reserve into share capital	No
Number of bonus shares distributed per 10 shares	0
Amount of dividends distributed per 10 shares (RMB) (tax inclusive)	0
Number of additional shares converted per 10 shares	0
Relevant information of the plan for profit distribution or conversion of capital reserve into share capital	
The Company will not carry out any profit distribution or conversion of capital reserve into share capital in the second half of 2024.	

IV. The Company's equity incentive plans, employee stock ownership plans or other employee incentive measures, as well as their impacts
(I) Equity incentive matters which have been disclosed in an interim announcement and there is no progress or change in subsequent implementation thereof
Applicable Not applicable

Overview of the matter	Query index
On January 9, 2024, the Company held the 14 th meeting of the Six Board of Directors, where the Proposal on the Repurchase and Cancellation of Certain Restricted Shares was deliberated and approved under the authorization of the 2022 first extraordinary general meeting of shareholders and the 2023 second extraordinary general meeting of shareholders, aiming to repurchase and cancel 1,741,575 restricted shares held by 242 participants that departed from the Company; The Company held the 14 th meeting of the Six Board of Directors on January 9, 2024, and the 2024 first extraordinary general meeting of shareholders on January 29, 2024, deliberating and approving the <i>Proposal on Terminating the Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of Restricted Shares</i> ; On May 7, 2024, 12,873,923 restricted shares involved in the said matter were cancelled.	For more details, please see the <i>Announcement of Huayou Cobalt on Proposed Repurchase and Cancellation of Certain Restricted Shares (2024-008)</i> disclosed on January 10, 2024, the <i>Announcement of Huayou Cobalt on Terminating the Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of Restricted Shares (2024-009)</i> , as well as the <i>Implementation Announcement of Huayou Cobalt on the Repurchase and Cancellation of Restricted Shares under Stock Incentive Plan (2024-053)</i> .
The 2022 Employee Stock Ownership Plan of the Company shall expire on November 8, 2024.	For more details, please see the <i>Indicative Announcement of Huayou Cobalt on the Intended Expiration of the Duration of the 2022 Employee Stock Ownership Plan</i> disclosed on May 7, 2024 (2024-054).

(II) Incentives matters which are not disclosed in an interim announcement or with subsequent progress

Equity incentives

Applicable Not applicable

Other information

Applicable Not applicable

On August 15, 2023, the Company held the 2023 second extraordinary general meeting of shareholders, where the *Proposal on the Company's 2023 Restricted Stock Incentive Plan (Draft) and its Excerpts* was deliberated and approved. Pursuant to the provisions of the Measures for the Administration of Equity Incentives of Listed Companies and the 2023 Restricted Stock Incentive Plan, "Grantees eligible for reserved rights and interests shall be determined within twelve (12) months upon deliberation and approval of the Stock Ownership Plan by the shareholders' meeting. The information shall be disclosed by the Company in a timely and accurate manner on the designated website, as requested by the Board of Directors, with explicit opinions from independent directors and the board of supervisors, and professional advice and legal opinion from attorneys. If no grantees have been determined during the said twelve (12)-month period, the reserved rights and interests shall lapse."

Since no grantees have been determined for 3.94 million restricted shares reserved under the Company's 2023 Restricted Stock Incentive Plan within twelve (12) months upon deliberation and approval thereof by the 2023 second extraordinary general meeting of shareholders, the reserved rights and interests have lapsed.

Employee stock ownership plan

Applicable Not applicable

Other incentive measures

Applicable Not applicable

Section V Environmental and Social Responsibilities

I. Environmental information

(I) Description of environmental protection situation of the Company and its subsidiaries belonging to the key pollutant discharging units announced by the environmental protection department

√Applicable □Not applicable

1. Pollution discharge information

√Applicable □Not applicable

As announced by the ecological environment authorities, during the reporting period, the Company was a key unit under the supervision of water environment, soil pollution and environmental risks; Huayou Quzhou was a key unit under the supervision of water environment, groundwater pollution, atmospheric environment, soil pollution and environmental risks; Huayou New Energy Quzhou was a key unit under the supervision of water environment, atmospheric environment, soil pollution and environmental risks; Huayou Puxiang is a key unit under the supervision of water environment; Resource Recycling is a key unit under the supervision of water environment, soil pollution and environmental risk; Huajin Company is a key unit under the supervision of water environment. Guangxi B&M is a key unit under the supervision of water environment and environmental risk; Guangxi Huayou New Materials is a key unit under the supervision of soil pollution; Guangxi Huayou Lithium Industry is a key unit under the supervision of water environment and atmospheric environment.

Entity name	Main pollutants and characteristic pollutants	Discharge method	Number of discharge outlets	Distribution of discharge outlets	Pollutant discharge standards	Actual total discharge	Approved total discharge	Excessive discharge
Huayou Cobalt	COD	Continuous discharge	1	Main discharge outlet of the factory	300mg/L	10.77t	32.535t	No
	Ammonia nitrogen				20mg/L	0.104t	3.077t	No
	Nitrogen oxide	Organized discharge	11	Waste gas generation points in each workshop	100mg/m ³	0.396t	1.733t	No
	Sulfur dioxide				100mg/m ³	0.272t	2.072t	No
	Particulate matter				10mg/m ³	0.013t	7.77t	No
Huayou Quzhou	COD	Intermittent discharge	2	Discharge outlet of the east or west factory	200mg/L	145.44t	315.440t	No
	Ammonia nitrogen				20mg/L	14.54t	31.363t	No
	Sulfur dioxide	Organized discharge	13	Waste gas generation points in each workshop	100mg/m ³	55.055t	213.33t	No
	Nitrogen oxide		8	Waste gas generation points in each workshop	100mg/m ³	40.568t	259.116t	No
			2		300mg/m ³	Non-production		No
	Non-methane hydrocarbon		7	Waste gas generation points in	120mg/m ³	27.872t	78.547t	No
		1	60mg/m ³		Non-production	No		

	Particulate matter		45	each workshop					
			6	Waste gas generation points in each workshop	10mg/m ³	21.364t	87.394t	No	
			2		120mg/m ³	9.257t		No	
Huayou New Energy Quzhou	COD	Intermittent discharge	2	Main discharge outlet of the factory	200mg/L	22.75t	385.244t	No	
	Ammonia nitrogen				35mg/L	1.25t	41.387t	No	
	Nitrogen oxide	Organized discharge	27	Exhaust gas generation point of spray workshop	100mg/m ³	Non-production	0.666t	No	
	Sulfur dioxide				100mg/m ³		0.2t	No	
	Ammonia (ammonia gas)				Waste gas generation points in each workshop	10mg/m ³	0.539t	14.733t	No
	Particulate matter				10mg/m ³	1.86t	19.012t	No	
Huayou Puxiang	COD	Intermittent discharge	1	Main discharge outlet of the factory	50mg/L	0.608t	39.268t	No	
	Ammonia nitrogen				10mg/L	0.011t	3.927t	No	
	Particulate matter	Organized discharge	7	Waste gas generation points in each workshop	10mg/m ³	0.004t	3.185t	No	
Resource Recycling	COD	Intermittent discharge	1	Main discharge outlet of the factory	200mg/L	19.363t	37.041t	No	
	Ammonia nitrogen				35mg/L	1.195t	4.04t	No	
	Nitrogen oxide	Organized discharge	24	Waste gas generation points in each workshop	100mg/m ³	0.11t	17.195t	No	
	Sulfur dioxide				100mg/m ³	0.464t	2.053t	No	
Huajin Company	COD	Intermittent discharge	1	Main discharge outlet of the factory	200mg/L	0.337t	9.22t	No	
	Ammonia nitrogen				35mg/L	0.019t	1.2t	No	
	Particulate matter	Organized discharge	5	Waste gas generation points in each workshop	10mg/m ³	0.468t	2t	No	
Guangxi Lithium Industry	COD	Intermittent discharge	1	Main discharge outlet of the factory	2000mg/L	4.01t	/	No	
	Ammonia nitrogen				40mg/L	0.14t	/	No	
	Nitrogen oxide	Organized discharge	3	Waste gas generation points in	200mg/m ³	2.00t	96.77t	No	
	Sulfur				100mg/m ³	0.53t	54.89t	No	

	dioxide			each workshop				
	Particulate matter							
					30mg/m ³	2.10t	10.78t	No
Guangxi Huayou New Materials	Total nickel	Continuous discharge	1	Main discharge outlet of the factory	0.5mg/L	0.005t	0.132t	No
	Total cobalt				1.0mg/L	0.001t	0.09t	No
Guangxi B&M	COD	Intermittent discharge	1	Main discharge outlet of the factory	2000mg/L	93.969t	/	No
	Ammonia nitrogen				40mg/L	1.358t	/	No

2. Construction and operation of pollution prevention and control facilities

√Applicable □Not applicable

During the reporting period, the pollution prevention and control facilities and systems of the Company and the said subsidiaries have been functioning properly (except those reported by the Ecological Environment Bureau to be out of operation). The production wastewater and domestic sewage were treated and discharged to the standard; the production waste gas was treated and discharged to the standard by the corresponding waste gas treatment facilities; the solid wastes were collected and stored separately according to the relevant regulations, among which the domestic wastes were handed over to the sanitation department for disposal, the general industrial solid wastes were handed over to the recycler with technical ability for recycling, and the hazardous wastes were handed over to the unit with hazardous waste management license for disposal; and the noise at boundary of the factory conformed to the relevant emission standards.

Entity name	Construction and operation of pollution prevention and control facilities
Huayou Cobalt	<p>Waste gas treatment facilities: All of the 11 sets of waste gas treatment facilities, including dust removal devices, water washing spray towers, secondary alkali spraying, VOC treatment facilities, are in normal operation.</p> <p>Wastewater treatment facilities: The 1 set of wastewater treatment facilities, which use advanced oxidation technology + NOC ozonation technology to treat wastewater to make it meet standards, is in normal operation.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. General industrial solid wastes such as non-ferrous metal ash are commissioned to third-party units with technical capabilities for recycling and comprehensive utilization, while hazardous wastes such as waste paint barrels, waste paint brushes, third-phase residues, phosphorus removal residues, waste mineral oil and waste reagent bottles are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction measures such as soundproof rooms and replacement of silent equipment are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary (GB12348-2008)</i>.</p>
Huayou Quzhou	<p>Waste gas treatment facilities: All of the 126 sets of waste gas treatment facilities, including dust removal devices, acid alkali spray towers and RTO combustion treatment facilities, are in normal operation, except that TA084 and TA087 are temporarily suspended due to inspection and maintenance of production equipment after being reported to the Ecological Environment Bureau).</p> <p>Wastewater treatment facilities: The 2 sets of wastewater treatment facilities are in normal operation during the reporting period. The facilities use pre-treatment methods such as ammonia recovery tower, multiple heavy metal removal, phosphorus removal, flocculation and COD removal to pre-treat the wastewater and let the wastewater enter the Juhua Huanke Wastewater Treatment Plant for treatment after reaching the discharge standard.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. General industrial solid wastes such as non-ferrous metal ash and gypsum slag are commissioned to third-party units for comprehensive utilization, while</p>

	<p>hazardous wastes such as waste activated carbon and three-phase residues are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction and vibration reduction measures such as reasonable arrangement of noise equipment, selection of low-noise models of equipment, installation of sound insulation covers, installation of damping gasket and building sound insulation, are taken and help effectively reduce the impact of noise. The noise at boundary of the factory meets the emission limit requirements of Class 3 functional areas in the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>
Huayou New Energy Quzhou	<p>Waste gas treatment facilities: All of the 33 sets of waste gas treatment facilities, including acid spray, bag/metal film dust removal, water mist dust removal and calciner flue gas treatment system, are in normal operation;</p> <p>Wastewater treatment facilities: The 3 sets of wastewater treatment facilities are in normal operation. The facilities use two-stage precision filtration, stripping deamination tower, water quality regulation and other methods to meet the standards for wastewater treatment.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. Hazardous wastes such as waste packaging materials, cloth and felt contaminated with materials, waste filter cloth, empty chemical reagent bottles, waste lubricating oil, are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction measures such as selection of low noise equipment, building soundproof rooms and installation of soft cushions are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>
Huayou Puxiang	<p>Waste gas treatment facilities: All of the 14 sets of waste gas treatment facilities, including dust removal devices and secondary spray towers, are in normal operation.</p> <p>Wastewater treatment facilities: The 3 sets of wastewater treatment facilities are in normal operation. The facilities include 2 sets of process wastewater pre-treatment devices which use multi-stage membrane filtration + deamination heavy + MVR combined process, and 1 set of biochemical treatment systems which uses anoxic + MBR combined process to meet the standards for wastewater treatment.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. General industrial solid wastes such as waste outer packaging bags and biochemical sludge are commissioned to third-party units with technical capabilities for recycling and comprehensive utilization, while hazardous wastes such as waste inner packaging bags and waste cloth bags are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction measures such as selection of low noise equipment, installation of shockproof pads and sound insulation covers are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>
Resource Recycling	<p>Waste gas treatment facilities: All of the 24 sets of waste gas treatment facilities, including acid-base spraying, RTO combustion treatment, water film dust removal, bag dust removal, desulfurization and denitrification facilities, are in normal operation.</p> <p>Wastewater treatment facilities: The 1 set of wastewater treatment facilities, which use methods such as heavy metal removal, fluoride removal, phosphorus removal, Fenton method for COD removal, pH adjustment, etc. to treat the wastewater to make it meet the standards, is in normal operation.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. Hazardous waste such as waste activated carbon, waste engine oil and third-phase residue are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction measures such as selection of low noise equipment, installation of soundproof rooms and soft cushions are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>
Huajin Company	<p>Waste gas treatment facilities: All of the 20 sets of waste gas treatment facilities, including tertiary dust removal devices and secondary spray towers, are in normal operation.</p> <p>Wastewater treatment facilities: The 2 sets of wastewater treatment facilities, including deamination system and MVR system, which use ammonia evaporation, pH adjustment, evaporation and other processes to make the wastewater meet the standard, are in normal</p>

	<p>operation.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. General industrial solid wastes such as waste outsourcing tapes and waste wrapping films are commissioned to third-party units with technical capabilities for recycling and comprehensive utilization, while hazardous wastes such as waste packaging materials and waste filter cloth are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction measures such as selection of low noise equipment, installation of silencers and sound insulation covers are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>
Guangxi Lithium Industry	<p>Waste gas treatment facilities: All of the 23 sets of waste gas treatment facilities, including dust removal devices, water spray towers, alkali spray towers, SCR denitration + bag dust removal + alkali spray towers, cyclone dust collectors + Venturi tubes + packing towers + absorption towers + electric fog eliminators and other related facilities, are in normal operation.</p> <p>Wastewater treatment facilities: The 1 set of wastewater treatment facility, which uses the process of “neutralization + flocculation and precipitation” to treat the wastewater to make it meet the standards, is in normal operation.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. General industrial solid wastes such as lithium slag powders and waste ton bags are commissioned to third-party units with technical capabilities for recycling and comprehensive utilization, while hazardous wastes such as oily rags and waste labor protection, waste reagent bottles and filter papers, waste oil, waste oil buckets, waste paint buckets, waste catalysts, waste testing liquids and waste packaging materials are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction measures such as selection of soundproof room, replacement with silent devices, silencers and bases are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>
Guangxi Huayou New Materials	<p>Waste gas treatment facilities: All of the 3 sets of waste gas treatment facilities, which are related to alkali spray, are in normal operation.</p> <p>Wastewater treatment facilities: The wastewater is to be treated by evaporation through MVR of Times Huineng.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. Hazardous wastes such as contaminators and diaphragm bags are commissioned to qualified units for treatment.</p> <p>Noise treatment measures: Noise reduction measures such as selection of low noise equipment, use of closed workshop are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>
Guangxi B&M	<p>Waste gas treatment facilities: All of the 6 sets of waste gas treatment facilities, including dust removal devices, alkali spray, activated carbon adsorption and other related facilities, are in normal operation.</p> <p>Wastewater treatment facilities: The 1 set of wastewater treatment facility, which uses the process precipitation or filtering to treat the wastewater to make it meet the standards, is in normal operation.</p> <p>Solid waste treatment measures: Domestic wastes are commissioned to the environmental sanitation department for paid removal. Hazardous wastes such as waste packaging materials, waste filter cloth, chemical reagent packaging, rags and linoleum, phosphorus removal slags, waste oil and waste oil buckets are commissioned to qualified units for treatment; precipitated metal slags are recycled in accordance with the EIA requirements.</p> <p>Noise treatment measures: Noise reduction measures such as selection of soundproof room, replacement with silent devices are taken, and the noises at boundary of the factory meet the requirements of the <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008).</p>

3. Environmental impact assessment of construction projects and other administrative permits for environmental protection with respect thereto

√Applicable □Not applicable

Entity name	Environmental impact assessment of construction projects and other administrative permits for environmental protection with respect thereto during the reporting period
Huayou Cobalt	The re-application for pollution discharge license was approved by Jiaxing Ecological Environment Bureau on May 21, 2024.
Huayou Quzhou	① The recycling of high-purity nickel construction project with an annual output of 50,000 tons (metallometry) was approved by Quzhou Ecological Environment Bureau on January 19, 2024 (Qu Huan Zhi Zao Jian [2024] No. 4); ② The new green and low-carbon project of high-purity nickel with an annual output of 30,000 tons (metallometry) was approved by Quzhou Ecological Environment Bureau on January 19, 2024 (Qu Huan Zhi Zao Jian [2024] No. 5); ③ The new 2500t/a cobalt electrodeposition construction project was approved by Quzhou Ecological Environment Bureau on March 26, 2024 (Qu Huan Zhi Zao Jian [2024] No. 25); ④ The new capacity expansion and renovation project of MHP high-purity nickel with an annual output of 30,000 tons (metallometry) was approved by Quzhou Ecological Environment Bureau on March 28, 2024 (Qu Huan Zhi Zao Jian [2024] No. 26); ⑤ The re-application for pollution discharge license was approved by Quzhou Ecological Environment Bureau on April 18, 2024.
Huayou New Energy Quzhou	/
Huayou Puxiang	/
Resource Recycling	/
Huajin Company	/
Guangxi Lithium Industry	The project of battery grade lithium salt with an annual output of 50,000 tons passed the self-inspection for acceptance of the Company on March 7, 2024.
Guangxi Huayou New Materials	① The project of high-purity nickel products with an annual output of 50,000 tons (metallometry) was approved by Yulin Ecological Environment Bureau (Gui Huan Shen [2023] No. 283); ② The 30,000t electrodeposition project of high-purity nickel products with an annual output of 50,000 tons (metallometry) passed the self-inspection for acceptance of the Company (in December 2023).
Guangxi B&M	① The integration project for high-nickel ternary cathode materials for power batteries with an annual output of 50,000 tons and ternary precursor materials with an annual output of 100,000 tons (production line of nickel sulfate with an annual output of 50,000 tons (metallometry) using nickel matte) passed the self-inspection for acceptance of the Company in December 2023

4. Emergency plan for environmental emergencies

√Applicable □Not applicable

Entity name	Contingency plans for environmental emergencies
Huayou Cobalt	There was no need to revise contingency plan for environmental emergencies of Huayou Cobalt during the reporting period. The latest contingency plan for environmental emergencies of Huayou Cobalt is valid until 2026, and has been filed with Jiaxing Ecological Environment Bureau under the number 330483-2023-115-H.
Huayou Quzhou	There was no need to revise contingency plan for environmental emergencies of Huayou Quzhou during the reporting period. The latest contingency plan for environmental emergencies of Huayou Quzhou is valid until 2026, and has been filed with Quzhou

	Ecological Environment Bureau under the number 330802-2023-091-H.
Huayou New Energy Quzhou	There was no need to revise contingency plan for environmental emergencies of Huayou New Energy Quzhou during the reporting period. The latest contingency plan for environmental emergencies of Huayou New Energy Quzhou is valid until 2026, and has been filed with Quzhou Ecological Environment Bureau under the number 330802-2023-029-H.
Huayou Puxiang	There was no need to revise contingency plan for environmental emergencies of Huayou Puxiang during the reporting period. The latest contingency plan for environmental emergencies of Huayou Puxiang is valid until 2026, and has been filed with Jiaying Ecological Environment Bureau under the number 330483-2023-006-H.
Resource Recycling	There was no need to revise contingency plan for environmental emergencies of Resource Recycling during the reporting period. The latest contingency plan for environmental emergencies of Resource Recycling is valid until 2026, and has been filed with Quzhou Ecological Environment Bureau under the number 330802-2024-011-H.
Huajin Company	According to the requirements of the <i>Emergency Management Measures for Environmental Emergencies</i> , Huajin Company prepared its contingency plan for environmental emergencies (which is valid until 2027) in 2024 and filed the plan with Quzhou Ecological Environment Bureau under the number 330802-2024-045-M.
Guangxi Lithium Industry	There was no need to revise contingency plan for environmental emergencies of Guangxi Lithium during the reporting period. The latest contingency plan for environmental emergencies of Guangxi Lithium is valid until 2026, and has been filed with Yulin Ecological Environment Bureau under the number 450923-2023-006-M.
Guangxi Huayou New Materials	There was no need to revise contingency plan for environmental emergencies of Guangxi New Energy during the reporting period. The latest contingency plan for environmental emergencies of Guangxi Huayou New Materials is valid until 2026, and has been filed with Yulin Ecological Environment Bureau under the number 450923-2023-016-M.
Guangxi B&M	There was no need to revise contingency plan for environmental emergencies of Guangxi B&M during the reporting period. The latest contingency plan for environmental emergencies of Guangxi B&M is valid until 2026, and has been filed with Yulin Ecological Environment Bureau under the number 450923-2023-003-M.

5. Environmental self-monitoring plan

√Applicable □Not applicable

Huayou Cobalt has installed online monitoring systems for the discharge of pollution, TOC, ammonia nitrogen, nickel, pH, VOC, etc., and connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Huayou Cobalt has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the Zhejiang Enterprise Self-Monitoring Information Disclosure Platform.

Huayou Quzhou has installed online monitoring systems for the discharge of pollution, TOC, ammonia nitrogen, pH, SO₂ (key sources of exhaust gas in leaching workshops), etc., and connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Huayou Quzhou has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the Zhejiang Enterprise Self-Monitoring Information Disclosure Platform.

Huayou New Energy Quzhou has installed online monitoring systems for the discharge of pollution, TOC, ammonia nitrogen, pH, etc. and connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Huayou New Energy Quzhou has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website

of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the Zhejiang Enterprise Self-Monitoring Information Disclosure Platform.

Huayou Puxiang has installed online monitoring systems for the discharge of pollution, TOC, ammonia nitrogen, pH, etc., and connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Huayou Puxiang has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the Zhejiang Enterprise Self-Monitoring Information Disclosure Platform.

Resource Recycling has installed online monitoring systems for the discharge of pollution, TOC, ammonia nitrogen, pH, etc., and is connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Resource Recycling has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the Zhejiang Enterprise Self-Monitoring Information Disclosure Platform.

Huajin Company has installed online monitoring systems for the discharge of pollution, TOC, ammonia nitrogen, pH, etc., and is connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Huajin Company has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the Zhejiang Enterprise Self-Monitoring Information Disclosure Platform.

Guangxi Lithium Industry has installed online monitoring systems for the discharge of COD, ammonia nitrogen, pH, particulate matter, SO₂, NO_x, etc., and is connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Guangxi Lithium Industry has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the National Pollution Source Monitoring Data Management and Sharing System.

Guangxi Huayou New Materials has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the Guangxi Pollution Discharge License Management System.

Guangxi B&M has installed online monitoring systems for the discharge of COD, ammonia nitrogen, pH, etc., and is connected to government ecological and environmental departments to ensure their capability of real-time monitoring of pollutant emissions. Besides, Guangxi B&M has developed a self-monitoring plan in accordance with relevant provisions of the *Measures for Administration of National Pollution Discharge License* and made it public on the website of the National Pollution Discharge License Management Information Platform. It also commissions third-party environmental monitoring institutions to conduct regular monitoring and timely reports the monitoring results to the National Pollution Source Monitoring Data Management and Sharing System.

6. Administrative punishment received due to environmental issues during the reporting period

Applicable Not applicable

7. Other environmental information that should be disclosed

Applicable Not applicable

(II) Description of environmental protection situation of the companies not belonging to the key pollutant discharging units announced by the environmental protection department

Applicable Not applicable

1. Administrative punishment received due to environmental issues

Applicable Not applicable

2. Disclosure of other environmental information with reference to the disclosure requirements for key pollutant discharging units

Applicable Not applicable

The main pollutants discharged by Chengdu B&M include COD, ammonia nitrogen, particulate matter, etc.

Wastewater environmental protection facilities and discharge: Production process wastewater is evaporated by the MVR system and then re-used together with steam condensate for the pure water preparation system, achieving zero discharge of process wastewater. After being treated in a pre-treatment tank and meeting the Class III standards specified in Table 4 of the *Integrated Wastewater Discharge Standard* (GB8978-1996), domestic wastewater enters the Huaikou Industrial Sewage Treatment Plant for further treatment and is discharged up to the standard.

Waste gas environmental protection facilities and emissions: Waste gas containing particles is subject to treatment through the filter cartridge dust remover built in the equipment, and, after reaching the special emission limits for air pollutants specified in *Emission Standards of Pollutants for Inorganic Chemical Industry* (GB31573-2015), is discharged at a high altitude.

Storage and disposal of solid waste: The dust particles adsorbed on the magnetic pole of the filter cartridge dust remover and the electromagnetic iron remover belong to the general industrial solid waste, which is collected and handed to the raw material supplier for recycling. Filter cartridge, domestic waste and sludge are collected and disposed of by the environmental sanitation department in a uniform manner. Waste bags are recycled and disposed of by manufacturers. Hazardous solid wastes, such as waste lubricating oil, waste hydraulic oil and oily gloves, are commissioned to qualified units such as Chengdu Zhongzi Environmental Protection Technology Co., Ltd. for disposal. The company follows the *PRC Law on Prevention and Control of Environmental Pollution by Solid Wastes* and the *Standard for Pollution Control on Hazardous Waste Storage* (GB18597-2023) during the storage of hazardous solid waste, and follows the *Management Measures for the Transfer of Hazardous Waste* during the transfer of hazardous solid waste.

The company strictly observes environmental protection related laws and regulations such as the Environmental Protection Law, the Environmental Impact Assessment Law, various environmental protection special laws, and the Environmental Protection Management Regulations for Construction Projects during the process of project construction and business operation, hence such process complies with the regulations of the ecological environment regulatory department.

The main pollutants discharged by Tianjin B&M include COD, ammonia nitrogen, particulate matter, nickel and its compounds, cobalt and its compounds, ammonia, hydrogen chloride, sulfuric acid mist, TRVOC, etc.

Wastewater environmental protection facilities and discharge: No production wastewater is produced. After being treated in septic tank and meeting the *Integrated Wastewater Discharge Standard* (DB12/356-2018), domestic wastewater enters the sewage treatment plant on North Xianyang Road for further treatment and is discharged up to the standard.

Waste gas environmental protection facilities and emissions: The exhaust gas (particulate matter, nickel and its compounds) is treated by a dust collector, and is emitted after meeting the standards specified in the *Integrated Emission Standard of Air Pollutants* (GB16297-1996) and the *Emission Standard of Air Pollutants for Industrial Furnaces* (DB12/556-2015). The exhaust gas (hydrogen chloride, sulfuric acid mist) is treated by the tail gas absorption tower, and is emitted after meeting the standards specified in the *Integrated Emission Standard of Air Pollutants* (GB16297-1996) and the *Emission Standards for Odor Pollutants* (DB12059-2018). The exhaust gas (TRVOC, etc.) is treated by NMP recovery units or

secondary activated carbon, after is discharged at high altitude after meeting the standards specified in the *Emission Control Standard for Industrial Enterprise Volatile Organic Compounds* (DB12/524-2020).

Storage and disposal of solid waste: Domestic waste is commissioned to the environmental sanitation department for regular and paid removal. General industrial waste such as waste materials, waste containers and waste packaging bags are handed over to raw material suppliers or material recycling units for recycling and reuse. Hazardous solid wastes such as cleaning waste liquid, waste wipes, waste reagent bottles and waste engine oil are commissioned to Tianjin Hejia Veolia Environmental Services Co., Ltd. and other qualified units for disposal. The company follows the *PRC Law on Prevention and Control of Environmental Pollution by Solid Wastes* and the *Standard for Pollution Control on Hazardous Waste Storage* (GB18597-2023) and its amendment list during the storage of hazardous solid waste, and follows the *Management Measures for the Transfer of Hazardous Waste* during the transfer of hazardous solid waste.

The company strictly observes environmental protection related laws and regulations such as the Environmental Protection Law, the Environmental Impact Assessment Law, various environmental protection special laws, and the Environmental Protection Management Regulations for Construction Projects during the process of project construction and business operation, hence such process complies with the regulations of the ecological environment regulatory department.

The main pollutants discharged by Jiangsu Huayou include particulate matter, tin and its compounds, etc.

Wastewater environmental protection facilities and discharge: No production wastewater is produced. Domestic wastewater is treated in septic tank (relying on Nanjing Haixing Power Grid Technology Co., Ltd.), and, after meeting the standards specified in the *Integrated Wastewater Discharge Standard* (GB8978-1996), enters the Jiangning Development Zone Sewage Treatment Plant for further treatment and is discharged up to the standard.

Waste gas environmental protection facilities and emissions: Welding smoke and dust are treated with pulse filter cartridge dust collectors, and is discharged at high altitudes after the particulate matter meets the standards specified in the *Emission Standard of Pollutant for Battery Industry* (GB 30484-2013), and tin and its compounds meet the standards specified in the *Integrated Emission Standard of Air Pollutants* (DB32/4041-2021) of Jiangsu Province.

Storage and disposal of solid waste: Domestic waste is commissioned to the environmental sanitation department for paid removal. General industrial solid waste such as waste battery pack iron shell, waste flow guide, waste wire harness, waste battery pack plastic parts, waste packaging materials, etc., are sold to Nanjing Fanchengtao Renewable Resources Utilization Co., Ltd. for recycling purpose. Scrap modules and unqualified products detected in the factory are sold to Quzhou Huayou Resource Recycling Technology Co., Ltd. for comprehensive utilization. The company follows the *PRC Law on Prevention and Control of Environmental Pollution by Solid Wastes* and the *Standard for Pollution Control on Hazardous Waste Storage* (GB18597-2023) and its amendment list during the storage of hazardous solid waste, and follows the *Management Measures for the Transfer of Hazardous Waste* during the transfer of hazardous solid waste.

The company strictly observes environmental protection related laws and regulations such as the Environmental Protection Law, the Environmental Impact Assessment Law, various environmental protection special laws, and the Environmental Protection Management Regulations for Construction Projects during the process of project construction and business operation, hence such process complies with the regulations of the ecological environment regulatory department.

The main pollutants discharged by Guangxi B&M (cathode materials) include particulate matter, etc.

Wastewater environmental protection facilities and discharge: Production process wastewater is evaporated by the MVR system and then re-used together with steam condensate for the pure water preparation system, achieving zero discharge of process wastewater. After being treated in a pre-treatment tank and meeting the Class III standards specified in the *Integrated Wastewater Discharge Standard* (GB8978-1996), domestic wastewater enters the wastewater treatment plant in the park for further treatment and is discharged up to the standard.

Waste gas environmental protection facilities and emissions: Waste gas containing particulates is discharged at high altitudes after being treated by pulse and water curtain dust remover and reaching the special emission limit of air pollutants specified in the *Emission Standards of Pollutants for Inorganic*

Chemical Industry (GB31573-2015). The dust and exhaust gas from crushing, billet loading and other processes are treated by dust collectors and then discharged at high altitudes after meeting the *Integrated Emission Standard of Air Pollutants* (GB16297-1996).

Storage and disposal of solid waste: Domestic waste is commissioned to the environmental sanitation department for collection and disposal. General industrial solid waste such as the dust particles adsorbed on the magnetic poles of pulse dust collectors and electromagnetic iron separators is collected and handed over to raw material suppliers for recycling and reuse. General solid waste such as waste saggars and ton bags is entrusted to Sichuan Tengfei Shengri Environmental Protection Technology Co., Ltd. for unified collection and disposal. Hazardous solid waste such as chemical reagent packaging materials and precursor inner membrane bags are entrusted to qualified units such as Guigang Taini Dongyuan Environmental Protection Technology Co., Ltd. and Xingye Hailuo Environmental Protection Technology Co., Ltd. for disposal. The company follows the *PRC Law on Prevention and Control of Environmental Pollution by Solid Wastes* and the *Standard for Pollution Control on Hazardous Waste Storage* (GB18597-2023) during the storage of hazardous solid waste, and follows the *Management Measures for the Transfer of Hazardous Waste* during the transfer of hazardous solid waste.

The company strictly observes environmental protection related laws and regulations such as the Environmental Protection Law, the Environmental Impact Assessment Law, various environmental protection special laws, and the Environmental Protection Management Regulations for Construction Projects during the process of project construction and business operation, hence such process complies with the regulations of the ecological environment regulatory department.

The main pollutants discharged by Zhejiang B&M include COD, ammonia nitrogen, particulate matter, etc.

Wastewater environmental protection facilities and discharge: Production wastewater comes from equipment cleaning wastewater, testing center wastewater, circulating cooling tower drainage, and concentrated water generated by the pure water preparation system, with the main components of COD_{Cr} and suspended solids. Testing center wastewater, after MVR treatment, is discharged into the sewage treatment plant in the park through external discharge pipes. Equipment cleaning wastewater is separated by pressure filtration, and then discharged into the sewage treatment plant in the park through external discharge pipes. After pre-treatment, the concentration of the main pollutants in the production wastewater is relatively low. When it meets the Class III standards specified in the *Integrated Wastewater Discharge Standard* (GB8978-1996) and the *Indirect Discharge for Emission Limitation of Nitrogen and Phosphorus for Industrial Wastewater* (DB33/887-2013), it can be discharged through external discharge pipes. The condensate generated by the MVR treatment process serves as makeup water for the spray tower. The overflow generated by the operation of the spray tower is discharged into the MVR treatment tank for recycling and treatment, while the wastewater from the spray tower is not discharged externally.

Domestic wastewater is pretreated in the septic tank and, after reaching the Class III standards specified in the *Integrated Wastewater Discharge Standard* (GB8978-1996) (or *Wastewater Quality Standards for Discharge to Municipal Sewers* (GB/T31962-2015) in case of discharge of ammonia nitrogen through pipes), is discharged through external discharge pipes into Quzhou Municipal Sewage Treatment Plant for further treatment until it meets the standard.

Waste gas environmental protection facilities and emissions: The lithium-cobalt oxide factory building No. 1 and the test plant of the company are equipped with precision and high-efficiency filter cartridges dust collectors. The dust at each dust producing point is collected through precision and high-efficiency filter cartridges, and the exhaust gas is discharged centrally through a high exhaust funnel. The generate hydrogen chloride and sulfuric acid mist produced during the product testing process of the project control testing center due to the use of reagents such as hydrochloric acid and sulfuric acid are treated by an alkali spray tower, and, after meeting the Class II standards specified in Table 2 of the *Integrated Emission Standard of Air Pollutants* (GB16297-1996), discharged through an exhaust funnel in high altitude.

Storage and disposal of solid waste: Dust removal materials generated by the company are re-used internally as raw materials. High magnetic materials are recycled and utilized internally by the group. The waste activated carbon and waste membrane generated from the preparation of pure water are recycled during maintenance by equipment manufacturers. Waste saggars are recycled by Sichuan Tengfei Risheng Environmental Protection Technology Co., Ltd. Waste ton bags are recycled by Jiande Longzhe Renewable Resources Co., Ltd. Waste mineral oil, waste organic solvents, waste reagent

bottles, waste oil drums, oily waste rags and inorganic salt solids generated after MVR treatment are commissioned to Wenzhou Environmental Development Co., Ltd. for disposal. The company follows the *PRC Law on Prevention and Control of Environmental Pollution by Solid Wastes* and the *Standard for Pollution Control on Hazardous Waste Storage (GB18597-2023)* during the storage of hazardous solid waste, and follows the *Management Measures for the Transfer of Hazardous Waste* during the transfer of hazardous solid waste.

The company strictly observes environmental protection related laws and regulations such as the Environmental Protection Law, the Environmental Impact Assessment Law, various environmental protection special laws, and the Environmental Protection Management Regulations for Construction Projects during the process of project construction and business operation, hence such process complies with the regulations of the ecological environment regulatory department.

3. Reasons for not disclosing other environmental information

Applicable Not applicable

(III) Subsequent progress or change in environmental information disclosed during the reporting period

Applicable Not applicable

(IV) Relevant environmental information that is conducive to protecting ecology, preventing and controlling pollution, and fulfilling environmental responsibilities

Applicable Not applicable

In order to solve the problem that high-value materials cannot be transferred and utilized between different legal entities of the group, and existing solid waste disposal facilities cannot be shared, Huayou has built a “waste free group” with high standards in Zhejiang, and strives to drive the transformation and upgrading of the industrial chain “waste free” and lead the development of the industry. The *Implementation Plan of Huayou Cobalt’s “Waste Free Group” Construction* passed expert review in November 2023, and it was unanimously agreed that it could be used as the basis for Huayou Cobalt’s next step in the construction of “waste free group”.

(V) Measures taken to reduce carbon emissions and their effects during the reporting period

Applicable Not applicable

Always pursuing the concept of green and low-carbon development, the Company has been constantly accelerating the realization of the phased goals and important indicators of carbon-neutral operation of the Company, and striving to achieve the vision of carbon-neutral operation of the whole industrial chain. The Company has carried out three major projects of carbon reduction, carbon drop and low carbon around its system of carbon peak and carbon neutral, and implemented eight actions to achieve carbon neutral.

The Company has been taking active steps to implement carbon-reducing and carbon-reducing processes and energy structure substitution and promote the green and low-carbon transformation of the industrial chain in each of its industrial sectors. The Company has implemented a detailed work plan for each aspect of the whole industrial chain and each region of the Group, and continuously promoted “short process, large-scale equipment, automatic production line, intelligent manufacturing, digital operation, and green industry” to enhance the proportion of clean energy in energy mix and expand the application of green and low-carbon technologies. During the reporting period, the carbon emissions of mainstream products decreased by an average of 12% compared with the previous year.

(1) Develop green power to optimize the energy structure

The Company has actively promoted the replacement with green power required for each production link, and developed and built green power projects combined with the characteristics of resource elements of the production base. During the reporting period, the self-generated photovoltaic power station of the Company’s factory in the province generated 4.59 million kwh, achieving a carbon reduction of 2,617 tons. In 2024, the Company continued to plan a new distributed rooftop photovoltaic project with a capacity of 25 MW in its domestic production base. The project is expected to be put into

operation by the end of the year, and the total installed PV capacity in the domestic region is expected to reach 37MW. This will lead to an annual power generation of 37 million kwh and an annual reduction in carbon emissions of more than 20,000 tons.

During the reporting period, the Company's overseas production bases greatly improved the efficiency of waste heat power generation through optimization and transformation, with a total of 121.83 million kwh of waste heat power generation and a carbon reduction of 158,379 tons.

(2) Strengthen scientific and technological innovation to improve energy efficiency

The Company has always insisted on accelerating its own energy conservation and carbon reduction, continuously improving energy efficiency, and deeply exploring the potential of energy conservation and carbon reduction in the whole industrial chain, so as to reduce carbon emission while achieving cost reduction and efficiency increase.

During the reporting period, at the overseas mining and smelting end, the Indonesian park could replace 58,800 tons of limestone and reduce 58,800 tons of carbon emissions by improving the comprehensive recovery rate of small gravel; CDM in Africa adopted the open flow of sulfate electrolyte to the acid leaching process of sulfide ore, thus reducing the amount of sulfuric acid by 792 tons and carbon by 158 tons; MIKAS wet process plant in Africa used tailings backwater to replace cobalt residual liquid as CCD washing water, reducing the cobalt system processing flux of 569,470m³ and saving 4.21 million kwh of electricity.

During the reporting period, at the domestic refining end, Quzhou and Guangxi production bases, from the perspective of process optimization and equipment efficiency improvement, had taken a series of improvement measures to reduce the use of energy and auxiliary materials and reduce the Company's carbon emissions while taking into account cost reduction and efficiency increase. Among the above, the Quzhou non-ferrous metal refining section fully employed idle extraction tanks and other equipment to increase the number of washing stages for nickel and sulfur, reduce the consumption of acids and alkalis, and continuously lower the production costs of nickel matte. During the reporting period, the consumption of sulfuric and caustic soda liquid decreased to varying extents compared to corresponding standards, resulting in a reduction of carbon emissions by 807 tons. Guangxi base reformed the existing MHP line liquid production system, saving the amount of sulfuric acid, caustic soda liquid and steam while increasing production capacity, and reducing carbon emissions by 2,246 tons. The pyrometallurgical plant in Guangxi lithium industry has a conversion kiln equipped with a waste heat boiler. By adding new pipelines, steam generated by the waste heat boiler is directly fed into the steam branch pipe of the leaching workshop, supplying steam for zinc removal and calcium-magnesium removal processes. This adjustment has reduced steam consumption by 4,412 tons and resulted in a carbon reduction of 1,352 tons.

(3) Practice the concept of circular development to recycle energy and resources

During the reporting period, the Company increased its investment in the comprehensive recycling and utilization of resources, especially in the comprehensive utilization of surface water, rainwater reuse, and waste water reuse in the production process, and achieved significant results. Among them, surface runoff collection measures were adopted in the mining area of Indonesia, and 2.11 million cubic meters of water were recovered during the reporting period. Indonesia Huafei plant arranged a number of rainwater collection ponds to achieve comprehensive reuse of rainwater, decreasing new water consumption by 26%. During the reporting period, 980,000 cubic meters of rainwater were recovered, and the total carbon reduction by water resources reuse in Indonesia was 460 tons.

(4) Manage carbon assets to orderly construct a zero-carbon plate

The Company continued to carry out carbon emission verification, effectively managed its carbon assets, actively promoted the carbon accounting capacity building of stable production to achieve production projects, and completed the organization of carbon and product carbon accounting and certification.

During the reporting period, upon certification by SGS, 14 subordinate units of the Company have completed carbon emission verification at the organizational level, and carbon footprint accounting based on CTW has been completed for 20 products, resulting in a year-on-year drop of an average of 12% in carbon emissions of mainstream products, thus providing customers with valuable low-carbon products.

During the reporting period, the Company completed the certification for its zero-carbon plants. The Company continued to advance zero-carbon plant initiatives by reducing carbon emissions per product through product R&D and process improvements, increasing the utilization of clean power, enhancing the electrification of transportation and logistics, and further building zero-carbon plants.

II. Specific situation of the work to consolidate the achievements of poverty alleviation and help rural revitalization

Applicable Not applicable

As a responsible international enterprise, the Company has always practiced the investment philosophy of “making contributions to the local economy and society wherever it invests”, actively responded to the national strategy and requirements of rural revitalization, consolidated the results of poverty alleviation, timely found and helped those who were vulnerable to return to poverty, and helped families in need. During the reporting period, the Company invested a total capital of about RMB 5.2 million, contributing to the benefit of society.

A country prospers when education is strong, and a country prospers when education is strong. Huayou took the development of education and learning as its own responsibility, and gave full support to the cause of education. During the reporting period, the Company contributed RMB 300,000 to help Tongxiang Senior High School rebuild the laboratory, and RMB 4.5 million to fund the Science and Technology Museum of Tongxiang Youth Training Base. On the International Children’s Day, Huayou Quzhou Industrial Park Trade Union and the party building unit Dacheng Primary School in Kecheng District, Quzhou jointly carried out “June 1” love public welfare activities, and donated teaching materials for Wushi County Second Primary School in Xinjiang Weiwu Autonomous Region and Leigu Primary School in Beichuan, Sichuan Province; Huayou Guangxi Park visited 5 primary schools in Tanlian Village, Songwang Town, Baiping Village, Bangjie Village, Zeng Village and Central Primary School, and sent school supplies such as schoolbags, cups, markers and notebooks to more than 3,700 students in 5 primary schools as Children’s Day gifts, sending holiday blessings and care to the children.

During the reporting period, Party organizations and trade unions carried out fundraising activities of Huayou Love Fund, and visited 39 families of poor family workers, 36 families in poor villages, and more than 80 people in nursing homes and leprosy hospitals in twinning units. A good deed highlights the strong sense of mission, responsibility and honor of the enterprise in the process of development. At the same time, the Company vigorously promoted the charity culture in the enterprise, let the good and good deeds become a habit and form a fashion, helped common prosperity, and wrote a chapter of promoting high-quality development and building a demonstration area of common prosperity with practical actions.

Section VI Significant Events

I. Performance of commitments

(I) Commitments made by the actual controller, shareholder, related party, acquirer, company, and other related parties during the reporting period or continuing into the reporting period

√Applicable □Not applicable

Background of commitment	Type of commitment	Party making the commitment	Content of commitment	Date of commitment	Whether there is fulfillment period	Commitment period	Whether it is strictly fulfilled in a timely manner	Explain the specific reasons if it is not fulfilled in a timely manner	Explain the next step if it is not fulfilled in a timely manner
Commitments related to initial public offerings	About horizontal competition	Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller)	For the purpose of avoiding possible horizontal competition with the Company in the future, safeguarding the interests of all shareholders of the Company and ensuring the Company's long-term and stable development, Huayou Holding, the controlling shareholder of the Company, and Mr. Chen Xuehua, the person acting in concert (collectively, the "Commitment Makers"), have respectively issued a Letter of Commitment on Avoiding Horizontal Competition (hereinafter "Letter of Commitment") to the Company. The main contents of the Letter of Commitment are as follows: 1. As of the date of the Letter of Commitment, neither the Commitment Makers nor any entity under their control has engaged in or participated in any business or activity that competes directly or indirectly in any manner with the Company's principal business; 2. As of the date of the Letter of		Yes	From the date of issuance of the Letter of Commitment to the date when the Commitment Makers cease to be the controlling shareholders of the Company or the date when the Company ceases to be listed in domestic or foreign securities exchange institutions	Yes		

			<p>Commitment, neither the Commitment Makers nor any entity under their control will engage in or participate in any business or activity that competes directly or indirectly in any manner with the Company's principal business; 3. Neither the Commitment Makers nor any entity under their control shall engage in the same or similar business as the Company's principal business, including: (1) directly or indirectly engaging in or participating in, or assisting in engaging in or participating in, any business or activity that competes with, or may compete with, the Company's main businesses, whether within or outside the territory of China, by themselves or in conjunction with Other, in any form; and (2) supporting Other in any way, whether within or outside the territory of China, to engage in any business or activity that competes or may compete with the principal business of the Company; and (3) otherwise engaging (whether directly or indirectly) in any business or activity that competes or may compete with the principal business of the Company. 4. As of the date of the Letter of Commitment, if the Company further expands its business scope, neither the Commitment Makers nor any entity under their control will compete in any way with the expanded business of the Company; If competition arises after the business expansion, the Commitment Makers and any entity under their control will avoid such horizontal competition by discontinuing the operation of the competing business, or by incorporating the competing business into the Company, or by transferring the competing business to an unrelated third party. 5. The foregoing commitment shall take effect from the date of</p>						
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			issuance of the Letter of Commitment to the date when the Commitment Makers cease to be the controlling shareholders of the Company or the date when the Company ceases to be listed in domestic or foreign securities exchange institutions.						
Commitments related to refinancing	About horizontal competition	Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller)	<p>1. I/the Company undertakes that as long as I/the Company is the controlling shareholder/actual controller of Huayou Cobalt, the Company/Other enterprises under my control will not engage, directly or indirectly, in any production or operation that competes or may compete with the principal business of Huayou Cobalt and its subsidiaries, nor will we invest in any other business that competes or may compete with the principal business of Huayou Cobalt and its subsidiaries. 2. During the foregoing period, I/the Company and other enterprises controlled by me/the Company will promptly notify Huayou Cobalt of any business opportunity that competes or may compete with the principal business of Huayou Cobalt and its subsidiaries and will use our best efforts to pass the business opportunity to Huayou Cobalt in order to avoid competition or potential competition with Huayou Cobalt and its subsidiaries and to ensure that the interests of Huayou Cobalt and other shareholders of Huayou Cobalt are not harmed. 3. The operating profits obtained by me/the Company as a result of non-performance or improper performance of the above commitments shall be owned by Huayou Cobalt. If I/the Company causes any loss to Huayou Cobalt and its relevant shareholders as a result of failure to perform or improper performance of the above commitments, I/the Company shall bear such loss in full in cash and be held jointly and severally liable.</p>		Yes	Valid for a long term	Yes		

About related party transactions	Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller)	<p>1. After the completion of the transaction, the Company/I and other holding enterprises will try our best to avoid any related party transactions with Huayou Cobalt and its holding and shareholding companies; Inevitable related business dealings or transactions shall be conducted on an equal and voluntary basis in accordance with the principles of justice, fairness and compensation for equal value, and the transaction price shall be determined based on a reasonable price recognized by the market. 2. The Company/I will strictly abide by the avoidance provisions on related party transactions in the Articles of Association of Huayou Cobalt and other normative documents, and all related party transactions involved will be conducted in accordance with the prescribed decision-making procedures. We will also disclose information on related party transactions in a timely manner in accordance with the legal procedures; We will not use related party transactions to transfer profits or harm the legitimate rights and interests of Huayou Cobalt and other shareholders. 3. If the Commitment Makers cause any loss to Huayou Cobalt and its relevant shareholders as a result of failure to perform or improper performance of the above commitments, they shall bear such loss in full in cash and be held jointly and severally liable.</p>		Yes	Valid for a long term	Yes		
Others	Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual	<p>1. After the completion of the transaction, I/the Company will ensure that Huayou Cobalt and its subsidiaries will continue to maintain their independence in terms of assets, business, finance, institutions, and personnel in accordance with the requirements of normative documents including but not limited to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange. 2. If I/the</p>		Yes	Valid for a long term	Yes		

		controller)	Company causes any loss to Huayou Cobalt and its relevant shareholders as a result of failure to perform or improper performance of the above commitments, I/the Company shall bear such loss in full in cash.						
Others	Directors and senior officers of the Company		Upon completion of the non-public offering, the directors and senior officers of the Company will continue to faithfully and diligently perform their duties, safeguard the legitimate rights and interests of the Company and all shareholders, and make the following commitments to the effective performance of the Company's measures to make up the gap in accordance with the relevant regulations of the China Securities Regulatory Commission: "1. I undertake to perform my duties faithfully and diligently and to protect the legitimate rights and interests of the Company and all shareholders; 2. I undertake not to give benefits to other entities or individuals free of charge or on unfair terms, and not to harm the interests of the Company in any other way; 3. I undertake to restrict my job-related consumption behavior; 4. I undertake not to use the Company's assets to engage in investment and consumption activities unrelated to the performance of duties; 5. I undertake that the remuneration system established by the Board of Directors or the Nomination and Remuneration Committee is linked to the implementation of the Company's measures to make up the gap; 6. I undertake that the vesting conditions of any equity incentive plans announced will be linked to the implementation of the Company's measures to make up the gap; 7. I undertake to effectively implement the Company's measures to make up the gap and fulfill any commitments I have made regarding the measures to make up the gap. If I violate any of these		Yes	Valid for a long term	Yes		

			commitments and cause losses to the Company or its investors, I am willing to bear the liability for compensation to the Company or its investors in accordance with the law; 8. From the date of issuance of the commitments to the completion of the Company's non-public offering of the shares, if the China Securities Regulatory Commission formulates any other new regulatory requirements regarding the measures to make up the gap and their commitments and the above commitments cannot satisfy such provisions of the China Securities Regulatory Commission, I undertake to issue a supplementary commitment in accordance with the latest regulations of the China Securities Regulatory Commission at that time."						
Others	Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller)	In order to reduce the impact of the shares issued in this non-public offering diluting the return for the current period and ensure that the measures taken by the issuer to make up the gap can be effectively implemented, Huayou Holding, the controlling shareholder of the Company, and Chen Xuehua, the actual controller, have made the following commitments to the effective implementation of the Company's measures to make up the gap in accordance with the relevant regulations of the China Securities Regulatory Commission: "1. The Company/I undertake to exercise the shareholders' rights in accordance with the relevant laws, regulations, and the relevant provisions of the Articles of Association, and undertake not to interfere in the operation and management of the Company beyond our authority and not to harm the interests of the Company; 2. The Company/I undertake to effectively implement the Company's relevant measures to make up the gap and fulfill any		Yes	Valid for a long term	Yes			

			commitments I have made in this regard. If I violate any of these commitments and cause losses to the Company or its investors, I am willing to bear the liability for compensation to the Company or its investors in accordance with the law; 3. From the date of issuance of the commitments to the completion of the Company's non-public offering of the shares, if the China Securities Regulatory Commission formulates any other new regulatory requirements regarding the measures to make up the gap and their commitments, and the above commitments cannot satisfy such provisions of the China Securities Regulatory Commission, The Company/I undertake to issue a supplementary commitment in accordance with the latest regulations of the China Securities Regulatory Commission at that time."						
Others	Directors and senior officers of the Company	Upon completion of the issuance of the convertible corporate bonds, the directors and senior officers of the Company will continue to faithfully and diligently perform their duties, safeguard the legitimate rights and interests of the Company and all shareholders, and make the following commitments to the effective performance of the Company's measures to make up the gap in accordance with the relevant regulations of the China Securities Regulatory Commission: "1. I undertake to perform my duties faithfully and diligently and to protect the legitimate rights and interests of the Company and all shareholders; 2. I undertake not to give benefits to other entities or individuals free of charge or on unfair terms, and not to harm the interests of the Company in any other way; 3. I undertake to restrict my job-related consumption behavior; 4. I undertake not to use the		Yes	Valid for a long term				

			<p>Company's assets to engage in investment and consumption activities unrelated to the performance of duties; 5. I undertake that the remuneration system established by the Board of Directors or the Nomination and Remuneration Committee is linked to the implementation of the Company's measures to make up the gap; 6. I undertake that the vesting conditions of any equity incentive plans announced will be linked to the implementation of the Company's measures to make up the gap; 7. I undertake to effectively implement the Company's measures to make up the gap and fulfill any commitments I have made regarding the measures to make up the gap. If I violate any of these commitments and cause losses to the Company or its investors, I am willing to bear the liability for compensation to the Company or its investors in accordance with the law; 8. From the date of issuance of the commitments to the completion of the Company's issuance of the convertible corporate bonds, if the China Securities Regulatory Commission formulates any other new regulatory requirements regarding the measures to make up the gap and their commitments and the above commitments cannot satisfy such provisions of the China Securities Regulatory Commission, I undertake to issue a supplementary commitment in accordance with the latest regulations of the China Securities Regulatory Commission at that time."</p>						
Others	Huayou Holding (the controlling shareholder of the Company) and Chen	<p>In order to reduce the impact of the convertible corporate bonds diluting the return for the current period and ensure that the Company's measures to make up the gap can be effectively implemented, Huayou Holding, the controlling shareholder of the Company, and Chen Xuehua, the actual controller,</p>		Yes	Valid for a long term				

		Xuehua (the actual controller)	<p>have made the following commitments to the effective implementation of the Company's measures to make up the gap in accordance with the relevant regulations of the China Securities Regulatory Commission: "1. The Company/I undertake to exercise the shareholders' rights in accordance with the relevant laws, regulations, and the relevant provisions of the Articles of Association, and undertake not to interfere in the operation and management of the Company beyond our authority and not to harm the interests of the Company; 2. The Company/I undertake to effectively implement the Company's relevant measures to make up the gap and fulfill any commitments I have made in this regard. If I violate any of these commitments and cause losses to the Company or its investors, I am willing to bear the liability for compensation to the Company or its investors in accordance with the law; 3. From the date of issuance of the commitments to the completion of the Company's public issuance of convertible corporate bonds, if the China Securities Regulatory Commission formulates any other new regulatory requirements regarding the measures to make up the gap and their commitments, and the above commitments cannot satisfy such provisions of the China Securities Regulatory Commission, The Company/I undertake to issue a supplementary commitment in accordance with the latest regulations of the China Securities Regulatory Commission at that time."</p>						
Commitments related to equity incentives	Others	The Company	<p>The Company undertakes not to provide loans or any other form of financial assistance, including guarantees for its loans, to the grantees for the purpose of obtaining the restricted stock under the</p>		Yes	From the date on which the grant registration is completed to the date on which all restricted	Yes		

			2021, 2022 and 2023 incentive plans.			shares granted to the grantees are unlocked or canceled			
Others	All grantees	The grantees of the Company in 2021, 2022 and 2023 undertake that if the Company fails to meet the conditions for the grant or exercise of rights due to false records, misleading statements or material omissions in the information disclosure documents, the grantees will return all the benefits obtained from the equity incentive plan to the Company after the false records, misleading statements or material omissions in the relevant information disclosure documents have been confirmed.		Yes	From the date on which the grant registration is completed to the date on which all restricted shares granted to the grantees are unlocked or canceled	Yes			

II. Controlling shareholder's and other related parties' occupation of the Company's funds for non-operation purpose during the reporting period
Applicable Not applicable

III. Illegal guarantee
Applicable Not applicable

IV. Audit of the semi-annual report
Applicable Not applicable

V. Changes in matters covered by non-standard audit opinions in last year's annual report and handling thereof
Applicable Not applicable

VI. Matters related to bankruptcy and reorganization
Applicable Not applicable

VII. Major litigations/arbitrations
There are major litigations/arbitrations during the reporting period
There are no major litigations/arbitrations during the reporting period

VIII. Punishment on the Company, its directors, supervisors, senior officer, controlling shareholder and actual controller due to violation of laws and regulations, and their rectification
Applicable Not applicable

IX. Credit status of the Company, its controlling shareholder and actual controller during the reporting period
Applicable Not applicable

X. Major related-party transactions
(I) Related-party transactions related to daily operation
1. Those that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation
Applicable Not applicable

Overview of the matter	Query index
On April 18, 2024, the <i>Proposal on Estimations of Continuing Related Party Transactions in 2024</i> was deliberated and approved at the 19th meeting of the Sixth Board of Directors of the Company and it was then deliberated and approved at the 2024 annual general meeting of shareholders.	Please refer to the <i>Announcement of Huayou Cobalt on Review of Continuing Related Party Transactions in 2023 and Estimations of Continuing Related Party Transactions in 2024</i> disclosed on April 20, 2024 (2024-040).

2. Those that have been disclosed in the interim announcement but have progress or changes in subsequent implementation
Applicable Not applicable

3. Those that are not disclosed in the interim announcement
Applicable Not applicable

(II) Related-party transactions related to the acquisition of assets or acquisition or sale of equity
1. Those that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation
Applicable Not applicable

2. Those that have been disclosed in the interim announcement but have progress or changes in subsequent implementation

Applicable Not applicable

3. Those that have not been disclosed in the interim announcement

Applicable Not applicable

4. Where there is any agreement on business performance in respect of any related-party transactions above, the situation of achievement of the business performance during the reporting period shall be disclosed.

Applicable Not applicable

(III) Major related-party transactions related to joint external investments

1. Those that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation

Applicable Not applicable

2. Those that have been disclosed in the interim announcement but have progress or changes in subsequent implementation

Applicable Not applicable

3. Those that have not been disclosed in the interim announcement

Applicable Not applicable

(IV) Related credits and debts

1. Those that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation

Applicable Not applicable

2. Those that have been disclosed in the interim announcement but have progress or changes in subsequent implementation

Applicable Not applicable

3. Those that have not been disclosed in the interim announcement

Applicable Not applicable

(V) Financial business between the Company and related financial companies, or between the financial companies controlled by the Company and related parties

Applicable Not applicable

(VI) Other major related-party transactions

Applicable Not applicable

(VII) Others

Applicable Not applicable

XI. Major contracts and their performance

1. Trusteeship, contracting, lease matters

Applicable Not applicable

2. Major guarantees provided and outstanding during the reporting period

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Guarantee provided by the Company (excluding those provided for its subsidiaries)															
Guarantor	Relationship between the guarantor and the Company	Guaranteed party	Guarantee amount	Guarantee occurrence date (date of signing agreement)	Guarantee start date	Guarantee expiry date	Guarantee category	Principal debt	Collateral (if any)	Fulfilled or not	Overdue or not	Overdue amount	Counter guarantee	Related party guarantee or not	Related relationship
Total amount of guarantees incurred during the reporting period (excluding those provided for subsidiaries)													0		
Total balance of guarantee at the end of the reporting period (A) (excluding those provided for subsidiaries)													0		
Guarantees provided by the Company for subsidiaries															
Total amount of guarantee provided for subsidiaries during the reporting period													20,094,360,133.26		
Total balance of guarantee provided for subsidiaries at the end of the reporting period (B)													39,393,565,912.24		
Total amount of guarantees provided by the Company (including those provided for subsidiaries)															
Total amount of guarantee (A+B)													39,393,565,912.24		
Proportion of the total amount of guarantee in the Company's net assets (%)													85.05%		
Including:															
Amount of guarantee provided for shareholders, actual controller and their related parties (C)													0		
Amount of debt guarantee provided directly or indirectly for guaranteed parties with an asset liability ratio exceeding 70% (D)													23,910,685,236.72		
Amount of the part where the total amount of guarantee exceeds 50% of net assets (E)													16,234,868,124.20		
Total amount of the above three guarantees (C+D+E)													40,145,553,360.92		
Description of any possible joint and several liability for repayment of unexpired guarantees													None		
Description of guarantee situation													None		

3. Other major contracts
Applicable Not applicable

XII. Progress of the use of raised funds
Applicable Not applicable

(I) Overall use of raised funds
Applicable Not applicable

Monetary unit: Yuan

Source of raised funds	Time of payment of raised funds	Total amount of raised funds	Net amount of raised funds after the issue expenses are deducted (1)	Committed total investment amount of raised funds in the prospectus (2)	Total amount of over-raised funds (3) = (1) – (2)	Total investment amount of raised funds as of the end of the reporting period (4)	Including: total investment amount of over-raised funds as of the end of the reporting period (5)	Cumulative investment progress of raised funds as of the end of the reporting period (%) (6) = (4)/(1)	Cumulative investment progress of over-raised funds as of the end of the reporting period (%) (7) = (5)/(3)	Investment amount in the current year (8)	Proportion of investment amount in the current year (%) (9)=(8)/(1)	Total amount of raised funds with use changed
Offering shares to specified parties	February 1, 2021	601,800.00	595,500.37	595,500.37		538,147.98		90.37	0	3,627.99	0.61	0
Issuance of convertible bonds	March 3, 2022	760,000.00	755,383.96	755,383.96		607,557.6469		80.43	0	55,300.22	7.32	171,000
Total	/	1,361,800.00	1,350,884.33	1,350,884.33		1,145,705.627		/	/	58,928.21	/	171,000

(II) Details regarding the utilization of raised funds
Applicable Not applicable

1. Detailed use of raised funds
Applicable Not applicable

Monetary unit: Yuan

Source of raised funds	Project name	Project nature	Committed investment project in the prospects or not	Investment orientation change involved or not	Total planned investment amount of raised funds (1)	Investment amount in the current year	Total investment amount of raised funds as of the end of the reporting period (2)	Cumulative investment progress as of the end of the reporting period (%) (3) = (2)/(1)	Date on which the project is ready for use	Project settlement completed or not	Investment progress in line with planned progress or not	Specific reason for failure of the investment progress to go as planned	Benefits realized in the current year	Realized benefits or R&D results of the project	Project feasibility has changed significantly or not; if yes, please give more details	Balance
Offering shares to specified parties	Nickel matte project with an annual output of 45,000 tons of nickel metal	Production	Yes	No	295,891.55	417.45	245,775.17	83.06	Converted to be fixed assets in November 2022	No	Yes	N/A	47,874.29	131,347.07		
Offering shares to specified parties	Project with an annual output of 50,000 tons of high-nickel ternary precursor materials for power batteries	Production	Yes	No	128,219.67	3,210.54	120,458.73	93.95	The plant has been converted into fixed assets, with its production lines being converted into fixed assets in installments from May 2022 to May 2023.	No	Yes	N/A	8,565.58	10,557.61		
Offering shares to specified parties	Construction project of the Research Institute of Huayou Headquarters	R&D	Yes	No	29,589.15	0	30,114.08	101.77	The project in Quzhou was converted into fixed assets from June to August 2022; the project in Tongxiang was converted into fixed assets from July to December 2022	No	Yes	N/A	0	N/A		

Offering shares to specified parties	Replenishment of working capital	Loan repayment	Yes	No	141,800.00	0	141,800	100.00	N/A	No	Yes	N/A	0	N/A		
Issuing convertible bonds	Integration project for high-nickel ternary cathode materials for power batteries with an annual output of 50,000 tons and ternary precursor materials with an annual output of 100,000 tons	Production	Yes	Yes. This project has not been cancelled; the total investment of raised funds has been adjusted	285,570.60	12,537.6669	235,620.83	82.51	The plant has been converted into fixed assets, with its production line for sulfate nickel sub-project being converted into fixed assets	No	No	Project delay, as detailed in Note 1	4,975.27	4,975.27		
Issuing convertible bonds	Project with an annual output of 50,000 tons of high-performance ternary cathode material precursors for power batteries	Production	Yes	No	98,813.36	0	100,055.20	100.79	The plan has been converted into fixed assets, with its production lines being converted into fixed assets from November 2022 to May 2023	No	Yes	N/A	4,953.65	5,909.74		
Issuing convertible bonds	Battery-grade nickel sulfate project with an annual output of 50,000 tons of nickel metal	Production	Yes	Yes, this project is a new one	114,681.31	42,762.55	71,881.62	62.68	Under construction	No	Yes	N/A		/		
Issuing	Project with	Prod	Yes	Yes, this	9,583.00	0	0	0	The construction	No	No	The		/		

convertible bonds	an annual processing capacity of 15,000 tons of battery materials for green high-value comprehensive recycling	production		project is a new one					has not commenced			construction has not commenced				
Issuing convertible bonds	Project with an annual processing capacity of 12,000 tons of battery black mass for high-value green recycling	Production	Yes	Yes, this project is a new one	46,735.69	0	0	0	The construction has not commenced	No	No	The construction has not commenced				
Issuing convertible bonds	Replenishment of working capital	Loan repayment	Yes	No	200,000.00	0	200,000	100.00	N/A	No	Yes	N/A			N/A	
Total	/	/	/	/	1,350,884.33	58,928.2069	1,145,705.627	/	/	/	/	/	66,368.79	/	/	

Note 1: The integration project for high-nickel ternary cathode materials for power batteries with an annual output of 50,000 tons and ternary precursor materials with an annual output of 100,000 tons includes sub-projects for nickel sulfate and ternary precursors. The main plants have been completed and converted into fixed assets. However, due to more stringent performance requirements for cathode materials from downstream lithium-ion battery products and changes in the lithium industry market environment, the Company decided to extend the timeline for the project to reach its intended operational status until June 2025. For more details, please see the *Announcement on the Extension of Certain Fundraising Projects (2024-050)* disclosed by the Company on April 20, 2024.

Note 2: The total planned investment amount of raised funds was allocated based on the net amount of raised funds after deduction of the issuance expenses

2. Detailed use of over-raised funds

Applicable Not applicable

(III) Change or termination of investment projects with raised funds during the reporting period

Applicable Not applicable

(IV) Other information on the use of raised funds during the reporting period

1. Upfront investment and replacement of investment projects with raised funds

Applicable Not applicable

2. Temporary replenishment of working capital using idle raised funds

Applicable Not applicable

1. Pursuant to the resolution of the 18th meeting of the Six Board of Directors held on April 3, 2024, the Company was approved to use up to RMB 600 million from idle funds raised through the 2021 private placement of shares to temporarily replenish its working capital. The utilization period shall not exceed twelve (12) months following the date of deliberation and approval of such resolution by the Board of Directors. As of June 30, 2024, the Company still has RMB 592 million of the temporary working capital to be repaid.
2. Pursuant to the resolution of the 17th meeting of the Six Board of Directors held on March 18, 2024, the Company was approved to use up to RMB 1.5 billion from idle funds raised through the 2022 public offering of convertible corporate bonds to temporarily replenish its working capital. The utilization period shall not exceed twelve (12) months following the date of deliberation and approval of such resolution by the Board of Directors. As of June 30, 2024, the Company still has RMB 1.332 billion of the temporary working capital to be repaid.

3. Cash management of idle raised funds, and investment in related projects

Applicable Not applicable

4. Others

Applicable Not applicable**XIII. Other major events**Applicable Not applicable

Section VII Change in Shares and Information of Shareholders

I. Change in share capital

(I) Table of change in shares

1. Table of change in shares

Unit: share

	Before the change		Increase/decrease in the change (+, -)					After the change	
	Number of shares	Proportion (%)	Shares newly issued	Shares granted	Shares converted from capital reserve	Others	Sub-total	Number of shares	Proportion (%)
I. Restricted shares	23,751,823	1.39				-12,873,923	-12,873,923	10,877,900	0.64
1. Shares held by the state									
2. Shares held by state-owned legal persons									
3. Shares held by other domestic subjects	23,751,823	1.39				-12,873,923	-12,873,923	10,877,900	0.64
Including: shares held by domestic non-state legal persons									
Shares held by domestic natural persons	23,751,823	1.39				-12,873,923	-12,873,923	10,877,900	0.64
4. Shares held by overseas subjects								0	0
Including: shares held by overseas legal persons								0	0
Shares held by overseas natural persons									
II. Unrestricted shares	1,686,334,697	98.61				322	322	1,686,335,019	99.36
1. RMB ordinary shares	1,686,334,697	98.61				322	322	1,686,335,019	99.36
2. Shares listed at home and held by foreign subjects									
3. Shares listed overseas and held by foreign subjects									
4. Others									
III. Total number of shares	1,710,086,520	100.00				-12,873,601	-12,873,601	1,697,212,919	100.00

2. Description of changes in shares

Applicable Not applicable

1. The cumulative number of shares converted from convertible bonds by Huayou from January 1, 2024 to March 31, 2024 was 278. For more details, please see Announcement No. 2024-031.

2. It is agreed upon approval at the 14th meeting of the Sixth Board of Directors of the Company that, given that some grantees involved in the first grant, the first grant of the reserved part, the second grant of the reserved part under the 2021 Restricted Stock Incentive Plan, the first grant, the grant of the reserved part under the 2022 Restricted Stock Incentive Plan and the first grant under the 2023 Restricted Stock Incentive Plan were no longer eligible for incentives, the Company repurchased and cancelled a total of 1,741,575 restricted shares granted to the above-mentioned relevant personnel but not unlocked. For more details, please see Announcement No. 2024-008.

3. It is agreed upon approval at the 14th meeting of the Sixth Board of Directors of the Company and the 2024 first extraordinary general meeting of shareholders that, in view of the significant changes in the macroeconomic situation at home and abroad, the capital market environment and the external operating environment of the new energy lithium-ion battery industry and the significant fluctuations in the Company's stock prices since the implementation of the incentive plan, if implementation of the incentive plan was continued, it would be difficult to achieve the incentive purpose and effect under the original plan, which would not be conducive to fully mobilizing the enthusiasm of the Company's core employees. After careful study, the Company decided to terminate the implementation of the 2021 and 2022 Restricted Stock Incentive Plans and repurchase and cancel the restricted shares that have been granted and have not been unlocked. Upon termination of the Company's 2021 Incentive Plan, 4,104,828 restricted shares granted to 779 grantees but not unlocked were repurchased and cancelled by the Company. Upon termination of the Company's 2022 Incentive Plan, 7,030,520 restricted shares granted to 1,318 grantees but not unlocked were repurchased or cancelled by the Company. For more details, please see Announcements No. 2024-009 and No. 2024-014.

4. The cumulative number of shares converted from convertible bonds by Huayou from April 1, 2024 to June 30, 2024 was 44. For more details, please see Announcement No. 2024-064.

3. Impact of share changes after the reporting period and before the disclosure date of the semi-annual report on financial indicators such as earnings per share, net assets per share, and the like (if any)

Applicable Not applicable

4. Other contents deemed necessary by the Company or required to be disclosed by the securities regulatory authority

Applicable Not applicable

(II) Change in restricted shares

Applicable Not applicable

Unit: Share

Name of shareholder	Number of restricted shares at the beginning of the period	Number of restricted shares released during the reporting period	Number of restricted shares newly added during the reporting period	Number of restricted shares at the end of the reporting period	Reason for sales restriction	Date of unlocking
Grantees of the first grant of the restricted shares in 2021	3,215,212	0	-3,215,212	0	Restricted shares incentive plan	/
Grantees of the grant of the reserved part of the restricted shares in 2021	1,151,787	0	-1,151,787	0	Restricted shares incentive plan	/
Grantees of the second grant of the reserved part of the restricted shares in 2021	109,564	0	-109,564	0	Restricted shares incentive plan	/
Grantees of the first grant of the restricted shares in 2022	5,997,060	0	-5,997,060	0	Restricted shares incentive plan	/
Grantees of the grant of the reserved part of the restricted shares in 2022	1,899,000	0	-1,896,000	3,000	Restricted shares incentive plan	/
Grantees of the first grant of the restricted shares in 2023	11,379,200	0	-504,300	10,874,900	Restricted shares incentive plan	See the note
Total	23,751,823			10,877,900	/	/

Note : For details regarding the timing for unlocking the shares granted initially in 2023, please see the *Announcement of Huayou Cobalt on the Results of the Initial Grant of Restricted Shares to Grantees (2023-142)* disclosed by the Company on the official website of the Shanghai Stock Exchange (SSE) on September 29, 2023.

II. Information of shareholders

(I) Total number of shareholders

Total number of ordinary shareholders by the end of the reporting period	244,022
Total number of preferred shareholders with resumed voting rights as of the end of the reporting period	0

(II) Shareholding status of top 10 shareholders and top 10 shareholders holding tradable shares (or shareholders holding shares without sales restrictions) as of the end of the reporting period

Unit: Share

Shareholding status of top 10 shareholders (excluding shares lent through refinancing)						
Full name of shareholder	Increase/decrease of shares during	Number of shares held	Proportion (%)	Number of shares	Pledge, mark or freezing	Nature of shareholder

	the reporting period	at the end of the period		with sales restrictions held	Share status	Number of shares	
Huayou Holding Group Co., Ltd.	0	260,313,967	15.34%	0	Pledge	182,119,994	Domestic non-state-owned legal person
Chen Xuehua	0	110,006,461	6.48%	0	Pledge	76,770,000	Domestic natural person
Hangzhou Youyou Enterprise Management Partnership (Limited Partnership)	0	74,831,293	4.41%	0	None	0	Other
Hong Kong Securities Clearing Co., Ltd.	-8,385,119	62,609,126	3.69%	0	None	0	Other
Industrial and Commercial Bank of China Limited – Huatai-PineBridge HS300 Exchange-Traded Open-End Index Securities Investment Fund	5,856,386	15,844,423	0.93%	0	None	0	Unknown
Citibank, National Association	-11,090,400	13,648,456	0.80%	0	None	0	Overseas legal person
CITIC Securities Company Limited	2,291,127	12,894,539	0.76%	0	None	0	State-owned legal person
Industrial and Commercial Bank of China Limited – Huitianfu Card in the New Energy Automobile Industry Index Securities Investment Fund (LOF)	1,319,000	11,105,297	0.65%	0	None	0	Unknown

China Construction Bank Corporation – E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund	6,989,605	10,734,478	0.63%	0	None	0	Unknown
Yu Airu	357,060	10,029,400	0.59%	0	None	0	Domestic natural person

Shareholding status of the top 10 shareholders holding shares without sales restrictions (excluding shares lent through refinancing or shares locked in by senior officers)

Name of shareholder	Number of tradable shares without sales restrictions held	Class and number of shares	
		Class	Number
Huayou Holding Group Co., Ltd.	260,313,967	RMB ordinary shares	260,313,967
Chen Xuehua	110,006,461	RMB ordinary shares	110,006,461
Hangzhou Youyou Enterprise Management Partnership (Limited Partnership)	74,831,293	RMB ordinary shares	74,831,293
Hong Kong Securities Clearing Co., Ltd.	62,609,126	RMB ordinary shares	62,609,126
Industrial and Commercial Bank of China Limited – Huatai-PineBridge HS300 Exchange-Traded Open-End Index Securities Investment Fund	15,844,423	RMB ordinary shares	15,844,423
Citibank, National Association	13,648,456	RMB ordinary shares	13,648,456
CITIC Securities Company Limited	12,894,539	RMB ordinary shares	12,894,539
Industrial and Commercial Bank of China Limited – Huitianfu Card in the New Energy Automobile Industry Index Securities Investment Fund (LOF)	11,105,297	RMB ordinary shares	11,105,297
China Construction Bank Corporation – E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund	10,734,478	RMB ordinary shares	10,734,478
Yu Airu	10,029,400	RMB ordinary shares	10,029,400

Special repurchase account among the top 10 shareholders	At the end of the reporting period, the Company's special securities account for repurchase held 21,852,160 shares of the Company, with a shareholding ratio of 1.29%.
The above shareholders' entrustment of voting rights, being entrusted with voting rights, or waiver of voting rights	
Related relationship or concerted action of the above shareholders	Among the shareholders mentioned above, Huayou Holding and Chen Xuehua are persons acting in concert.
Preferred shareholders with resumed voting rights and the number of shares held by them	

Lending of shares through refinancing by shareholders holding more than 5%, top 10 shareholders and top 10 shareholders holding tradable shares without sales restrictions

Applicable Not applicable

Unit: Share

Lending of shares through refinancing by shareholders holding more than 5%, top 10 shareholders and top 10 shareholders holding tradable shares without sales restrictions								
Name of shareholder (full name)	Shares held in general account or credit account at the beginning of the period		Shares lent through refinancing at the beginning of the period and not yet returned		Shares held in general account or credit account at the end of the period		Shares lent through refinancing at the end of the period and not yet returned	
	Total number	Proportion (%)	Total number	Proportion (%)	Total number	Proportion (%)	Total number	Proportion (%)
Industrial and Commercial Bank of China Limited – Huatai-PineBridge HS300 Exchange-Traded Open-End Index Securities Investment Fund	9,988,037	0.58%	13,600	0.0008%	15,844,423	0.93%	0	0
Industrial and Commercial Bank of China Limited – Huitianfu Card in the New Energy Automobile Industry Index Securities Investment Fund (LOF)	9,786,297	0.57%	7,000	0.0004%	11,105,297	0.65%	0	0
China Construction Bank Corporation –	3,744,873	0.22%	109,100	0.0064%	10,734,478	0.63%	0	0

E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund								
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Change compared with last period caused by lending through refinancing/return by top 10 shareholders and top 10 shareholders holding tradable shares without sales restrictions

Applicable Not applicable

Number of shares held by the top 10 shareholders subject to sales restrictions and details of the sales restrictions

Applicable Not applicable

Unit: Share

S/N	Name of shareholder subject to sales restrictions	Number of shares with sales restrictions held	Trading of shares with sales restrictions		Sales restrictions
			Tradable date	Number of tradable shares newly added	
1	Chen Hongliang	150,000			Restrictions on equity incentives
2	Fang Qixue	100,000			Restrictions on equity incentives
3	Chen Yaozhong	100,000			Restrictions on equity incentives
4	Xu Wei	100,000			Restrictions on equity incentives
5	Wang Jun	100,000			Restrictions on equity incentives
6	Xu Tianjiang	72,000			Restrictions on equity incentives
7	Fangyuan	50,000			Restrictions on equity incentives
8	Wu Mengtao	50,000			Restrictions on equity incentives
9	Zhang Binghai	50,000			Restrictions on equity incentives
10	Zhou Qifa	50,000			Restrictions on equity incentives
Related relationship or concerted action of the above shareholders					

(III) Strategic investors or general legal persons become the top 10 shareholders due to the placement of new shares
Applicable Not applicable

III. Directors, supervisors and senior officers
(I) Changes in the shareholding of the existing directors, supervisors, and senior officers or those resigned during the reporting period
Applicable Not applicable

Unit: Share

Name	Title	Number of shares held at the beginning of the period	Number of shares held at the end of the period	Increase/decrease of number of shares during the reporting period	Reasons for increase or decrease of shares
Chen Hongliang	President & Director	670,000	423,000	-247,000	Repurchase and cancellation of equity incentives
Fang Qixue	Vice President & Vice Chairman	425,000	269,000	-156,000	Repurchase and cancellation of equity incentives
Chen Yaozhong	Vice President	262,500	184,500	-78,000	Repurchase and cancellation of equity incentives
Xu Wei	Vice President	262,500	184,500	-78,000	Repurchase and cancellation of equity incentives
Gao Baojun	Vice President	97,500	58,500	-39,000	Repurchase and cancellation of equity incentives
Fang Yuan	Vice President	180,000	117,600	-62,400	Repurchase and cancellation of equity incentives
Wu Mengtao	Vice President	180,000	94,200	-85,800	Repurchase and cancellation of equity incentives
Lu Feng	Vice President	78,000	46,800	-31,200	Repurchase and cancellation of equity incentives
Li Rui	Board Secretary	102,600	64,640	-37,960	Repurchase and cancellation of equity incentives

Other remarks

Applicable Not applicable

The Company held the 14th meeting of the Six Board of Directors on January 9, 2024, and the 2024 first extraordinary general meeting of shareholders on January 29, 2024, deliberating and approving the Proposal on Terminating the Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of Restricted Shares. The Company decided to terminate the implementation of the 2021 and 2022 Restricted Stock Incentive Plans and to repurchase and cancel the restricted shares that have been granted but not vested. For more details, please see the *Announcement of Huayou Cobalt on Terminating the Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of Restricted Shares* (2024-009), as well as the *Implementation Announcement of Huayou Cobalt on the Repurchase and Cancellation of Restricted Shares under Stock Incentive Plan* (2024-053).

(II) Equity incentives granted to directors, supervisors and senior officers during the reporting period

Applicable Not applicable

(III) Other information

Applicable Not applicable

IV. Change in the controlling shareholder or the actual controller

Applicable Not applicable

Section VIII Preference Shares

Applicable Not applicable

Section IX Bonds

I. Corporate bonds (including enterprise bonds) and non-financial corporate debt financing instruments

Applicable Not applicable

(I) Corporate bonds (including enterprise bonds)

Applicable Not applicable

(II) Debt financing instruments for non-financial enterprises in the interbank bond market

√Applicable □Not applicable

1. Basic information of debt financing instruments for non-financial enterprises

Monetary unit: Yuan Currency: RMB

Bond name	Name abbreviation	Bond code	Issue date	Value date	Maturity date	Bond balance	Interest rate (%)	Method of repayment of principal and payment of interest	Place of trading	Investor suitability arrangement (if any)	Trading mechanism	Whether there is a risk of termination of trading
Zhejiang Huayou Cobalt Co., Ltd. 2023 Second Issue of Ultra-Short-Term Financing Bonds (Sci-Tech Innovation Bonds)	23 Huayou Cobalt SCP002 (Sci-Tech Innovation Bonds)	012382777.IB	2023/7/24	2023/7/26	2024/4/18	700,000,000	4.03	Repayment of principal and interest in one lump sum at maturity	Interbank market	Institutional investors in the interbank market	Dialogue quotations Anonymous quotations Price inquiries	No
Zhejiang Huayou Cobalt Co., Ltd. 2023 Third Issue of	23 Huayou Cobalt SCP003 (Sci-Tech	12384280.IB	2023/11/24	2023/11/27	2024/8/23	700,000,000	3.90	Repayment of principal and	Interbank market	Institutional investors in the interbank	Dialogue quotations Anonymous quotations	No

Ultra-Short-Term Financing Bonds (Sci-Tech Innovation Bonds)	Innovation Bonds)							interest in one lump sum at maturity		market	Price inquiries	
Zhejiang Huayou Cobalt Co., Ltd. 2024 First Issue of Ultra-Short-Term Financing Bonds (Sci-Tech Innovation Bonds)	24 Huayou Cobalt SCP001 (Sci-Tech Innovation Bonds)	012480044.IB	2024/1/4	2024/1/5	2024/9/20	500,000,000	3.87	Repayment of principal and interest in one lump sum at maturity	Interbank market	Institutional investors in the interbank market	Dialogue quotations Anonymous quotations Price inquiries	No
Zhejiang Huayou Cobalt Co., Ltd. 2024 Second Issue of Ultra-Short-Term Financing Bonds (Sci-Tech Innovation Bonds)	24 Huayou Cobalt SCP002 (Sci-Tech Innovation Bonds)	012481212.IB	2024/4/8	2024/4/9	2024/12/20	700,000,000	3.30	Repayment of principal and interest in one lump sum at maturity	Interbank market	Institutional investors in the interbank market	Dialogue quotations Anonymous quotations Price inquiries	No
Zhejiang Huayou Cobalt Co., Ltd. 2024 Third Issue	24 Huayou Cobalt SCP003	012481760.IB	2024/6/5	2024/6/6	2025/2/28	500,000,000	2.84	Repayment of principal	Interbank market	Institutional investors in the	Dialogue quotations Anonymous	No

of Ultra-Short-Term Financing Bonds (Sci-Tech Innovation Bonds)	(Sci-Tech Innovation Bonds)							and interest in one lump sum at maturity		interbank market	quotations Price inquiries	
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Countermeasures to the risk of termination of trading

Applicable Not applicable

Overdue bonds

Applicable Not applicable

Remarks regarding overdue liabilities

Applicable Not applicable

2. Trigger and enforcement of the Company or investor option clauses and investor protection clauses

Applicable Not applicable

3. Adjustment of credit rating result

Applicable Not applicable

Other remarks

None

4. Implementation and any change of guarantees, debt repayment plans, and other debt repayment guarantee measures during the reporting period and their impact

Applicable Not applicable

Other remarks

None

5. Other information of debt financing instruments for non-financial enterprises

Applicable Not applicable

(III) Fund raising with the Company's bonds

No corporate bonds of the Company are involved in the use of raised funds or rectification during the reporting period

Bonds of the Company are involved in the use of raised funds or rectification during the period

(IV) Other matters to be disclosed for special variety bonds

Applicable Not applicable

(V) Important matters related to corporate bonds during the reporting period

Applicable Not applicable

(VI) Where the Company's losses in the consolidated statements exceeded 10% of its net assets at the end of the previous year during the reporting period

Applicable Not applicable

(VII) Major accounting data and financial indicators

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Key indicators	End of the reporting period	End of last year	Increase/decrease compared with the end of last year (%)	Reason for the change
Current ratio	0.98	1.01	-2.97	
Quick ratio	0.70	0.68	2.94	
Asset-liability ratio (%)	64.71	64.63	0.35	
	The reporting period (January to June)	The same period of last year	Increase/decrease compared with the same period last year (%)	Reason for the change
Net profit after deducting non-recurring profits and losses	1,751,932,466.61	1,839,200,954.15	-4.74	
EBITDA to total debt ratio	0.10	0.12	-16.67	
Interest coverage ratio	2.88	3.23	-10.84	
Cash interest coverage ratio	2.09	1.24	68.55	Mainly due to the increase in net cash flows from operating activities in the current period
EBITDA interest coverage ratio	4.70	4.17	12.71	
Loan repayment rate (%)	100	100	0	
Interest coverage ratio (%)	100	100	0	

II. Convertible corporate bonds

Applicable Not applicable

(I) Issuance of convertible bonds

On February 24, 2022, with the approval of the document numbered “ZJXK [2022] No. 209” issued by the China Securities Regulatory Commission, the Company publicly issued 76 million convertible corporate bonds with a face value of RMB 100 each and a total issue amount of RMB 7.6 billion. With the approval of the Shanghai Stock Exchange Self-Regulation Decision [2022] No. 71, the Company’s convertible bonds of RMB 7.6 billion have been listed and traded on the Shanghai Stock Exchange since March 23, 2022, with the bond abbreviation “Huayou Convertible Bonds” and the bond code “113641”.

(II) Convertible bond holders and guarantors during the reporting period

Name of convertible corporate bonds	Huayou Convertible Bonds	
Number of holders of convertible bond as at the end of the period	31,864	
Guarantor of the Company’s convertible bonds	None	
Significant changes in the profitability, assets and credit standing of the guarantor	Not applicable	
Top 10 holders of convertible corporate bonds are as follows:		
Name of holder of convertible corporate bonds	Amount of convertible corporate bonds held as at the end of the period (Yuan)	Holding ratio (%)
Huayou Holdings Group Co., Ltd	340,000,000	4.47
Guosen Securities Co., Ltd	332,132,000	4.37
Bank of China Limited – Guangfa Juxin Bond Securities Investment Fund	234,169,000	3.08
Bank of China Limited - E Fund Stable Yield Bond Securities Investment Fund	216,853,000	2.85
China Securities Co., Ltd.	195,135,000	2.57
Industrial and Commercial Bank of China Limited - Huitianfu Convertible Bonds Securities Investment Fund	138,870,000	1.83
China Galaxy Securities Co., Ltd.	113,600,000	1.50
Shanghai Pudong Development Bank Co., Ltd. - E Fund Yufeng Return Bond Securities Investment Fund	113,302,000	1.49
National Social Security Fund 414	110,000,000	1.45
E Fund Stable Return Fixed Income Pension Product - Bank of Communications Co., Ltd	101,779,000	1.34

(III) Change in convertible corporate bonds during the reporting period

Monetary unit: Yuan Currency: RMB

Name of convertible corporate bonds	Before the change	Increase/decrease in the change			After the change
		Conversion into shares	Redemption	Resale	
Huayou Convertible Bonds	7,598,575,000	16,000			7,598,559,000

(IV) Cumulative amount of convertible corporate bonds converted into shares during the reporting period

Name of convertible corporate bonds	Huayou Convertible Bonds
Amount of convertible corporate bonds converted into shares during the reporting period (Yuan)	16,000
Number of shares converted from convertible corporate bonds during the reporting period	322
Cumulative number of shares converted from convertible corporate bonds	17,106
Proportion of the cumulative number of shares converted in the total number of issued shares of the Company before the conversion (%)	0.00107
Amount of convertible corporate bonds that are not converted into shares (Yuan)	7,598,559,000
Proportion of convertible corporate bonds that are not converted into shares in the total issued convertible bonds (%)	99.98104

(V) Previous adjustments in conversion prices

Monetary unit: Yuan Currency: RMB

Name of convertible corporate bonds				
Date of conversion price adjustment	Adjusted conversion price	Disclosure date	Disclosure media	Description of conversion price adjustment
May 10, 2024	45.10	May 9, 2024	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	In view of the completion of the repurchase and cancellation of some restricted shares by the Company in May 2024, the conversion price of the Huayou Convertible Bonds was adjusted to RMB 45.10 per share in accordance with relevant provisions of the Prospectus. For more information, please see the <i>Announcement of Huayou Cobalt on Completion of the Repurchase and Cancellation of Some Restricted Shares and Adjustment of the Conversion Price of the Convertible Bonds and Suspension and Resumption of Trading</i> (2024-056).
June 17, 2024	44.11	June 8, 2024	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	In view of the implementation of the 2023 equity allocation by the Company in June 2024, the conversion price of the Huayou Convertible Bonds was adjusted to RMB 44.11 per share in accordance with relevant provisions of the Prospectus. For more information, please see the <i>Announcement of Huayou Cobalt on the Adjustment of Conversion Price of the</i>

				<i>Convertible Bonds in 2023 Equity Allocation</i> (2024-061) published by the Company.
Latest conversion price as of the end of the reporting period				44.11

(VI) The Company’s liabilities, credit changes, and cash arrangements for debt repayment in future years

1. Liabilities: As of June 30, 2024, the Company’s total liabilities were RMB 84.929 billion, including current liabilities of RMB 51.334 billion and non-current liabilities of RMB 33.594 billion.
2. Credit status: On June 18, 2024, China Lianhe Credit Rating Co., Ltd. issued a rating report numbered “[Lian He [2024] No. 4484]”. As stated in the report, the long-term credit rating of the Company’s main body is “AA+”, and the credit rating of “Huayou Convertible Bonds” is “AA+”, with a stable rating outlook. The rating result has not changed compared to the previous one.
3. Cash arrangement for debt repayment in future years: The Company’s funds for repaying the principal and interest of convertible bonds mainly come from the net cash flow generated from operating activities. The Company will allocate funds reasonably based on the situation of conversion of convertible bonds to shares and the maturity of convertible bonds, ensuring timely payment of interest and repayment of principal.

(VII) Other information of convertible bonds

None

Section X Financial Report

I. Auditors' report

Applicable Not applicable

II. Financial statements

Consolidated Balance Sheet

June 30, 2024

Prepared by: Zhejiang Huayou Cobalt Co., Ltd

Monetary unit: Yuan Currency: RMB

Item	Note	June 30, 2024	December 31, 2023
Current assets:			
Cash and cash equivalents		19,002,674,776.81	15,259,921,078.81
Balances with clearing companies			
Loans to banks and other financial institutions			
Financial assets held for trading		418,219,349.75	373,221,093.05
Derivative financial assets		2,100,966,984.02	1,395,343,385.26
Notes receivable			
Accounts receivable		6,769,600,183.82	7,977,267,961.62
Financing funds receivables		922,636,746.24	2,425,306,902.49
Advances to suppliers		2,339,253,970.78	1,810,825,646.66
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables		336,638,174.13	392,878,676.92
Including: interest receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories		14,213,358,248.59	15,763,401,257.63
Including: data resource			
Contract assets			
Assets held for sale			
Non-current assets maturing within one year			
Other current assets		3,996,313,012.93	3,733,610,807.82
Total current assets		50,099,661,447.07	49,131,776,810.26
Non-current assets:			
Disbursement of loans and advances			
Creditor's right investment			
Other creditor's right investments			
Long-term receivables		507,512,027.90	504,371,588.93
Long-term equity investment		10,913,306,452.85	9,712,766,665.74
Other equity instrument investment		40,897,182.81	42,647,182.81
Other non-current financial assets		6,573,600.00	6,573,600.00
Investment properties			
Fixed assets		47,472,208,626.88	46,339,084,007.03
Construction in progress		12,021,539,455.31	10,819,557,175.49
Productive biological assets			
Oil and gas assets			
Right-of-use assets		65,713,125.13	106,133,724.12
Intangible assets		4,989,630,763.02	3,914,395,969.88
Including: data resource			
Development expenditure			
Including: data resource			

Goodwill		813,797,974.31	456,351,378.26
Long-term deferred expenses		66,257,602.33	69,864,652.46
Deferred income tax assets		781,332,611.95	565,173,434.65
Other non-current assets		3,467,712,158.70	3,851,581,151.15
Total non-current assets		81,146,481,581.19	76,388,500,530.52
Total assets		131,246,143,028.26	125,520,277,340.78
Current liabilities:			
Short-term borrowings		20,545,553,146.48	15,048,622,566.53
Borrowings from central bank			
Loans from banks and other financial institutions			
Financial liabilities held for trading		22,190,000.00	
Derivative financial liabilities			
Notes payable		6,366,764,608.37	8,019,127,039.81
Accounts payable		10,317,733,431.63	12,002,517,679.00
Advances from customers			
Contract liabilities		494,520,262.07	431,037,852.87
Financial assets sold under repurchase agreements			
Absorption of deposits and interbank deposits			
Receiving from vicariously traded securities			
Receiving from vicariously sold securities			
Employee compensation payable		459,390,668.22	648,208,600.82
Taxes and surcharges payable		581,153,959.54	429,374,847.76
Other payables		2,858,445,518.79	2,698,990,402.87
Including: interest payable			
Dividends payable		452,092,611.48	18,789,426.30
Handling charge and commission payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year		7,205,802,512.39	8,155,852,008.93
Other current liabilities		2,482,790,257.27	1,433,223,782.84
Total current liabilities		51,334,344,364.76	48,866,954,781.43
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings		21,578,297,991.52	18,900,325,508.81
Bonds payable		6,767,983,966.51	6,631,718,848.37
Including: preference shares			
Perpetual bonds			
Lease liabilities		37,927,004.79	54,979,200.70
Long-term payables		4,344,268,682.45	5,544,170,217.25
Long-term employee compensation payable			
Estimated liabilities		76,623,127.77	65,282,244.77
Deferred income		674,509,017.72	666,550,531.96

Deferred income tax liabilities		114,793,296.65	56,940,020.10
Other non-current liabilities			
Total non-current liabilities		33,594,403,087.41	31,919,966,571.96
Total liabilities		84,928,747,452.17	80,786,921,353.39
Owner's equity (or shareholder's equity):			
Paid-in capital (or share capital)		1,697,212,919.00	1,710,086,520.00
Other equity instruments		1,490,058,254.96	1,490,061,392.53
Including: preference shares			
Perpetual bonds			
Capital reserves		15,765,099,879.41	16,052,788,315.05
Less: treasury shares		996,120,633.72	1,323,606,826.04
Other comprehensive income		1,277,204,871.85	1,042,018,898.84
Special reserves		55,645,836.96	46,543,747.64
Surplus reserves		387,225,558.29	387,225,558.29
General risk reserve			
Undistributed profit		14,871,562,102.86	14,872,683,731.09
Total equity attributable to owners (or shareholders) of the parent company		34,547,888,789.61	34,277,801,337.40
Minority equity		11,769,506,786.48	10,455,554,649.99
Total owner's equity (or shareholder's equity)		46,317,395,576.09	44,733,355,987.39
Total liabilities and owner's equity (or shareholder's equity)		131,246,143,028.26	125,520,277,340.78

Person in charge of the Company: Chen Xuehua
Head of the Accounting Dept.: Ma Xiao

Accounting Principal: Wang Jun

Balance Sheet of the Parent Company

June 30, 2024

Prepared by: Zhejiang Huayou Cobalt Co., Ltd

Monetary unit: Yuan Currency: RMB

Item	Note	June 30, 2024	December 31, 2023
Current assets:			
Current assets:		2,669,954,965.13	2,048,581,572.72
Cash and cash equivalents		42,219,349.75	33,393,600.00
Financial assets held for trading			
Derivative financial assets			410,000,000.00
Notes receivable		748,040,814.48	1,047,431,832.99
Accounts receivable		100,860,189.97	57,738,036.89
Financing funds receivables		2,831,832,492.72	2,675,526,201.88
Advances to suppliers		4,896,173,198.11	6,651,220,710.54
Other receivables			
Including: interest receivable		467,028,308.81	24,906,913.93
Dividends receivable		328,213,455.24	193,768,014.70
Inventories			
Including: data resource			
Contract assets			
Assets held for sale			
Non-current assets maturing within one year		13,433,549.28	26,930,541.86

Other current assets		11,630,728,014.68	13,144,590,511.58
Non-current assets:			
Creditor's right investment			
Other creditor's right investments			
Long-term receivables		362,275,911.72	360,034,180.83
Long-term equity investment		29,988,992,722.25	28,431,034,281.59
Other equity instrument investment		36,894,737.00	36,894,737.00
Other non-current financial assets		6,573,600.00	6,573,600.00
Investment properties			
Fixed assets		761,270,490.03	775,893,088.26
Construction in progress		35,933,882.83	18,398,675.88
Productive biological assets			
Oil and gas assets			
Right-of-use assets		24,754,226.36	41,881,389.70
Intangible assets		51,931,739.57	45,207,807.09
Including: data resource			
Development expenses			
Including: data resource			
Goodwill			
Long-term deferred expenses		58,511,563.78	65,571,905.41
Deferred income tax assets		156,262,609.85	80,909,758.29
Other non-current assets		9,524,865.74	6,696,500.82
Total non-current assets		31,492,926,349.13	29,869,095,924.87
Total assets		43,123,654,363.81	43,013,686,436.45
Current liabilities:			
Short-term borrowings		7,029,335,132.13	5,616,274,196.82
Financial liabilities held for trading		-	
Derivative financial liabilities			
Notes payable		2,574,157.90	2,368,226.62
Accounts payable		158,762,766.11	500,355,911.84
Advances from customers			
Contract liabilities		798,221,686.23	544,887,091.10
Employee compensation payable		89,928,895.25	112,976,144.18
Taxes and surcharges payable		12,848,061.76	10,429,522.03
Other payables		5,787,175,773.47	6,660,041,787.72
Including: interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities maturing within one year		820,872,304.54	677,990,995.55
Other current liabilities		2,430,711,917.52	1,483,756,347.73
Total current liabilities		17,130,430,694.91	15,609,080,223.59
Non-current liabilities:			
Long-term borrowings		1,318,069,213.04	1,463,107,031.57
Bonds payable		6,767,983,966.51	6,631,718,848.37
Including: Preference shares			
Perpetual bonds			
Lease liabilities		24,534,952.63	22,674,732.64
Long-term payables			52,666,666.65
Long-term employee compensation payable			
Estimated liabilities			
Deferred income		9,318,622.51	8,098,551.57
Deferred income tax liabilities		14,028,749.03	
Other non-current liabilities			

Total non-current liabilities		8,133,935,503.72	8,178,265,830.80
Total liabilities		25,264,366,198.63	23,787,346,054.39
Owner's equity (or shareholder's equity):			
Paid-in capital (or share capital)		1,697,212,919.00	1,710,086,520.00
Other equity instruments		1,490,058,254.96	1,490,061,392.53
Including: Preference shares			
Perpetual bonds			
Capital reserves		14,645,377,133.73	14,890,073,903.77
Less: treasury shares		996,120,633.72	1,323,606,826.04
Other comprehensive income		-39,969,324.87	-39,933,297.26
Special reserves			
Surplus reserves		387,225,558.29	387,225,558.29
Undistributed profit		675,504,257.79	2,112,433,130.77
Total owner's equity (or shareholder's equity)		17,859,288,165.18	19,226,340,382.06
Total liabilities and owner's equity (or shareholder's equity)		43,123,654,363.81	43,013,686,436.45

Person in charge of the Company: Chen Xuehua
 Head of the Accounting Dept.: Ma Xiao

Accounting Principal: Wang Jun

Consolidated Income Statement

January-June 2024

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2024	First half of 2023
I. Total operating income		30,050,314,564.41	33,345,537,519.76
Including: operating income		30,050,314,564.41	33,345,537,519.76
Interest income			
Premiums earned			
Income from handling charges and commissions			
II. Total operating cost		28,092,420,102.84	31,070,998,249.40
Including: operating cost		25,072,084,315.56	28,372,311,948.40
Interest expenditure			
Handling charge and commission expenses			
Surrender value			
Net amount of compensation payout			
Withdrawal of insurance liability reserve			
Policy dividend payment			
Reinsurance costs			
Other taxes and surtaxes		249,009,302.65	220,240,292.44
Selling expenses		64,498,737.06	64,306,725.80
General and administrative expenses		949,622,184.12	1,115,686,302.41
R&D expenditures		687,116,126.78	759,738,617.49
Finance costs		1,070,089,436.67	538,714,362.86
Including: interest expense		1,108,253,620.67	1,014,387,408.71
Interest income		152,737,755.25	118,381,450.87
Plus: other income		131,746,500.49	156,153,655.93

Investment income ("-" for losses)		434,760,472.08	788,520,751.65
Including: income from investment in associates and joint ventures		472,426,865.12	899,796,221.85
Income from de-recognition of financial assets measured at amortized cost			
Foreign exchange gains ("-" for losses)			
Income from net exposure hedging ("-" for losses)			
Gains from the changes in fair value ("-" for losses)		10,168,786.70	131,980,619.08
Losses from credit impairment ("-" for losses)		30,201,247.88	-71,078,135.82
Losses from asset impairment ("-" for losses)		-48,134,564.59	-19,818,834.87
Income from disposal of assets ("-" for losses)		761,008.74	-3,019,116.47
III. Operating profits ("-" for losses)		2,517,397,912.87	3,257,278,209.86
Plus: non-operating income		5,094,360.93	4,640,028.84
Less: non-operating expense		34,952,506.71	25,074,036.21
IV. Total profits ("-" for total losses)		2,487,539,767.09	3,236,844,202.49
Less: income tax expense		117,547,787.20	289,596,293.99
V. Net profit ("-" for net losses)		2,369,991,979.89	2,947,247,908.50
(I) Classified by operating sustainability			
1. Net profit from continued operation ("-" for net losses)		2,369,991,979.89	2,947,247,908.50
2. Net profit from discontinued operation ("-" for net losses)			
(II) Classified by ownership			
1. Net profit attributable to the shareholders of the parent company ("-" for net losses)		1,670,732,131.17	2,085,104,942.66
2. Minority interest income ("-" for net losses)		699,259,848.72	862,142,965.84
VI. Other comprehensive income, net of tax		374,665,101.32	948,113,037.45
(I) Other comprehensive income, net of tax attributable to owners of the parent company		235,185,973.01	716,650,875.47
1. Other comprehensive income that cannot be reclassified into profit or loss			
(1) Changes in re-measurement of the defined benefit plan			
(2) Other comprehensive income that cannot be transferred to profits or			

losses under the equity method			
(3) Changes in fair value of other equity instruments investment			
(4) Changes in fair value of corporate credit risks			
2. Other comprehensive income that will be reclassified into profit or loss		235,185,973.01	716,650,875.47
(1) Other comprehensive income that can be transferred to profits or losses under the equity method		1,492,411.61	34,961,428.08
(2) Changes in the fair value of investment in other creditor's rights			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for credit impairment of investment in other creditor's rights			
(5) Cash flow hedging reserves			
(6) Translation differences of financial statements denominated in foreign currency		233,693,561.40	681,689,447.39
(7) Others			
(II) Other comprehensive income, net of tax attributable to minority shareholders		139,479,128.31	231,462,161.98
VII. Total comprehensive income		2,744,657,081.21	3,895,360,945.95
(I) Total comprehensive income attributable to owners of the parent company		1,905,918,104.18	2,801,755,818.13
(II) Total comprehensive income attributable to minority shareholders		838,738,977.03	1,093,605,127.82
VIII. Earnings per share:			
(I) Basic earnings per share (Yuan/share)		1.00	1.32
(II) Diluted earnings per share (Yuan/share)		1.00	1.32

In the event of business combination under the common control in the current period, net profit of the combined party recognized before the combination was RMB 0, and net profit of the combined party recognized in the prior period was RMB 0.

Person in charge of the Company: Chen Xuehua
 Head of the Accounting Dept.: Ma Xiao

Accounting Principal: Wang Jun

Income Statement of the Parent Company

January-June 2024

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2024	First half of 2023
I. Operating income		3,369,305,714.29	2,145,166,339.24
Less: operating cost		3,031,302,097.47	1,801,558,276.35

Taxes and surcharges		3,824,315.76	5,109,243.69
Selling expenses		-128,923.13	9,668,601.51
General and administrative expenses		264,762,684.29	426,891,225.74
R&D expenditures		78,672,947.47	77,601,559.44
Financial expenses		464,349,281.68	377,255,262.77
Including: interest expense		468,989,111.23	501,000,634.50
Interest income		25,207,812.94	9,595,427.77
Plus: other income		27,950,577.49	11,140,561.86
Investment income ("- " for losses)		630,956,815.05	454,315,651.42
Including: income from investment in associates and joint ventures		73,248,843.39	-33,479,789.86
Income from de-recognition of financial assets measured at amortized cost ("- " for losses)			
Income from net exposure hedging ("- " for losses)			
Gains from the changes in fair value ("- " for losses)		8,825,749.75	61,032,564.00
Losses from credit impairment ("- " for losses)		-9,254,873.35	2,472,086.69
Losses from asset impairment ("- " for losses)		-290,247.64	-38,447,022.05
Income from disposal of assets ("- " for losses)		187,624.62	59,667.34
II. Operating profits ("- " for losses)		184,898,956.67	-62,344,321.00
Plus: non-operating income		117,336.12	1,233,536.69
Less: non-operating expense		11,682,247.33	1,970,750.55
III. Total profits ("- " for total losses)		173,334,045.46	-63,081,534.86
Less: income tax expense		-61,590,840.96	-69,721,876.61
IV. Net profit ("- " for net losses)		234,924,886.42	6,640,341.75
(I) Net profit from continued operation ("- " for net losses)		234,924,886.42	6,640,341.75
(II) Net profit from discontinued operation ("- " for net losses)			
V. Net amount of other comprehensive income after tax		-36,027.61	-986,885.07
(I) Other comprehensive income that cannot be reclassified into profit or loss			
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profits or losses under the equity method			
3. Changes in fair value of other equity instruments investment			
4. Changes in the fair value of the company's own credit risk			
(II) Other comprehensive income that will be reclassified into profit or loss		-36,027.61	-986,885.07
1. Other comprehensive income that can be transferred to profits or losses under the equity method		-36,027.61	-986,885.07
2. Changes in the fair value of investment in other creditor's rights			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of investment in other creditor's rights			

5. Cash flow hedging reserves			
6. Translation differences of financial statements denominated in foreign currency			
7. Others			
VI. Total comprehensive income		234,888,858.81	5,653,456.68
VII. Earnings per share:			
(I) Basic earnings per share (Yuan/share)			
(II) Diluted earnings per share (Yuan/share)			

Person in charge of the Company: Chen Xuehua
 Head of the Accounting Dept.: Ma Xiao

Accounting Principal: Wang Jun

Consolidated Statement of Cash Flows

January-June 2024

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2024	First half of 2023
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		33,180,462,145.11	35,882,307,593.59
Net increase in deposits from customers and due from banks and other financial institutions			
Net increase in borrowings from central bank			
Net increase in loans from other financial institutions			
Cash received from insurance premium under original insurance contract			
Net cash received from reinsurance business			
Net increase in deposits and investments from policyholders			
Cash received from interests, handling charges and commissions			
Net increase in loans from banks and other financial institutions			
Net capital increase in repurchase business			
Net cash received from vicariously traded securities			
Refunds of taxes and surcharges		1,469,612,019.58	2,376,301,761.92
Cash received from other operating activities		1,175,769,323.92	1,398,121,747.10
Sub-total of cash inflows from operating activities		35,825,843,488.61	39,656,731,102.61
Cash paid for goods purchased and services received		29,363,293,963.11	33,510,300,357.28
Net increase in loans and advances to customers			
Net increase in deposits in central bank and other banks and financial institutions			
Cash paid for original insurance contract claims			
Net increase in loans to banks and other financial institutions			
Cash paid for interests, handling charges and commissions			
Cash paid for policy dividends			
Cash paid to and on behalf of employees		2,083,423,890.90	2,007,767,782.44
Cash paid for taxes and surcharges		920,703,745.35	1,360,665,441.25
Other cash paid related to operating activities		694,840,558.76	983,520,844.09
Sub-total of cash outflows from operating activities		33,062,262,158.12	37,862,254,425.06
Net cash flows from operating activities		2,763,581,330.49	1,794,476,677.55
II. Cash flows from investing activities			
Cash received from disposal of investments		359,484,250.15	250,000,000.00

Cash received from returns on investments		578,497,955.36	295,582,354.35
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		1,697,422.73	1,248,553.06
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities		739,653,203.75	1,625,313,208.08
Sub-total of cash inflows from investing activities		1,679,332,831.99	2,172,144,115.49
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		3,839,888,641.67	8,660,052,911.13
Cash paid for investments		1,712,306,022.57	1,054,022,634.07
Net increase in pledge loans			
Net cash paid for the acquisition of subsidiaries and other business entities			344,886,898.18
Cash paid for other investing activities		791,425,859.51	1,050,684,078.64
Sub-total of cash outflows from investing activities		6,343,620,523.75	11,109,646,522.02
Net cash flows from investing activities		-4,664,287,691.76	-8,937,502,406.53
III. Cash flows from financing activities:			
Cash received from investors		40,465,308.77	2,798,906,164.53
Including: cash received by subsidiaries from investments by minority shareholders		40,465,308.77	2,798,906,164.53
Cash received from borrowings		22,316,866,466.80	15,830,149,183.08
Cash received from other financing activities		1,395,683,520.88	3,551,304,026.51
Sub-total of cash inflows from financing activities		23,753,015,296.45	22,180,359,374.12
Cash paid for debts repayments		12,907,681,790.47	10,702,680,949.03
Cash paid for distribution of dividends and profits or payment of interests		2,736,168,862.33	1,286,146,082.63
Including: dividends and profits paid to minority shareholders by subsidiaries		5,680,524.23	
Cash paid for other financing activities		3,013,773,536.91	2,386,484,678.23
Sub-total of cash outflows from financing activities		18,657,624,189.71	14,375,311,709.89
Net cash flows from financing activities		5,095,391,106.74	7,805,047,664.23
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		377,487,609.27	415,261,447.46
V. Net increase in cash and cash equivalents		3,572,172,354.74	1,077,283,382.71
Plus: beginning balance of cash and cash equivalents		10,526,774,769.22	8,579,643,614.59
VI. Ending balance of cash and cash equivalents		14,098,947,123.96	9,656,926,997.30

Person in charge of the Company: Chen Xuehua

Accounting Principal: Wang Jun

Head of the Accounting Dept.: Ma Xiao

Statement of Cash Flows of the Parent Company

January-June 2024

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2024	First half of 2023
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		2,423,742,684.81	1,630,755,038.72
Refunds of taxes and surcharges		23,897,520.34	35,515,203.67
Cash received from other operating activities		790,991,426.56	1,708,908,242.17
Sub-total of cash inflows from operating activities		3,238,631,631.71	3,375,178,484.56
Cash paid for goods purchased and services received		3,280,041,479.90	2,510,633,601.35
Cash paid to and on behalf of employees		304,349,638.97	361,402,057.77

Cash paid for taxes and surcharges		40,670,566.35	37,459,662.39
Cash paid for other operating activities		909,983,123.65	975,818,980.12
Sub-total of cash outflows from operating activities		4,535,044,808.87	3,885,314,301.63
Net cash flows from operating activities		-1,296,413,177.16	-510,135,817.07
II. Cash flows from investing activities			
Cash received from disposal of investments			
Cash received from returns on investments		41,890,033.93	201,822,324.36
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		3,677,023.66	1,239,020.46
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities		17,065,940,756.93	9,926,396,343.85
Sub-total of cash inflows from investing activities		17,111,507,814.52	10,129,457,688.67
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		18,842,862.22	46,403,477.99
Cash paid for investments		1,484,745,624.88	1,274,942,267.07
Net cash paid for the acquisition of subsidiaries and other business entities			
Cash paid for other investing activities		14,365,922,650.09	10,457,713,280.98
Sub-total of cash outflows from investing activities		15,869,511,137.19	11,779,059,026.04
Net cash flows from investing activities		1,241,996,677.33	-1,649,601,337.37
III. Cash flows from financing activities:			
Cash received from investors			
Cash received from borrowings		7,428,113,207.19	5,304,842,625.54
Cash received from other financing activities		3,590,540,584.32	6,429,715,124.17
Sub-total of cash inflows from financing activities		11,018,653,791.51	11,734,557,749.71
Cash paid for debts repayments		4,595,944,621.22	3,599,023,469.74
Cash paid for distribution of dividends and profits or payment of interests		1,884,560,722.11	510,023,131.85
Cash paid for other financing activities		4,960,875,198.57	4,904,302,865.70
Sub-total of cash outflows from financing activities		11,441,380,541.90	9,013,349,467.29
Net cash flows from financing activities		-422,726,750.39	2,721,208,282.42
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		-27,920,366.30	6,081,650.00
V. Net increase in cash and cash equivalents		-505,063,616.52	567,552,777.98
Plus: beginning balance of cash and cash equivalents		1,991,193,482.56	968,796,419.00
VI. Ending balance of cash and cash equivalents		1,486,129,866.04	1,536,349,196.98

Person in charge of the Company: Chen Xuehua
 Head of the Accounting Dept.: Ma Xiao

Accounting Principal: Wang Jun

Consolidated Statement of Changes in Owner's Equity

January-June 2024

Monetary unit: Yuan Currency: RMB

Item	First half of 2024														Minority equity	Total owners' equity
	Equity attributable to owners of the parent company												Sub-total			
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profit	Others				
	Preference shares	Perpetual bonds	Others													
I. Ending balance of last year	1,710,086,520.00			1,490,061,392.53	16,052,788,315.05	1,323,606,826.04	1,042,018,898.84	46,543,747.64	387,225,558.29		14,872,683,731.09		34,277,801,337.40	10,455,554,649.99	44,733,355,987.39	
Plus: adjustments for changes in accounting policies																
Adjustments for correction of accounting errors in prior periods																
Others																
II. Beginning balance of this year	1,710,086,520.00			1,490,061,392.53	16,052,788,315.05	1,323,606,826.04	1,042,018,898.84	46,543,747.64	387,225,558.29		14,872,683,731.09		34,277,801,337.40	10,455,554,649.99	44,733,355,987.39	
III. Increases/decreases in the current period ("-" for decreases)	-12,873,601.00			-3,137.57	-287,688,435.64	-327,486,192.32	235,185,973.01	9,102,089.32			-1,121,628.23		270,087,452.21	1,313,952,136.49	1,584,039,588.70	
(I)Total							235,185,973.01				1,670,732,131.17		1,905,918,104.18	838,738,977.03	2,744,657,081.21	

comprehensive income															
(II) Capital contributed or reduced by owners	-12,873,601.00			-3,137.57	-287,688,435.64	-316,608,292.32							16,043,118.11	40,465,308.77	56,508,426.88
1. Common stock contributed by owners														40,465,308.77	40,465,308.77
2. Capital invested by holders of other equity instruments															
3. Amounts of share-based payments recognized in owners' equity					155,455,936.50								155,455,936.50		155,455,936.50
4. Others	-12,873,601.00			-3,137.57	-443,144,372.14	-316,608,292.32							-139,412,818.39		-139,412,818.39
(III) Profit distribution						-10,877,900.00					-1,671,853.759.40		-1,660,975.859.40	-90,000,000.00	-1,750,975.859.40
1. Withdrawal of surplus reserves															
2. Withdrawal of general risk reserves															
3. Profit distributed to owners (or shareholders)						-10,877,900.00					-1,671,853.759.40		-1,660,975.859.40	-90,000,000.00	-1,750,975.859.40

4. Others															
(IV) Internal carry-forward of owner's equity															
1. Conversion of capital reserves into paid-in capital (or share capital)															
2. Conversion of capital reserves into paid-in capital (or share capital)															
3. Surplus reserves offsetting losses															
4. Carry-forward of changes in the defined benefit plan for retained earnings															
5. Carry-forward of other comprehensive income for retained earnings															
6. Others															

(V) Special reserves								9,102,089.32					9,102,089.32		9,102,089.32
1. Amount withdrawn in the current period								85,515,442.28					85,515,442.28		85,515,442.28
2. Amount used in the current period								76,413,352.96					76,413,352.96		76,413,352.96
(VI) Others													524,747,850.69		524,747,850.69
IV. Ending balance in the current period	1,697,212,919.00			1,490,058,254.96	15,765,099,879.41	996,120,633.72	1,277,204,871.85	55,645,836.96	387,225,558.29		14,871,562,102.86		34,547,888,789.61	11,769,506,786.48	46,317,395,576.09

Item	First half of 2023														Minority equity	Total owners' equity
	Equity attributable to owners of the parent company															
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profit	Others	Sub-total			
Preference shares		Perpetual bonds	Others													
I. Ending balance of last year	1,599,678,228.00			1,490,112,966.16	10,398,505,364.59	631,014,574.20	776,405,562.87	27,349,451.51	328,198,360.77		11,900,465,606.35		25,889,700,966.05	6,789,167.24.38	32,678,868,190.43	
Plus: adjustments for changes in accounting policies																
Adjustments for correction of accounting																

errors in prior periods														
Others														
II. Beginning balance of this year	1,599,678,228.00			1,490,112,966.16	10,398,505,364.59	631,014,574.20	776,405,562.87	27,349,451.51	328,198,360.77		11,900,465,606.35	25,889,700,966.05	6,789,167,224.38	32,678,868,190.43
III. Increases/decreases in the current period (“-” for decreases)	-213,087.00			-17,648.76	233,763,722.44	-13,447,236.90	716,650,875.47	8,957,482.60			1,765,248,236.06	2,737,836,817.71	3,888,836,292.35	6,626,673,110.06
(I) Total comprehensive income							716,650,875.47				2,085,104,942.66	2,801,755,818.13	1,093,605,127.82	3,895,360,945.95
(II) Capital contributed or reduced by owners	-213,087.00			-17,648.76	233,763,722.44	-13,447,236.90						246,980,223.58	2,795,231,164.53	3,042,211,388.11
1. Common stock contributed by owners	1,026.00				3,675,000.00							3,675,000.00	2,795,231,164.53	2,798,906,164.53
2. Capital invested by holders of other equity instruments														
3. Amounts of share-based payments recognized in owners' equity					236,838,411.21							236,838,411.21		236,838,411.21

4. Others	-213,087.0 0			-17,648.76	-6,749,688. 77	-13,447,2 36.90						6,466,812 .37		6,466,812 .37
(III) Profit distribution												-319,856,70 6.60	-319,856,70 6.60	-319,856,70 6.60
1. Withdrawal of surplus reserves														
2. Withdrawal of general risk reserves														
3. Profit distributed to owners (or shareholders)												-319,856,70 6.60	-319,856,70 6.60	-319,856,70 6.60
4. Others														
(IV) Internal carry-forward of owner's equity														
1. Conversion of capital reserves into paid-in capital (or share capital)														
2. Conversion of capital reserves into paid-in capital (or share capital)														

capital)															
3. Surplus reserves offsetting losses															
4. Carry-forward of changes in the defined benefit plan for retained earnings															
5. Carry-forward of other comprehensive income for retained earnings															
6. Others															
(V) Special reserves								8,957,482.60					8,957,482.60		8,957,482.60
1. Amount withdrawn in the current period								51,569,960.47					51,569,960.47		51,569,960.47
2. Amount used in the current period								42,612,477.87					42,612,477.87		42,612,477.87
(VI) Others															
IV. Ending balance in the current period	1,599,465,141.00			1,490,095,317.40	10,632,269,087.03	617,567,337.30	1,493,056,438.34	36,306,934.11	328,198,360.77		13,665,713,842.41		28,627,537,783.76	10,678,003,516.73	39,305,541,300.49

Person in charge of the Company: Chen Xuehua Accounting Principal: Wang Jun Head of the Accounting Dept.: Ma Xiao

Statement of Changes in Owner's Equity of the Parent Company

January-June 2024

Monetary unit: Yuan Currency: RMB

Item	First half of 2024										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preference shares	Perpetual bonds	Others							
I. Ending balance of last year	1,710,086,520.00			1,490,061,392.53	14,890,073,903.77	1,323,606,826.04	-39,933,297.26		387,225,558.29	2,112,433,130.77	19,226,340,382.06
Plus: adjustments for changes in accounting policies											0.00
Adjustments for correction of accounting errors in prior periods											0.00
Others											0.00
II. Beginning balance of this year	1,710,086,520.00	0.00	0.00	1,490,061,392.53	14,890,073,903.77	1,323,606,826.04	-39,933,297.26	0.00	387,225,558.29	2,112,433,130.77	19,226,340,382.06
III. Increases/decreases in the current period ("-" for decreases)	-12,873,601.00	0.00	0.00	-3,137.57	-244,696,770.04	-327,486,192.32	-36,027.61	0.00	0.00	-1,436,928,872.98	-1,367,052,216.88
(I) Total comprehensive income							-36,027.61			234,924,886.42	234,888,858.81
(II) Capital contributed or reduced by owners	-12,873,601.00	0.00	0.00	-3,137.57	-244,696,770.04	-316,608,292.32	0.00	0.00	0.00	0.00	59,034,783.71
1. Common stock contributed by owners											
2. Capital invested by holders of other equity instruments	0.00				0.00	0.00					0.00
3. Amounts of share-based payments recognized in	0.00				155,455,936.50	0.00					155,455,936.50

owners' equity											
4. Others	-12,873,601.00			-3,137.57	-400,152,706.54	-316,608,292.32					-96,421,152.79
(III) Profit distribution	0.00	0.00	0.00	0.00	0.00	-10,877,900.00	0.00	0.00	0.00	-1,671,853,759.40	-1,660,975,859.40
1. Withdrawal of surplus reserves											0.00
2. Profit distributed to owners (or shareholders)						-10,877,900.00				-1,671,853,759.40	-1,660,975,859.40
3. Others											0.00
(IV) Internal carry-forward of owner's equity	0.00				0.00	0.00					0.00
1. Conversion of capital reserves into paid-in capital (or share capital)											0.00
2. Conversion of capital reserves into paid-in capital (or share capital)											0.00
3. Surplus reserves offsetting losses											0.00
4. Carry-forward of changes in the defined benefit plan for retained earnings											0.00
5. Carry-forward of other comprehensive income for retained earnings											0.00
6. Others											0.00
(V) Special reserves								0.00			0.00
1. Amount withdrawn in the current period											0.00
2. Amount used in the current period											0.00
(VI) Others											0.00
IV. Ending balance in the current period	1,697,212,919.00	0.00	0.00	1,490,058,254.96	14,645,377,133.73	996,120,633.72	-39,969,324.87	0.00	387,225,558.29	675,504,257.79	17,859,288,165.18

Item	First half of 2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preference shares	Perpetual bonds	Others							
I. Ending balance of last year	1,599,678,228.00			1,490,112,966.16	10,345,832,528.98	631,014,574.20	-39,949,268.37		328,198,360.77	1,900,834,370.93	14,993,692,612.27
Plus: adjustments for changes in accounting policies											0.00
Adjustments for correction of accounting errors in prior periods											0.00
Others											0.00
II. Beginning balance of this year	1,599,678,228.00	0.00	0.00	1,490,112,966.16	10,345,832,528.98	631,014,574.20	-39,949,268.37	0.00	328,198,360.77	1,900,834,370.93	14,993,692,612.27
III. Increases/decreases in the current period (“-” for decreases)	-213,087.00	0.00	0.00	-17,648.76	230,088,722.44	-13,447,236.90	-986,885.07	0.00	0.00	-313,216,364.85	-70,898,026.34
(I) Total comprehensive income							-986,885.07			6,640,341.75	5,653,456.68
(II) Capital contributed or reduced by owners	-213,087.00	0.00	0.00	-17,648.76	230,088,722.44	-13,447,236.90	0.00	0.00	0.00	0.00	243,305,223.58
1. Common stock contributed by owners											
2. Capital invested by holders of other equity instruments											0.00
3. Amounts of share-based payments recognized in owners' equity					236,838,411.21						236,838,411.21
4. Others	-213,087.00			-17,648.76	-6,749,688.77	-13,447,236.90					6,466,812.37
(III) Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-319,856,706.60	-319,856,706.60
1. Withdrawal of surplus											0.00

reserves											
2. Profit distributed to owners (or shareholders)										-319,856,706.60	-319,856,706.60
3. Others											0.00
(IV) Internal carry-forward of owner's equity	0.00			0.00	0.00						0.00
1. Conversion of capital reserves into paid-in capital (or share capital)											0.00
2. Conversion of capital reserves into paid-in capital (or share capital)											0.00
3. Surplus reserves offsetting losses											0.00
4. Carry-forward of changes in the defined benefit plan for retained earnings											0.00
5. Carry-forward of other comprehensive income for retained earnings											0.00
6. Others											0.00
(V) Special reserves								0.00			0.00
1. Amount withdrawn in the current period											0.00
2. Amount used in the current period											0.00
(VI) Others											0.00
IV. Ending balance in the current period	1,599,465,141.00	0.00	0.00	1,490,095,317.40	10,575,921,251.42	617,567,337.30	-40,936,153.44	0.00	328,198,360.77	1,587,618,006.08	14,922,794,585.93

Person in charge of the Company: Chen Xuehua Accounting Principal: Wang Jun Head of the Accounting Dept.: Ma Xiao

III. Basic information of the Company

1. Company profile

√Applicable □Not applicable

Zhejiang Huayou Cobalt Co., Ltd. (the “**Company**”) was established by Great Mountain Enterprise Pte. Ltd. (“**Great Mountain Company**”), Huayou Holding Group Co., Ltd. (“**Huayou Holding**”), etc. under the approval from the Ministry of Commerce of the People’s Republic of China. The Company was registered at Zhejiang Administration for Industry and Commerce on April 14, 2008 and headquartered in Jiaxing City, Zhejiang Province. The Company currently holds a business license with unified social credit code of 913300007368873961, with total share of 1,697,212,919 shares (each with par value of RMB 1, of which, 10,877,900 shares are restricted outstanding A shares, and 1,686,335,019 shares are unrestricted outstanding A shares. The Company’s shares were listed on the Shanghai Stock Exchange on January 29, 2015.

The Company belongs to non-ferrous metal smelting and rolling processing industry and is mainly engaged in R&D, production and sales of cobalt, copper, nickel, lithium, ternary precursors, cathode materials, nickel intermediates and other products. The Company’s main products are cobalt products, copper products, nickel products, lithium products, lithium products, ternary precursors, cathode materials, nickel intermediates, etc.

The financial statements were approved and authorized for issue by the 20th meeting of the Sixth Board of Directors dated August 19, 2024.

The Company has brought subsidiaries including the first-tier subsidiaries Quzhou Huayou Cobalt New Materials Co., Ltd. (“**Huayou Quzhou**”), HUAYOU (HONG KONG) CO., LIMITED (“**Huayou Hong Kong**”), CONGO DONGFANG INTERNATIONAL MINING SAS (“**CDM**”), LA MINIERE DE KASOMBO SAS (“**MIKAS**”), HUAYOU INTERNATIONAL MINING (HONG KONG) LIMITED (“**Huayou Mining Hong Kong**”), Huayou New Energy Technology (Quzhou) Co., Ltd. (“**New energy Quzhou**”), Zhejiang Huayou New Energy Technology Co., Ltd. (“**Huayou New Energy**”), Guangxi B&M Technology Co., Ltd. (“**Guangxi B&M**”), Tianjin B&M Technology Co., Ltd. (“**Tianjin B&M**”), and Guangxi Huayou Lithium Industry Co., Ltd. (“**Guangxi Lithium**”), the second-tier subsidiaries FEZA MINING SAS (“**FEZA Mining**”), Quzhou Huayou Resource Recycling Technology Company Limited (“**Resource Recycling**”), HUAYOU RESOURCES PTE. LTD. (“**Huayou Singapore**”), Huajin New Energy Materials (Quzhou) Co., Ltd. (“**Huajin Company**”), Zhejiang Huayou Puxiang New Energy Materials Co., Ltd. (“**Huayou Puxiang**”), Huawei Nickel Resources Development Co., Ltd. (“**Huawei Nickel Resources**”), Jiangsu Huayou Energy Technology Co., Ltd. (“**Jiangsu Huayou**”), Chengdu B&M Technology Co., Ltd. (“**Chengdu B&M**”), and Zhejiang B&M Technology Co., Ltd. (“**Zhejiang B&M**”), the third-tier subsidiaries Huayou International Mining Holding Limited (“**Huayou International Holding**”), PT.HUAYUE NICKEL COBALT (“**Huayue Company**”), PT. HUAKE NICKEL INDONESIA (“**Huake Indonesia**”), PT.Huafei Nickel Cobalt (“**Indonesia Huafei**”), PT.INDONESIA POMALAA INDUSTRY PARK (“**IPIP**”), Quzhou Huayou Resource Recycling Technology Co., Ltd. (“**Quzhou Resource Recycling**”), PT. Huaxiang Refining Indonesia (“**Huaxiang Indonesia**”), Sulawesi Manganese Recycling Co., Ltd. (“**Sulawesi Indonesia**”), PT. HUALI NICKEL INDONESIA (“**Huali Indonesia**”), and PT KOLAKA NICKEL INDONESIA (“**KNI**”), and the fourth-tier subsidiaries PT. IPIP Port Kolaka (“**Kolaka Port**”), and Bamo Technology Hungary Kft (“**Bamo Hungary**”) into the consolidation scope. Please see “X. Equity in other entities” of “Section X Financial Report” of this report for details.

IV. Basis for preparing the financial statements

1. Basis for preparing

The Company prepares its financial statements on a going concern basis.

2. Going concern

√Applicable □Not applicable

The Company has no events or conditions that may cast significant doubts upon the Company’s ability to continue as a going concern within the 12 months after the balance sheet date.

V. Major accounting policies and accounting estimates

Remark to the detailed accounting policies and accounting estimates:

Applicable Not applicable

Important note: The Company has set up accounting policies and estimates on transactions or events such as impairment of financial instruments, depreciation of fixed assets, depreciation of right-of-use assets, amortization of intangible assets, revenue recognition, etc., based on the Company's actual production and operation features.

1. Statement on compliance with the *Accounting Standards for Business Enterprises*

The financial statements prepared by the Company comply with the requirements of the *Accounting Standards for Business Enterprises*, and truly and fully present the Company's financial position, operating results, changes in shareholder's equity, cash flows and other related information.

2. Accounting period

The accounting period of the Company is from January 1 to December 31 in a calendar year.

3. Operating cycle

Applicable Not applicable

The Company has a relatively short operating cycle for its business, an asset or a liability is classified as current if it is expected to be realized or due within 12 months.

4. Functional currency

The functional currency of the Company is RMB, while the functional currency of subsidiaries engaged in overseas operations is the currency of the primary economic environment in which they operate.

5. Methods for determining and basis for selecting significance criteria

Applicable Not applicable

Item	Significance criteria
Significant accounts receivable with provision for bad debts made on an individual basis	Accounts receivable with single amount in excess of 0.5% of total assets are identified as significant accounts receivable.
Significant provisions for bad debts of accounts receivable collected or reversed	Accounts receivable with single amount in excess of 0.5% of total assets are identified as significant accounts receivable.
Significant accounts receivable written off	Accounts receivable with single amount in excess of 0.5% of total assets are identified as significant accounts receivable.
Significant advances paid with age over one year	Advances paid with single amount in excess of 0.5% of total assets are identified as significant advances paid.
Significant other receivables with provision for bad debts made on an individual basis	Other receivables with single amount in excess of 0.5% of total assets are identified as significant other receivables.
Significant provisions for bad debts of other receivables collected or reversed	Other receivables with single amount in excess of 0.5% of total assets are identified as significant other receivables.
Significant other receivables written off	Other receivables with single amount in excess of 0.5% of total assets are identified as significant other receivables.
Significant construction in progress	Construction in progress with single amount in excess of 0.5% of total assets are identified as significant construction in progress.
Significant accounts payable with age	Accounts payable with single amount in excess of

Item	Significance criteria
over one year	0.5% of total assets are identified as significant accounts payable.
Significant contract liabilities with age over one year	Contract liabilities with single amount in excess of 0.5% of total assets are identified as significant contract liabilities.
Significant other payables with age over one year	Other payables with single amount in excess of 0.5% of total assets are identified as significant other payables.
Significant cash flows from investing activities	Cash flows from investing activities with single amount in excess of 10% of total assets are identified as significant cash flows from investing activities.
Significant foreign operating entities	Foreign operating entities with total assets or total revenue in excess of 10% of the group's total assets or total revenue are identified as significant foreign operating entities.
Significant subsidiaries, not wholly-owned subsidiaries	Subsidiaries (operating entities) with total assets or total revenue in excess of 10% of the group's total assets or total revenue are identified as significant subsidiaries or significant not wholly-owned subsidiaries.
Significant joint ventures, associates	Joint ventures and associates with the carrying amount of single long-term equity investment in excess of 5% of the total assets or with amount of investment income under equity method in excess of 5% of the profit before tax are identified as significant joint ventures or associates.

6. Accounting treatment methods for business combinations under common control and those not under common control

Applicable Not applicable

1. Accounting treatment of business combination under common control

Assets and liabilities arising from business combination are measured at carrying amount of the combined party included in the consolidated financial statements of the ultimate controlling party at the combination date. Difference between carrying amount of the equity of the combined party included in the consolidated financial statements of the ultimate controlling party and that of the combination consideration or total par value of shares issued is adjusted to capital reserve, if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

2. Accounting treatment of business combination not under common control

When combination cost is in excess of the fair value of identifiable net assets obtained from the acquiree at the acquisition date, the excess is recognized as goodwill; otherwise, the fair value of identifiable assets, liabilities and contingent liabilities, and the measurement of the combination cost are reviewed, then the difference is recognized in profit or loss.

7. Criteria of control and methods for preparing the consolidated financial statements

Applicable Not applicable

1. Judgement of control

An investor controls an investee if and only if the investor has all the following: (1) power over the investee; (2) exposure, or rights, to variable returns from its involvement with the investee; and (3) the ability to use its power over the investee to affect the amount of the investor's returns.

2. Compilation method of consolidated financial statements

The parent company brings all its controlled subsidiaries into the consolidation scope. The consolidated financial statements are compiled by the parent company according to "CASBE 33 – Consolidated

Financial Statements”, based on relevant information and the financial statements of the parent company and its subsidiaries.

8. Classification of joint venture arrangements and accounting treatment methods for joint operation

Applicable Not applicable

1. Joint arrangements include joint operations and joint ventures.
2. When the Company is a joint operator of a joint operation, it recognizes the following items in relation to its interest in a joint operation:
 - (1) its assets, including its share of any assets held jointly;
 - (2) its liabilities, including its share of any liabilities incurred jointly;
 - (3) its revenue from the sale of its share of the output arising from the joint operation;
 - (4) its share of the revenue from the sale of the assets by the joint operation; and
 - (5) its expenses, including its share of any expenses incurred jointly.

9. Criteria for recognizing cash and cash equivalents

Cash equivalents refer to the short-term (generally maturing within three months from acquisition) and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

10. Foreign currency transactions and translation of foreign currency statements

Applicable Not applicable

1. Translation of transactions denominated in foreign currency

Transactions denominated in foreign currency are translated into RMB yuan at the approximate exchange rate similar to the spot exchange rate at the transaction date at initial recognition. At the balance sheet date, monetary items denominated in foreign currency are translated at the spot exchange rate at the balance sheet date with difference, except for those arising from the principal and interest of exclusive borrowings eligible for capitalization, included in profit or loss; non-cash items carried at historical costs are translated at the approximate exchange rate similar to the spot exchange rate at the transaction date, with the RMB amounts unchanged; non-cash items carried at fair value in foreign currency are translated at the spot exchange rate at the date when the fair value was determined, with difference included in profit or loss or other comprehensive income.

2. Translation of financial statements measured in foreign currency

The assets and liabilities in the balance sheet are translated into RMB at the spot exchange rate at the balance sheet date; the equity items, other than undistributed profit, are translated at the spot exchange rate at the transaction date; the revenues and expenses in the income statement are translated into RMB at the approximate exchange rate similar to the spot exchange rate at the transaction date. The difference arising from the aforementioned foreign currency translation is included in other comprehensive income.

11. Financial instruments

Applicable Not applicable

1. Classification of financial assets and financial liabilities

Financial assets are classified into the following three categories when initially recognized: (1) financial assets at amortized cost; (2) financial assets at fair value through other comprehensive income; (3) financial assets at fair value through profit or loss.

Financial liabilities are classified into the following four categories when initially recognized: (1) financial liabilities at fair value through profit or loss; (2) financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies; (3) financial guarantee contracts not fall within the above categories (1) and (2), and commitments to provide a loan at a below-market interest rate, which do not fall within the above category (1); (4) financial liabilities at amortized cost.

2. Recognition criteria, measurement method and derecognition of financial assets and financial liabilities

- (1) Recognition criteria and measurement method of financial assets and financial liabilities

When the Company becomes a party to a financial instrument, it is recognized as a financial asset or financial liability. The financial assets and financial liabilities initially recognized by the Company are measured at fair value; for the financial assets and liabilities at fair value through profit or loss, the transaction expenses thereof are directly included in profit or loss; for other categories of financial assets and financial liabilities, the transaction expenses thereof are included into the initially recognized amount. However, at initial recognition, for accounts receivable that do not contain a significant financing component or in circumstances where the Company does not consider the financing components in contracts within one year, they are measured at the transaction price in accordance with “CASBE 14 – Revenues”.

(2) Subsequent measurement of financial assets

1) Financial assets measured at amortized cost

The Company measures its financial assets at the amortized costs using effective interest method. Gains or losses on financial assets that are measured at amortized cost and are not part of hedging relationships shall be included into profit or loss when the financial assets are derecognized, reclassified, amortized using effective interest method or recognized with impairment loss.

2) Debt instrument investments at fair value through other comprehensive income

The Company measures its debt instrument investments at fair value. Interests, impairment gains or losses, and gains and losses on foreign exchange that calculated using effective interest method shall be included into profit or loss, while other gains or losses are included into other comprehensive income. Accumulated gains or losses that initially recognized as other comprehensive income should be transferred out into profit or loss when the financial assets are derecognized.

3) Equity instrument investments at fair value through other comprehensive income

The Company measures its equity instrument investments at fair value. Dividends obtained (other than those as part of investment cost recovery) shall be included into profit or loss, while other gains or losses are included into other comprehensive income. Accumulated gains or losses that initially recognized as other comprehensive income should be transferred out into retained earnings when the financial assets are derecognized.

4) Financial assets at fair value through profit or loss

The Company measures its financial assets at fair value. Gains or losses arising from changes in fair value (including interests and dividends) shall be included into profit or loss, except for financial assets that are part of hedging relationships.

(3) Subsequent measurement of financial liabilities

1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include held-for-trading financial liabilities (including derivatives that are liabilities) and financial liabilities designated as at fair value through profit or loss. The Company measures such kind of liabilities at fair value. The amount of changes in the fair value of the financial liabilities that are attributable to changes in the Company’s own credit risk shall be included into other comprehensive income, unless such treatment would create or enlarge accounting mismatches in profit or loss. Other gains or losses on those financial liabilities (including interests, changes in fair value that are attributable to reasons other than changes in the Company’s own credit risk) shall be included into profit or loss, except for financial liabilities that are part of hedging relationships. Accumulated gains or losses that originally recognized as other comprehensive income should be transferred out into retained earnings when the financial liabilities are derecognized.

2) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies

The Company measures its financial liabilities in accordance with “CASBE 23 – Transfer of Financial Assets”.

3) Financial guarantee contracts not fall within the above categories 1) and 2), and commitments to provide a loan at a below-market interest rate, which do not fall within the above category 1)

The Company measures its financial liabilities at the higher of: a. the amount of loss allowances in accordance with impairment requirements of financial instruments; b. the amount initially recognized less the amount of accumulated amortization recognized in accordance with “CASBE 14 – Revenues”.

4) Financial liabilities at amortized cost

The Company measures its financial liabilities at amortized cost using effective interest method. Gains or losses on financial liabilities that are measured at amortized cost and are not part of hedging relationships shall be included into profit or loss when the financial liabilities are derecognized and amortized using effective interest method.

(4) Derecognition of financial assets and financial liabilities

1) Financial assets are derecognized when:

a. the contractual rights to the cash flows from the financial assets expire; or
b. the financial assets have been transferred and the transfer qualifies for derecognition in accordance with “CASBE 23 – Transfer of Financial Assets”.

2) Only when the underlying present obligations of a financial liability are relieved totally or partly may the financial liability be derecognized accordingly.

3. Recognition criteria and measurement method of financial assets transfer

Where the Company has transferred substantially all of the risks and rewards related to the ownership of the financial asset, it derecognizes the financial asset, and any right or liability arising from such transfer is recognized independently as an asset or a liability. If it retained substantially all of the risks and rewards related to the ownership of the financial asset, it continues recognizing the financial asset. Where the Company does not transfer or retain substantially all of the risks and rewards related to the ownership of a financial asset, it is dealt with according to the circumstances as follows respectively: (1) if the Company does not retain its control over the financial asset, it derecognizes the financial asset, and any right or liability arising from such transfer is recognized independently as an asset or a liability; (2) if the Company retains its control over the financial asset, according to the extent of its continuing involvement in the transferred financial asset, it recognizes the related financial asset and recognizes the relevant liability accordingly.

If the transfer of an entire financial asset satisfies the conditions for derecognition, the difference between the amounts of the following two items is included in profit or loss: (1) the carrying amount of the transferred financial asset as of the date of derecognition; (2) the sum of consideration received from the transfer of the financial asset, and the accumulative amount of the changes of the fair value originally included in other comprehensive income proportionate to the transferred financial asset (financial assets transferred refer to debt instrument investments at fair value through other comprehensive income). If the transfer of financial asset partially satisfies the conditions for derecognition, the entire carrying amount of the transferred financial asset is, between the portion which is derecognized and the portion which is not, apportioned according to their respective relative fair value, and the difference between the amounts of the following two items is included into profit or loss: (1) the carrying amount of the portion which is derecognized; (2) the sum of consideration of the portion which is derecognized, and the portion of the accumulative amount of the changes in the fair value originally included in other comprehensive income which is corresponding to the portion which is derecognized (financial assets transferred refer to debt instrument investments at fair value through other comprehensive income).

4. Fair value determination method of financial assets and liabilities

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data and information are available to measure fair value. The inputs to valuation techniques used to measure fair value are arranged in the following hierarchy and used accordingly:

(1) Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date;

(2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability, for example, interest rates and yield curves observable at commonly quoted intervals; market-corroborated inputs;

(3) Level 3 inputs are unobservable inputs for the asset or liability. Level 3 inputs include interest rate that is not observable and cannot be corroborated by observable market data at commonly quoted intervals, historical volatility, future cash flows to be paid to fulfill the disposal obligation assumed in business combination, financial forecast developed using the Company's own data, etc.

5. Impairment of financial instruments

The Company, on the basis of expected credit loss, recognizes loss allowances of financial assets at amortized cost, debt instrument investments at fair value through other comprehensive income, contract assets, leases receivable, loan commitments other than financial liabilities at fair value through profit or loss, financial guarantee contracts not belong to financial liabilities at fair value through profit or loss or financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

Expected credit losses refer to the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit loss refers to the difference between all contractual cash flows that are

due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. Among which, purchased or originated credit-impaired financial assets are discounted at the credit-adjusted effective interest rate.

At the balance sheet date, the Company shall only recognize the cumulative changes in the lifetime expected credit losses since initial recognition as a loss allowance for purchased or originated credit-impaired financial assets.

For leases receivable, and accounts receivable and contract assets resulting from transactions regulated in “CASBE 14 – Revenues”, the Company chooses simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses.

For financial assets other than the above, on each balance sheet date, the Company shall assess whether the credit risk on the financial instrument has increased significantly since initial recognition. The Company shall measure the loss allowance for the financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition; otherwise, the Company shall measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit loss.

Considering reasonable and supportable forward-looking information, the Company compares the risk of a default occurring on the financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition, so as to assess whether the credit risk on the financial instrument has increased significantly since initial recognition.

The Company may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have relatively low credit risk at the balance sheet date.

The Company shall estimate expected credit risk and measure expected credit losses on an individual or a portfolio basis. When the Company adopts the portfolio basis, financial instruments are grouped with similar credit risk features.

The Company shall remeasure expected credit loss on each balance sheet date, and increased or reversed amounts of loss allowance arising therefrom shall be included into profit or loss as impairment losses or gains. For a financial asset measured at amortized cost, the loss allowance reduces the carrying amount of such financial asset presented in the balance sheet; for a debt investment measured at fair value through other comprehensive income, the loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of such financial asset.

6. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset. However, the Company offsets a financial asset and a financial liability and presents the net amount in the balance sheet when, and only when, the Company: (1) currently has a legally enforceable right to set off the recognized amounts; and (2) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

For a transfer of a financial asset that does not qualify for derecognition, the Company does not offset the transferred asset and the associated liability.

12. Notes receivable

Applicable Not applicable

13. Accounts receivables

Applicable Not applicable

Combination type of provision for bad debt in accordance with credit risk features and basis for determination

Applicable Not applicable

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
Accounts receivable – Portfolio grouped with ages	Ages	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company prepares the comparison table of ages and expected

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
		credit loss rate of accounts receivable, so as to calculate expected credit loss.
Accounts receivable – Portfolio grouped with balances due from related parties within the consolidation scope	Nature of receivables	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and lifetime expected credit loss rate.

Methods for calculating aging when credit risk feature combination is determined based on aging
Applicable Not applicable

Ages	Expected credit loss rate of accounts receivable (%)
Within 1 year (inclusive, the same hereinafter)	5.00
1-2 years	20.00
2-3 years	50.00
Over 3 years	100.00

Criteria of individual provision for individual provisions for bad debts
Applicable Not applicable

For receivables whose credit risk is significantly different from that of portfolios, the Company accrues expected credit losses on an individual basis.

14. Financing funds receivables
Applicable Not applicable

Combination type of provision for bad debt in accordance with credit risk features and basis for determination
Applicable Not applicable

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
Bank acceptance receivable	Type of notes	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and lifetime expected credit loss rate.
Trade acceptance receivable		Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company prepares the comparison table of ages and expected credit loss rate of notes receivable, so as to calculate expected credit loss.

Methods for calculating aging when credit risk feature combination is determined based on aging
Applicable Not applicable

Ages	Expected credit loss rate of trade acceptance receivable (%)
Within 1 year (inclusive, the same hereinafter)	5.00
1-2 years	20.00
2-3 years	50.00
Over 3 years	100.00

Criteria of individual provision for individual provisions for bad debts

 ✓Applicable Not applicable

For receivables whose credit risk is significantly different from that of portfolios, the Company accrues expected credit losses on an individual basis.

15. Other receivables

 ✓Applicable Not applicable

Combination type of provision for bad debt in accordance with credit risk features and basis for determination

 ✓Applicable Not applicable

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
Other receivables – Portfolio grouped with government funds receivable	Nature of receivables	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and 12-month or lifetime expected credit loss rate.
Other receivables – Portfolio grouped with balances due from related parties within the consolidation scope		
Other receivables – Portfolio grouped with interest receivable		
Other receivables – Portfolio grouped with dividend receivable		
Other receivables – Portfolio grouped with ages	Ages	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company prepares the comparison table of ages and expected credit loss rate of other receivables, so as to calculate expected credit loss.

Methods for calculating aging when credit risk feature combination is determined based on aging

 ✓Applicable Not applicable

Ages	Expected credit loss rate of other receivables (%)
Within 1 year (inclusive, the same hereinafter)	5.00
1-2 years	20.00
2-3 years	50.00
Over 3 years	100.00

Criteria of individual provision for individual provisions for bad debts

 ✓Applicable Not applicable

For receivables whose credit risk is significantly different from that of portfolios, the Company accrues expected credit losses on an individual basis.

16. Inventories

 ✓Applicable Not applicable

Inventory category, issue valuation method, inventory system, amortization method for low-value consumables and packaging

 ✓Applicable Not applicable

1. Classification of inventories

Inventories include finished goods or goods held for sale in the ordinary course of business, work in process in the process of production, materials, supplies, etc. to be consumed in the production process or in the rendering of services.

2. Accounting method for dispatched inventories

Inventories dispatched from storage are accounted for with moving average method.

3. Inventory system

Perpetual inventory method is adopted.

4. Amortization method of low-value consumables and packages

(1) Low-value consumables

Low-value consumables are amortized with one-off method.

(2) Packages

Packages are amortized with one-off method.

Criteria for determining and methods for provision for inventory depreciation

Applicable Not applicable

At the balance sheet date, inventories are measured at the lower of cost and net realizable value; provisions for inventory write-down are made on the excess of its cost over the net realizable value. The net realizable value of inventories held for sale is determined based on the amount of the estimated selling price less the estimated selling expenses and relevant taxes and surcharges in the ordinary course of business; the net realizable value of inventories to be processed is determined based on the amount of the estimated selling price less the estimated costs of completion, selling expenses and relevant taxes and surcharges in the ordinary course of business; at the balance sheet date, when only part of the same item of inventories have agreed price, their net realizable value are determined separately and are compared with their costs to set the provision for inventory write-down to be made or reversed.

Combination type of provision for inventory depreciation based on combination and basis for determination, basis for determining net realizable value of different inventories

Applicable Not applicable

Methods for calculating and basis for determining net realizable value of each inventory aging combination when net realizable value of inventories is determined based on aging

Applicable Not applicable

17. Contract assets

Applicable Not applicable

Recognition methods and standards for contract assets

Applicable Not applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between its performance obligations and customers' payments. Contract assets and contract liabilities under the same contract shall offset each other and be presented on a net basis. The Company presents an unconditional right to consideration (i.e., only the passage of time is required before the consideration is due) as a receivable, and presents a right to consideration in exchange for goods that it has transferred to a customer (which is conditional on something other than the passage of time) as a contract asset. The Company presents an obligation to transfer goods to a customer for which the Company has received consideration (or the amount is due) from the customer as a contract liability.

Combination type of provision for bad debt in accordance with credit risk features and basis for determination

Applicable Not applicable

Methods for calculating aging when credit risk feature combination is determined based on aging

Applicable Not applicable

Criteria of individual provision for individual provisions for bad debts

Applicable Not applicable

18. Non-current assets or disposal groups held for saleApplicable Not applicable**Recognition standard and accounting treatment method for non-current assets or disposal groups held for sale**Applicable Not applicable**Criteria for identifying and methods for reporting the termination of business operations**Applicable Not applicable**19. Long-term equity investments**Applicable Not applicable**1. Judgment of joint control and significant influence**

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of these policies.

2. Determination of investment cost

(1) For business combination under common control, if the consideration of the combining party is that it makes payment in cash, transfers non-cash assets, assumes its liabilities or issues equity securities, on the date of combination, it regards the share of the carrying amount of the equity of the combined party included in the consolidated financial statements of the ultimate controlling party as the initial cost of the investment. The difference between the initial cost of the long-term equity investments and the carrying amount of the combination consideration paid or the par value of shares issued offsets capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

When long-term equity investments are obtained through business combination under common control achieved in stages, the Company determines whether it is a “bundled transaction”. If it is a “bundled transaction”, stages as a whole are considered as one transaction in accounting treatment. If it is not a “bundled transaction”, on the date of combination, investment cost is initially recognized at the share of the carrying amount of net assets of the combined party included in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of long-term equity investments at the acquisition date and the carrying amount of the previously held long-term equity investments plus the carrying amount of the consideration paid for the newly acquired equity is adjusted to capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

(2) For business combination not under common control, investment cost is initially recognized at the acquisition-date fair value of considerations paid.

When long-term equity investments are obtained through business combination not under common control achieved in stages, the Company determines whether they are stand-alone financial statements or consolidated financial statements in accounting treatment:

1) In the case of stand-alone financial statements, investment cost is initially recognized at the carrying amount of the previously held long-term equity investments plus the carrying amount of the consideration paid for the newly acquired equity.

2) In the case of consolidated financial statements, the Company determines whether it is a “bundled transaction”. If it is a “bundled transaction”, stages as a whole are considered as one transaction in accounting treatment. If it is not a “bundled transaction”, the carrying amount of the acquirer’s previously held equity interest in the acquiree is remeasured at the acquisition-date fair value, and the difference between the fair value and the carrying amount is recognized in investment income; when the acquirer’s previously held equity interest in the acquiree involves other comprehensive income under equity method, the related other comprehensive income is reclassified as income for the acquisition period, excluding other comprehensive income arising from changes in net liabilities or assets from remeasurement of defined benefit plan of the acquiree.

(3) Long-term equity investments obtained through ways other than business combination: the initial cost of a long-term equity investment obtained by making payment in cash is the purchase cost which is actually paid; that obtained on the basis of issuing equity securities is the fair value of the equity securities issued; that obtained through debt restructuring is determined according to “CASBE 12 – Debt

Restructuring”; and that obtained through non-cash assets exchange is determined according to “CASBE 7 – Non-cash Assets Exchange”.

3. Subsequent measurement and recognition method of profit or loss

For a long-term equity investment with control relationship, it is accounted for with cost method; for a long-term equity investment with joint control or significant influence relationship, it is accounted for with equity method.

4. Disposal of a subsidiary in stages resulting in the Company’s loss of control

(1) Judgement principles of “bundled transaction”

For disposal of a subsidiary in stages resulting in the Company’s loss of control, the Company determines whether it is a “bundled transaction” based on the agreement terms for each stage, disposal consideration obtained separately, object of the equity sold, disposal method, disposal time point, etc. If the terms, conditions and economic effect of each transaction meet one or more of the following conditions, these transactions are usually considered as a “bundled transaction”:

- 1) these transactions are entered into at the same time or in contemplation of each other;
- 2) these transactions form a single transaction designed to achieve an overall commercial effect;
- 3) the occurrence of one transaction is dependent on the occurrence of at least one other transaction; and
- 4) one transaction considered on its own is not economically justified, but it is economically justified when considered together with other transactions.

(2) Accounting treatments of non-bundled transactions

1) Stand-alone financial statements

The difference between the carrying amount of the disposed equity and the consideration obtained thereof is recognized in profit or loss. If the disposal does not result in the Company’s loss of significant influence or joint control, the remained equity is accounted for with equity method; however, if the disposal results in the Company’s loss of control, joint control, or significant influence, the remained equity is accounted for according to “CASBE 22 – Financial Instruments: Recognition and Measurement”.

2) Consolidated financial statements

Before the Company’s loss of control, the difference between the disposal consideration and the proportionate share of net assets in the disposed subsidiary from acquisition date or combination date to the disposal date is adjusted to capital reserve (capital premium), if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

When the Company loses control, the remained equity is remeasured at the loss-of-control-date fair value. The aggregated value of disposal consideration and the fair value of the remained equity, less the share of net assets in the disposed subsidiary held before the disposal from the acquisition date or combination date to the disposal date is recognized in investment income in the period when the Company loses control over such subsidiary, and meanwhile goodwill is offset correspondingly. Other comprehensive income related to equity investments in former subsidiary is reclassified as investment income upon the Company’s loss of control.

(3) Accounting treatment of bundled transaction

1) Stand-alone financial statements

Stages as a whole are considered as one transaction resulting in loss of control in accounting treatment. However, before the Company loses control over a subsidiary, the difference between the disposal consideration at each stage and the carrying amount of long-term equity investments corresponding to the disposed investments is recognized as other comprehensive income at the stand-alone financial statements and reclassified as profit or loss in the period when the Company loses control over such subsidiary.

2) Consolidated financial statements

Stages as a whole are considered as one transaction resulting in loss of control in accounting treatment. However, before the Company loses control over a subsidiary, the difference between the disposal consideration at each stage and the proportionate share of net assets in the disposed subsidiary is recognized as other comprehensive income at the consolidated financial statements and reclassified as profit or loss in the period when the Company loses control over such subsidiary.

20. Investment properties

Not applicable

21. Fixed assets

(1) Recognition criteria

Applicable Not applicable

Fixed assets are tangible assets held for use in the production of goods or rendering of services, for rental to others, or for administrative purposes, and expected to be used during more than one accounting year. Fixed assets are recognized if, and only if, it is probable that future economic benefits associated with the assets will flow to the Company and the cost of the assets can be measured reliably.

(2) Depreciation method

Applicable Not applicable

Category	Depreciation method	Depreciation life (year)	Residual value rate	Annual depreciation rate
Buildings and structures	Straight-line method	10-35	0-10	10.00-2.57
Machinery	Straight-line method	5-16	0-10	20.00-5.63
Transport facilities	Straight-line method	5-10	0-10	20.00-9.00
Other equipment	Straight-line method	5-10	0-10	20.00-9.00

22. Construction in progress

Applicable Not applicable

1. Construction in progress is recognized if, and only if, it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. Construction in progress is measured at the actual cost incurred to reach its designed usable conditions.

2. Construction in progress is transferred into fixed assets at its actual cost when it reaches the designed usable conditions. When the auditing of the construction in progress is not finished while reaching the designed usable conditions, it is transferred to fixed assets using estimated value first, and then adjusted accordingly when the actual cost is settled, but the accumulated depreciation is not to be adjusted retrospectively.

Categories	Standards and time point of transferring construction in progress to fixed assets
Buildings and structures	Transferred into fixed assets when the design requirements or delivery standards are met upon completion of construction, i.e., the date when it reaches the designed usable conditions
Machinery	Transferred into fixed assets when the design requirements or standards specified in the contract are met after installation and commissioning, i.e., the date when it reaches the designed usable conditions

23. Borrowing costs

Applicable Not applicable

1. Recognition principle of borrowing costs capitalization

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction or production of assets eligible for capitalization, it is capitalized and included in the costs of relevant assets; other borrowing costs are recognized as expenses on the basis of the actual amount incurred, and are included in profit or loss.

2. Borrowing costs capitalization period

(1) The borrowing costs are not capitalized unless the following requirements are all met: 1) the asset disbursements have already incurred; 2) the borrowing costs have already incurred; and 3) the acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started.

(2) Suspension of capitalization: where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the

capitalization of the borrowing costs is suspended; the borrowing costs incurred during such period are recognized as expenses, and are included in profit or loss, till the acquisition and construction or production of the asset restarts.

(3) Ceasing of capitalization: when the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs is ceased.

3. Capitalization rate and capitalized amount of borrowing costs

For borrowings exclusively for the acquisition and construction or production of assets eligible for capitalization, the to-be-capitalized amount of interests is determined in light of the actual interest expenses incurred (including amortization of premium or discount based on effective interest method) of the special borrowings in the current period less the interest income on the unused borrowings as a deposit in the bank or as a temporary investment; where a general borrowing is used for the acquisition and construction or production of assets eligible for capitalization, the Company calculates and determines the to-be-capitalized amount of interests on the general borrowing by multiplying the weighted average asset disbursement of the excess of the accumulative capital disbursements over the special borrowings by the capitalization rate of the general borrowing used.

24. Biological assets

Applicable Not applicable

25. Oil and gas assets

Applicable Not applicable

26. Intangible assets

(1) Useful life and its basis for determination, estimate, amortization method or review procedure

Applicable Not applicable

1. Intangible assets include mining right, land use right, software, pollution discharge right, patent right, software copyright, know-how, contractual rights and interests etc. The initial measurement of intangible assets is based on its cost.

2. For intangible assets with finite useful lives, their amortization amounts are amortized within their useful lives systematically and reasonably, if it is unable to determine the expected realization pattern reliably, intangible assets are amortized by the straight-line method with details as follows:

Items	Useful life and determination basis	Amortization method
Mining right	Estimated usable resource reserves	Output method
Land use right	25-99 years; statutory useful life	Straight-line method
Software	2-10 years; estimated useful life	Straight-line method
Pollution discharge right	5-20 years; estimated useful life	Straight-line method
Patent right and software copyright	8-10 years; estimated economic life	Straight-line method
Know-how	5 years; estimated economic life	Straight-line method
Contractual rights and interests	10 years; estimated economic life	Straight-line method

(2) Scope of R&D expenditure and related accounting treatment method

Applicable Not applicable

1. Permitted scope of R&D costs

(1) Personnel costs

Personnel costs include wages and salaries, basic endowment insurance premiums, basic medical insurance premiums, unemployment insurance premiums, occupational injuries premiums, maternity premiums and housing provident funds for the Company's R&D personnel, as well as labor costs for external R&D personnel.

If R&D personnel serve for multiple R&D projects at the same time, personnel costs are recognized based on their working hour records provided by the Company's administrative department, and proportionately allocated among different R&D projects.

If personnel directly engaged in R&D activities and external R&D personnel are engaged in non-R&D activities at the same time, the Company, based on their working hour records at different positions, allocates personnel costs actually incurred between R&D expenses and production and operating expenses using reasonable methods such as the ratio of actual working hours.

(2) Direct input costs

Direct input costs refer to relevant expenses actually incurred by the Company for R&D activities, which include: 1) materials, fuel and power costs directly consumed by R&D activities; 2) development and manufacturing costs of molds and craft equipment used for intermediate tests and trial production, acquisition costs of samples, prototypes and general testing methods that do not constitute fixed assets, and inspection costs of trial production; and 3) operation and maintenance, adjustment, inspection, testing and repairing costs of instruments and equipment used for R&D activities.

(3) Depreciation and long-term prepayments

Depreciation refers to the depreciation of instruments, equipment and in-use buildings used for R&D activities.

For instruments, equipment and in-use buildings both used for R&D activities and non-R&D activities, necessary records shall be kept on their usage, and depreciation actually incurred is allocated between R&D expenses and production and operating expenses in a reasonable manner based on the actual working hours, the usable area, etc.

Long-term prepayments refer to those incurred during renovation, modification, decoration and repairing of R&D facilities, which are collected based on actual amount and amortized evenly over a specified period.

(4) Amortization of intangible assets

Amortization of intangible assets refer to the amortization of software, patent right, etc. used for R&D activities.

(5) Other expenses

Other expenses refer to expenses other than those mentioned above that are directly related to R&D activities.

2. Expenditures on the research phase of an internal project are recognized as profit or loss when they are incurred. An intangible asset arising from the development phase of an internal project is recognized if the Company can demonstrate all of the followings: (1) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (2) its intention to complete the intangible asset and use or sell it; (3) how the intangible asset will generate probable future economic benefits, among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; (4) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and (5) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

27. Long-term asset impairment

Applicable Not applicable

For long-term assets such as long-term equity investments, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, etc., if at the balance sheet date there is indication of impairment, the recoverable amount is to be estimated. For goodwill recognized in business combination and intangible assets with indefinite useful lives, no matter whether there is indication of impairment, impairment test is performed annually. Impairment test on goodwill is performed on related asset group or asset group portfolio.

When the recoverable amount of such long-term assets is lower than their carrying amount, the difference is recognized as provision for assets impairment through profit or loss.

28. Long-term deferred expenses

Applicable Not applicable

Long-term prepayments are expenses that have been recognized but with amortization period over one year (excluding one year). They are recorded with actual cost, and evenly amortized within the beneficiary period or stipulated period. If items of long-term prepayments fail to be beneficial to the following accounting periods, residual values of such items are included in profit or loss.

29. Contract liabilitiesApplicable Not applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between its performance obligations and customers' payments. Contract assets and contract liabilities under the same contract shall offset each other and be presented on a net basis. The Company presents an unconditional right to consideration (i.e., only the passage of time is required before the consideration is due) as a receivable, and presents a right to consideration in exchange for goods that it has transferred to a customer (which is conditional on something other than the passage of time) as a contract asset. The Company presents an obligation to transfer goods to a customer for which the Company has received consideration (or the amount is due) from the customer as a contract liability.

30. Employee compensation**(1) Accounting treatment of short-term compensation**Applicable Not applicable

The Company recognizes, in the accounting period in which an employee provides service, short-term employee benefits actually incurred as liabilities, with a corresponding charge to profit or loss or the cost of a relevant asset.

(2) Accounting treatment of post-employment benefitsApplicable Not applicable

The Company classifies post-employment benefit plans as either defined contribution plans or defined benefit plans.

(1) The Company recognizes in the accounting period in which an employee provides service the contribution payable to a defined contribution plan as a liability, with a corresponding charge to profit or loss or the cost of a relevant asset.

(2) Accounting treatment by the Company for defined benefit plan usually involves the following steps:

1) In accordance with the projected unit credit method, using unbiased and mutually compatible actuarial assumptions to estimate related demographic variables and financial variables, measure the obligations under the defined benefit plan, and determine the periods to which the obligations are attributed. Meanwhile, the Company discounts obligations under the defined benefit plan to determine the present value of the defined benefit plan obligations and the current service cost;

2) When a defined benefit plan has assets, the Company recognizes the deficit or surplus by deducting the fair value of defined benefit plan assets from the present value of the defined benefit plan obligation as a net defined benefit plan liability or net defined benefit plan asset. When a defined benefit plan has a surplus, the Company measures the net defined benefit plan asset at the lower of the surplus in the defined benefit plan and the asset ceiling;

3) At the end of the period, the Company recognizes the following components of employee benefits cost arising from defined benefit plan: a. service cost; b. net interest on the net defined benefit plan liability (asset); and c. changes as a result of remeasurement of the net defined benefit liability (asset). Item a and item b are recognized in profit or loss or the cost of a relevant asset. Item c is recognized in other comprehensive income and is not to be reclassified subsequently to profit or loss. However, the Company may transfer those amounts recognized in other comprehensive income within equity.

(3) Accounting treatment of dismissal welfareApplicable Not applicable

Termination benefits provided to employees are recognized as an employee benefit liability for termination benefits, with a corresponding charge to profit or loss at the earlier of the following dates: (1) when the Company cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; or (2) when the Company recognizes cost or expenses related to a restructuring that involves the payment of termination benefits.

(4) Accounting treatment of other long-term employee benefitsApplicable Not applicable

When other long-term employee benefits provided to the employees satisfied the conditions for classifying as a defined contribution plan, those benefits are accounted for in accordance with the requirements relating to defined contribution plan, while other benefits are accounted for in accordance with the requirements relating to defined benefit plan. The Company recognizes the cost of employee benefits arising from other long-term employee benefits as the followings: (1) service cost; (2) net interest on the net liability or net assets of other long-term employee benefits; and (3) changes as a result of remeasurement of the net liability or net assets of other long-term employee benefits. As a practical expedient, the net total of the aforesaid amounts is recognized in profit or loss or included in the cost of a relevant asset.

31. Estimated liabilities

Applicable Not applicable

1. Provisions are recognized when fulfilling the present obligations arising from contingencies such as providing guarantee for other parties, litigation, products quality guarantee, onerous contract, etc., may cause the outflow of the economic benefit and such obligations can be reliably measured.
2. The initial measurement of provisions is based on the best estimated expenditures required in fulfilling the present obligations, and its carrying amount is reviewed at the balance sheet date.

32. Share-based payment

Applicable Not applicable

1. Types of share-based payment

Share-based payment consists of equity-settled share-based payment and cash-settled share-based payment.

2. Accounting treatment for settlements, modifications and cancellations of share-based payment plans

(1) Equity-settled share-based payment

For equity-settled share-based payment transaction with employees, if the equity instruments granted vest immediately, the fair value of those equity instruments is measured at grant date and recognized as transaction cost or expense, with a corresponding adjustment in capital reserve; if the equity instruments granted do not vest until the counterparty completes a specified period of service or fulfills certain performance conditions, at the balance sheet date within the vesting period, the fair value of those equity instruments measured at grant date based on the best estimate of the number of equity instruments expected to vest is recognized as transaction cost or expense, with a corresponding adjustment in capital reserve.

For equity-settled share-based payment transaction with parties other than employees, if the fair value of the services received can be measured reliably, the fair value is measured at the date the Company receives the service; if the fair value of the services received cannot be measured reliably, but that of equity instruments can be measured reliably, the fair value of the equity instruments granted measured at the date the Company receives the service is referred to, and recognized as transaction cost or expense, with a corresponding increase in equity.

(2) Cash-settled share-based payment

For cash-settled share-based payment transactions with employees, if share appreciation rights vest immediately, the fair value of the liability incurred as the acquisition of services is measured at grant date and recognized as transaction cost or expense, with a corresponding increase in liabilities; if share appreciation rights do not vest until the employees have completed a specified period of service or fulfills certain performance conditions, the liability is measured, at each balance sheet date until settled, at the fair value of the share appreciation rights measured at grant date based on the best estimate of the number of share appreciation right expected to vest.

(3) Modifications and cancellations of share-based payment plan

If the modification increases the fair value of the equity instruments granted, the Company includes the incremental fair value granted in the measurement of the amount recognized for services received as consideration for the equity instruments granted; similarly, if the modification increases the number of equity instruments granted, the Company includes the fair value of the additional equity instruments granted, in the measurement of the amount recognized for services received as consideration for the equity instruments granted; if the Company modifies the vesting conditions in a manner that is beneficial to the employee, the Company takes the modified vesting conditions into account.

If the modification reduces the fair value of the equity instruments granted, the Company does not take into account that decrease in fair value and continue to measure the amount recognized for services received as consideration for the equity instruments based on the grant date fair value of the equity instruments granted; if the modification reduces the number of equity instruments granted to an employee, that reduction is accounted for as a cancellation of that portion of the grant; if the Company modifies the vesting conditions in a manner that is not beneficial to the employee, the Company does not take the modified vesting conditions into account.

If the Company cancels or settles a grant of equity instruments during the vesting period (other than that cancelled when the vesting conditions are not satisfied), the Company accounts for the cancellation or settlement as an acceleration of vesting, and therefore recognizes immediately the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

33. Preference shares, perpetual bonds and other financial instruments

Applicable Not applicable

34. Income

(1) Accounting policies used in recognizing and measuring income disclosed by business type

Applicable Not applicable

1. Revenue recognition principles

At contract inception, the Company shall assess the contracts and shall identify each performance obligation in the contracts, and determine whether the performance obligation should be satisfied over time or at a point in time.

The Company satisfies a performance obligation over time if one of the following criteria is met, otherwise, the performance obligation is satisfied at a point in time: (1) the customer simultaneously receives and consumes the economic benefits provided by the Company's performance as the Company performs; (2) the customer can control goods as they are created by the Company's performance; (3) goods created during the Company's performance have irreplaceable uses and the Company has an enforceable right to the payments for performance completed to date during the whole contract period.

For each performance obligation satisfied over time, the Company shall recognize revenue over time by measuring the progress towards complete satisfaction of that performance obligation. In the circumstance that the progress cannot be measured reasonably, but the costs incurred in satisfying the performance obligation are expected to be recovered, the Company shall recognize revenue only to the extent of the costs incurred until it can reasonably measure the progress. For each performance obligation satisfied at a point in time, the Company shall recognize revenue at the time point that the customer obtains control of relevant goods or services. To determine whether the customer has obtained control of goods, the Company shall consider the following indications: (1) the Company has a present right to payments for the goods, i.e., the customer is presently obliged to pay for the goods; (2) the Company has transferred the legal title of the goods to the customer, i.e., the customer has legal title to the goods; (3) the Company has transferred physical possession of the goods to the customer, i.e., the customer has physically possessed the goods; (4) the Company has transferred significant risks and rewards of ownership of the goods to the customer, i.e., the customer has obtained significant risks and rewards of ownership of the goods; (5) the customer has accepted the goods; (6) other evidence indicating the customer has obtained control over the goods.

2. Revenue measurement principle

(1) Revenue is measured at the amount of the transaction price that is allocated to each performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties and those expected to be refunded to the customer.

(2) If the consideration promised in a contract includes a variable amount, the Company shall confirm the best estimate of variable consideration at expected value or the most likely amount. However, the transaction price that includes the amount of variable consideration only to the extent that it is high probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

(3) In the circumstance that the contract contains a significant financing component, the Company shall determine the transaction price based on the price that a customer would have paid for if the customer had paid cash for obtaining control over those goods or services. The difference between the transaction

price and the amount of promised consideration is amortized under effective interest method over contractual period. The effects of a significant financing component shall not be considered if the Company expects, at the contract inception, that the period between when the customer obtains control over goods or services and when the customer pays consideration will be one year or less.

(4) For contracts containing two or more performance obligations, the Company shall determine the stand-alone selling price at contract inception of the distinct good underlying each performance obligation and allocate the transaction price to each performance obligation on a relative stand-alone selling price basis.

3. Revenue recognition method

The Company is mainly engaged in sales of cobalt products, copper products, nickel products, lithium products, ternary precursors, cathode materials, nickel intermediates, etc., which are performance obligations satisfied at a point in time.

Revenue from domestic sales is recognized when the Company has delivered goods to the designated address as agreed by contract and such delivered goods have been verified for acceptance by customers, and the Company has collected the payments or has obtained the right to the payments, and related economic benefits are highly probable to flow to the Company.

Revenue from overseas sales is recognized when the Company has declared goods to the customs based on contractual agreements and has obtained a bill of lading, and the Company has collected the payments or has obtained the right to the payments, and related economic benefits are highly probable to flow to the Company.

(2) Different methods for recognizing and measuring income involved in the adoption of different business models for similar businesses

Applicable Not applicable

35. Contract costs

Applicable Not applicable

36. Government subsidies

Applicable Not applicable

1. Government grants shall be recognized if, and only if, the following conditions are all met: (1) the Company will comply with the conditions attaching to the grants; (2) the grants will be received. Monetary government grants are measured at the amount received or receivable. Non-monetary government grants are measured at fair value, and can be measured at nominal amount in the circumstance that fair value cannot be assessed.

2. Government grants related to assets

Government grants related to assets are government grants with which the Company purchases, constructs or otherwise acquires long-term assets under requirements of government. In the circumstances that there is no specific government requirement, the Company shall determine based on the primary condition to acquire the grants, and government grants related to assets are government grants whose primary condition is to construct or otherwise acquire long-term assets. They offset carrying amount of relevant assets, or they are recognized as deferred income. If recognized as deferred income, they are included in profit or loss on a systematic basis over the useful lives of the relevant assets. Those measured at notional amount are directly included into profit or loss. For assets sold, transferred, disposed or damaged within the useful lives, balance of unamortized deferred income is transferred into profit or loss of the period in which the disposal occurred.

3. Government grants related to income

Government grants related to income are government grants other than those related to assets. For government grants that contain both parts related to assets and parts related to income, in which those two parts are blurred, they are thus collectively classified as government grants related to income. For government grants related to income used for compensating the related future cost, expenses or losses, they are recognized as deferred income and included in profit or loss or used to offset relevant cost during the period in which the relevant cost, expenses or losses are recognized; for government grants related to income used for compensating the related cost, expenses or losses incurred to the Company, they are directly included in profit or loss or used to offset relevant cost.

4. Government grants related to the ordinary course of business shall be included into other income or used to offset relevant cost based on business nature, while those not related to the ordinary course of business shall be included into non-operating revenue or expenditures.

5. Policy interest subvention

(1) In the circumstance that government appropriates interest subvention to lending bank, who provides loans for the Company with a policy subsidized interest rate, borrowings are carried at the amount received, with relevant borrowings cost computed based on the principal and the policy subsidized interest rate.

(2) In the circumstance that government directly appropriates interest subvention to the Company, the subsidized interest shall offset relevant borrowing cost.

37. Deferred income tax assets/deferred income tax liabilities

Applicable Not applicable

1. Deferred tax assets or deferred tax liabilities are calculated and recognized based on the difference between the carrying amount and tax base of assets and liabilities (and the difference of the carrying amount and tax base of items not recognized as assets and liabilities but with their tax base being able to be determined according to tax laws) and in accordance with the tax rate applicable to the period during which the assets are expected to be recovered or the liabilities are expected to be settled.

2. A deferred tax asset is recognized to the extent of the amount of the taxable income, which is most likely to obtain and which can be deducted from the deductible temporary difference. At the balance sheet date, if there is any exact evidence indicating that it is probable that future taxable income will be available against which deductible temporary differences can be utilized, the deferred tax assets unrecognized in prior periods are recognized.

3. At the balance sheet date, the carrying amount of deferred tax assets is reviewed. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow the benefit of the deferred tax asset to be utilized. Such reduction is subsequently reversed to the extent that it becomes probable that sufficient taxable income will be available.

4. The income tax and deferred tax for the period are treated as income tax expenses or income through profit or loss, excluding those arising from the following circumstances: (1) business combination; and (2) the transactions or items directly recognized in equity.

5. Deferred tax assets and deferred tax liabilities shall offset each other and be presented on a net basis when the following conditions are all met: (1) the Company has the legal right to settle off current tax assets against current tax liabilities; (2) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same tax authority on either: 1) the same taxable entity; or 2) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

38. Lease

Applicable Not applicable

Criteria and accounting treatment method for the lessee to simplify the treatment of short-term lease and low-value asset lease

Applicable Not applicable

1. The Company as lessee

At the commencement date, the Company recognizes a lease that has a lease term of 12 months or less as a short-term lease, which shall not contain a purchase option; the Company recognizes a lease as a lease of a low-value asset if the underlying asset is of low value when it is new. If the Company subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low-value asset.

For all short-term leases and leases of low-value assets, lease payments are recognized as cost or profit or loss with straight-line method over the lease term.

Apart from the above-mentioned short-term leases and leases of low-value assets with simplified approach, the Company recognizes right-of-use assets and lease liabilities at the commencement date.

(2) Right-of-use assets

The right-of-use asset is measured at cost and the cost shall comprise: 1) the amount of the initial measurement of the lease liabilities; 2) any lease payments made at or before the commencement date, less any lease incentives received; 3) any initial direct costs incurred by the lessee; and 4) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Company depreciates the right-of-use asset using the straight-line method. If it is reasonable to be certain that the ownership of the underlying asset can be acquired by the end of the lease term, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(2) Lease liabilities

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate shall be used. Unrecognized financing expenses, calculated at the difference between the lease payment and its present value, are recognized as interest expenses over the lease term using the discount rate which has been used to determine the present value of lease payment and included in profit or loss. Variable lease payments not included in the measurement of lease liabilities are included in profit or loss in the periods in which they are incurred.

After the commencement date, if there is a change in the following items: 1) actual fixed payments; 2) amounts expected to be payable under residual value guarantees; 3) an index or a rate used to determine lease payments; 4) assessment result or exercise of purchase option, extension option or termination option, the Company remeasures the lease liability based on the present value of lease payments after changes, and adjusts the carrying amount of the right-of-use asset accordingly. If the carrying amount of the right-of-use asset is reduced to zero but there shall be a further reduction in the lease liability, the remaining amount shall be recognized into profit or loss.

Standard and accounting treatment method for the lessor to classify leases

Applicable Not applicable

1. The Company as lessor

At the commencement date, the Company classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, it is classified as an operating lease.

(1) Operating lease

Lease receipts are recognized as lease income with straight-line method over the lease term. Initial direct costs incurred shall be capitalized, amortized on the same basis as the recognition of lease income, and included into profit or loss by installments. Variable lease payments related to operating lease which are not included in the lease payment are charged as profit or loss in the periods in which they are incurred.

(2) Finance lease

At the commencement date, the Company recognizes the finance lease payment receivable based on the net investment in the lease (sum of the present value of unguaranteed residual value and lease receipts that are not received at the commencement date, discounted by the interest rate implicit in the lease), and derecognizes assets held under the finance lease. The Company calculates and recognizes interest income using the interest rate implicit in the lease over the lease term.

Variable lease payments not included in the measurement of the net investment in the lease are charged as profit or loss in the periods in which they are incurred.

2. Sale and leaseback

(1) The Company as the lessee

In accordance with the "CASBE 14 – Revenues", the Company would assess and determine whether the transfer of an asset in the sale and leaseback transaction is accounted for as a sale of that asset.

If the transfer of an asset is accounted for as a sale of the asset, the Company measures the right-of-use asset arising from the leaseback at the proportion of the original carrying amount of the asset that relates to the right of use retained by the Company. Accordingly, the Company recognizes only the amount of any gain or loss that relates to the rights transferred to the lessor.

Otherwise, the Company continues the recognition of the transferred assets, and recognizes a financial liability equal to the amount of transfer income in accordance with the “CASBE 22 – Financial Instruments: Recognition and Measurement” at the same time.

(2) The Company as the lessor

In accordance with the “CASBE 14 – Revenues”, the Company would assess and determine whether the transfer of an asset in the sale and leaseback transaction is accounted for as a sale of that asset.

If the transfer of an asset is accounted for as a sale of the asset, the Company accounts for the purchase of assets in accordance with other applicable standards, and accounts for the lease of assets in accordance with the “CASBE 21 – Leases”.

Otherwise, the Company does not recognize the transferred asset, but recognizes a financial asset equal to the amount of transfer income in accordance with the “CASBE 22 – Financial Instruments: Recognition and Measurement”.

39. Other significant accounting policies and accounting estimates

Applicable Not applicable

1. Basis of the adoption of hedge accounting and its accounting treatment

(1) Hedge includes fair value hedge, cash flow hedge and hedge of a net investment in a foreign operation.

(2) A hedging relationship qualifies for hedge accounting if all of the following conditions are met: 1) the hedging relationship consists only of eligible hedging instruments and eligible hedged instruments; 2) at the inception of the hedge there is formal designation of hedging instruments and hedged item, and documentation of the hedging relationship and the Company’s risk management objective and strategy for undertaking the hedge; 3) the hedging relationship meets the hedging effectiveness requirements.

The Company recognizes that the hedging relationship meets effectiveness requirements if the all of the followings are simultaneously satisfied: 1) there is an economic relationship between the hedged item and the hedging instruments; 2) the effect of credit risk does not dominate the value changes that result from that economic relationship between the hedged item and the hedging instruments; and 3) the hedge ratio of the hedging relationship is the same as the ratio of the quantity of the hedged item that the Company actually hedges and the number of hedging instruments that the Company actually uses to hedge that quantity of hedged item, but does not reflect an imbalance between the weightings of the hedged item and the hedging instrument.

The Company shall assess whether a hedging relationship meets the hedge effectiveness requirements at inception and on an ongoing basis. If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the hedging relationship shall be rebalanced.

(3) Hedge accounting

1) Fair value hedge

a. Gain or loss on the hedging instrument shall be recognized in profit or loss (or other comprehensive income, if the hedging instrument hedges a non-trading equity instrument (or a component thereof) at fair value through other comprehensive income).

b. The gain or loss on hedged item arising from risk exposure should be recognized in profit or loss, and meanwhile, the carrying amount of the hedged item which is not measured at fair value should be adjusted. If the hedged item is a financial asset (or a component thereof) that is measured at fair value through other comprehensive income in accordance with article XVIII in “CASBE 22 – Financial Instruments: Recognition and Measurement”, the gain or loss arising from the risk exposure on the hedged item shall be recognized in profit or loss, with carrying amount unadjusted for it has already been measured at fair value; if the hedged item is a non-trading equity instrument (or a component thereof) for which the Company has elected to present changes at fair value through other comprehensive income, the gain or loss arising from the risk exposure on the hedged item shall be recognized in profit or loss, with carrying amount unadjusted for it has already been measured at fair value.

When a hedged item is an unrecognized firm commitment (or a component thereof), the cumulative change in fair value of the hedged item subsequent to its designation is recognized as an asset or a liability with a corresponding gain or loss recognized in profit or loss. When a firm commitment is performed to acquire an asset or assume a liability, the initial carrying amount of the asset or the liability

is adjusted to include the cumulative change in fair value of the hedged item that was previously recognized.

For a hedged item that is a financial instrument (or a component thereof) measured at amortized cost, any adjustment on the carrying amount of the hedged item shall be amortized to profit or loss based on a recalculated effective interest rate at the date that amortization begins. In the case of a financial asset (or a component thereof) that is a hedged item and that is measured at fair value through other comprehensive income in accordance with article XVIII in “CASBE 22 – Financial Instruments: Recognition and Measurement”, amortization applies in the same manner but to the amount that represents the cumulative gain or loss previously recognized, which shall be subsequently recognized in profit or loss, instead of by adjusting the carrying amount.

2) Cash flow hedges

a. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognized in other comprehensive income as cash flow hedge reserve, while the ineffective portion shall be recognized in profit or loss. The cash flow hedge reserve shall be recognized at the lower of the following (in absolute amounts): (i) the cumulative gain or loss on the hedging instrument from inception of the hedge; and (ii) the cumulative change in present value of the expected future cash flows of the hedged item from inception of the hedge.

b. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Company shall transfer out the amount of cash flow hedge reserve previously recognized in other comprehensive income, and include it in the initial cost of the asset or the liability.

c. For other cash flow hedges, the amount of cash flow hedge reserve previously recognized in other comprehensive income shall be transferred out into profit or loss in the same period the hedged forecast sale affects profit or loss.

3) Hedges of a net investment in a foreign operation

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income, and reclassified from other comprehensive income to profit or loss on the disposal of the foreign operation; and the ineffective portion is recognized in profit or loss.

2. Accounting treatment related to share repurchase

When the Company repurchases its shares for the purpose of reducing its registered capital or rewarding its employees, if the purchased shares are to be kept as treasury shares, the treasury shares are recorded at the cash distributed to existing shareholders for repurchase; if the purchased shares are to be retired, the difference between the total book value of shares retired and the cash distributed to existing shareholders for repurchase is to reduce capital reserve, or retained earnings when the capital reserve is not enough to reduce. If the Company repurchases vested equity instruments in equity-settled share-based payment transactions with employees, cost of treasury shares granted to employees and capital reserve (other capital reserve) accumulated within the vesting period are to be written off on the payment made to employees, with a corresponding adjustment in capital reserve (share premium).

3. Work safety fund

The Company appropriates work safety fund in accordance with the “Circular on Management Measures on the Appropriation and Use of Work Safety Fund” (Cai Zi [2022] No. 136) issued by the Ministry of Finance and the Ministry of Emergency Management. Standard work safety fund is included in the cost or profit or loss, meanwhile accounted for under “special reserve”. When work safety fund is used as an expense, it is to offset special reserve directly. When work safety fund is qualified to be included in the cost of fixed assets, it is accounted for under “construction in progress” and transferred to fixed assets when related safety projects reach the designed useful conditions; meanwhile, the cost included in fixed assets is to offset “special reserve”, and accumulated depreciation shall be recognized at the same amount. Such fixed assets shall not be depreciated in future periods.

4. Segment reporting

Operating segments are determined based on the structure of the Company’s internal organization, management requirements and internal reporting system. An operating segment is a component of the Company:

1) that engages in business activities from which it may earn revenues and incur expenses;

2) whose financial performance is regularly reviewed by the Management to make decisions about resource to be allocated to the segment and to assess its performance; and

3) for which accounting information regarding financial position, financial performance and cash flows is available through analysis.

40. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

Applicable Not applicable

(2) Changes in significant accounting estimates

Applicable Not applicable

(3) Adjustment of the beginning amount of the financial statements 2024 due to the implementation of new accounting standards or their interpretations in the first time in 2024

Applicable Not applicable

41. Others

Applicable Not applicable

VI. Taxation

1. Main tax types and tax rates

Details of main tax types and tax rates

Applicable Not applicable

Taxes	Tax bases	Tax rates
Value-added tax (VAT)	The output tax calculated based on the revenue from sales of goods or rendering of services in accordance with the tax law, net of the input tax that is allowed to be deducted in the current period	Main rates include 16%, 15%, 13%, 11%, 6%; export goods of domestic production enterprises enjoy the preferential policy of “exemption, credit and refund”, and the tax refund rate is 0% and 13%, while export goods of domestic foreign trade enterprises enjoy the preferential policy of “exemption, refund”, and the tax refund rate is from 0% to 13%
Consumption tax		
Business tax		
Urban maintenance and construction tax	Turnover tax actually paid	7%, 5%
Enterprise income tax	Taxable income	Please refer to the following different enterprise income tax rates applicable to different taxpayers
Mineral tax	Taxable revenue	3.5%, 10%
Resources tax	Taxable revenue	7%
Housing property tax	For housing property levied on the basis of price, housing property tax is levied at the rate of 1.2% of the balance after deducting a certain percentage of the cost; for housing property levied on the basis of rent, housing property tax is levied at the rate of 12% of	1.2%, 12%

Taxes	Tax bases	Tax rates
	lease income.	
Education surcharge	Turnover tax actually paid	3%
Local education surcharge	Turnover tax actually paid	2%

Information about taxpayers applying different enterprise income tax rates:

Applicable Not applicable

Taxpayers	Income tax rate
The Company, New Energy Quzhou, Tianjin B&M, Jiangsu Huayou, Chengdu B&M, Guangxi B&M, Guangxi Huayou Engineering, Guangxi Lithium, Guangxi Huayou New Material	15%
Beijing Huashan, Beijing Youhong, Tongxiang Huashi,	20%
Taxpayers other than the above-mentioned	25%
Overseas entities	Subject to the tax rate in the place of registration

2. Tax preference

Applicable Not applicable

1. VAT

Pursuant to the “Announcement on the VAT Extra Deduction Policy for Advanced Manufacturing Enterprises” (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 43) and “Circular of General Office of the Ministry of Industry and Information Technology on the Formulation of the List of Advanced Manufacturing Enterprises Enjoying the VAT Extra Deduction Policy in 2023” (Gong Xin Ting Cai Han [2023] No. 267), from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are entitled to enjoy a 5% extra deduction of creditable input VAT for the current period from their VAT payable. The Company, New Energy Quzhou, Jiangsu Huayou and Tianjin B&M, as advanced manufacturing enterprises, are entitled to enjoy such preferential policy in the current period.

2. Enterprise income tax

(1) Domestic entities

Pursuant to the “High-tech Enterprise Certificate” jointly issued by Science and Technology Department of Zhejiang Province, Zhejiang Provincial Department of Finance and Zhejiang Provincial Tax Service of State Taxation Administration (STA) on December 8, 2023, the Company is accredited as a high-tech enterprise. Pursuant to the “Enterprise Income Tax Law of the People’s Republic of China”, the Company is entitled to enjoy the preferential enterprise income tax policy as a high-tech enterprise and subject to a reduced rate of 15% in the current period.

Pursuant to the “High-tech Enterprise Certificate” jointly issued by Science and Technology Department of Zhejiang Province, Zhejiang Provincial Department of Finance and Zhejiang Provincial Tax Service of STA on December 16, 2021, New Energy Quzhou is accredited as a high-tech enterprise. Pursuant to the “Enterprise Income Tax Law of the People’s Republic of China”, New Energy Quzhou is entitled to enjoy the preferential enterprise income tax policy as a high-tech enterprise and subject to a reduced rate of 15% in the current period.

Pursuant to the “High-tech Enterprise Certificate” jointly issued by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau and Tianjin Municipal Tax Service of STA on December 8, 2023, Tianjin B&M is accredited as a high-tech enterprise. Pursuant to the “Enterprise Income Tax Law of the People’s Republic of China”, Tianjin B&M is entitled to enjoy the preferential enterprise income tax policy as a high-tech enterprise and subject to a reduced rate of 15% in the current period.

Pursuant to the “High-tech Enterprise Certificate” jointly issued by Science and Technology Department of Jiangsu Province, Jiangsu Provincial Department of Finance and Jiangsu Provincial Tax Service of STA on December 12, 2022, Jiangsu Huayou is accredited as a high-tech enterprise. Pursuant to the “Enterprise Income Tax Law of the People’s Republic of China”, Jiangsu Huayou is entitled to enjoy the preferential enterprise income tax policy as a high-tech enterprise and subject to a reduced rate of 15% in the current period.

Pursuant to the “Announcement on Continuing the Enterprise Income Tax Policy for the Western Development” (Announcement of the Ministry of Finance [2020] No. 23), Chengdu B&M, Guangxi

B&M, Guangxi Lithium, Guangxi Huayou New Material and Guangxi Huayou Engineering are entitled to enjoy the preferential enterprise income tax policy as enterprises engaged in the encouraged industries in the western region and subject to a reduced rate of 15% in the current period.

Pursuant to the “Announcement on Preferential Income Tax Policies for Further Support for Small Enterprises with Meager Profit and Individually-owned Businesses” (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 12), from January 1, 2023 to December 31, 2027, enterprise income tax of small enterprises with meager profits is levied at 20% based on 25% of taxable income. The Company’s subsidiaries Beijing Huashan, Beijing Youhong, Tongxiang Huashi are qualified as small enterprises with meager profits and are entitled to enjoy the income tax preferential policies mentioned above in the current period.

Pursuant to the “Notice of the People’s Government of Guangxi Zhuang Autonomous Region on Several Policies for Promoting the High-level Opening and High-Quality Development of the Guangxi Beibu Gulf Economic Zone in the New Era” (Gui Zheng Fa [2020] No. 42), the subsidiaries Guangxi B&M, Guangxi Lithium, Guangxi Huayou New Material and Guangxi Huayou Engineering, as new enterprises registered and established in the economic zone, are accredited as high-tech enterprises or enterprises entitled to enjoy the preferential enterprise income tax policy for the western development. They are exempted from enterprise income tax shared by local governments for 5 years since the first year in which the revenue from main operations is generated. The subsidiaries Guangxi Lithium and Guangxi Huayou New Material are exempted for the second year, while the subsidiaries Guangxi B&M and Guangxi Huayou Engineering are exempted for the third year.

(2) Overseas entities

Pursuant to the “Decree of Minister of Finance of Indonesia Concerning Preferential Policies of Enterprise Income Tax Reduction and Exemption to Huayue Company”, Huayue Company is exempted from enterprise income tax as well as tax withheld by third parties on certain income from Huayue Company for 15 years from the tax year of the commencement of its commercial production. It also enjoys a tax reduction of 50% for 2 years following the expiration of the above exemption period.

Pursuant to the “Decree of Minister of Finance of Indonesia Concerning Preferential Policies of Enterprise Income Tax Reduction and Exemption to Huake Indonesia”, Huake Indonesia is exempted from enterprise income tax as well as tax withheld by third parties on certain income from Huake Indonesia for 10 years from the tax year of the commencement of its commercial production. It also enjoys a tax reduction of 50% for 2 years following the expiration of the above exemption period.

Pursuant to the “Decree of Minister of Finance of Indonesia Concerning Preferential Policies of Enterprise Income Tax Reduction and Exemption to Huafei Indonesia”, Huafei Indonesia is exempted from enterprise income tax as well as tax withheld by third parties on certain income from Huafei Indonesia for 20 years from the tax year of the commencement of its commercial production. It also enjoys a tax reduction of 50% for 2 years following the expiration of the above exemption period.

3. Others

Applicable Not applicable

VII. Notes to the items in the consolidated financial statements

1. Cash and cash equivalents

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Cash in hand	7,219,438.57	11,891,845.98
Deposit in bank	12,484,609,815.22	9,427,796,624.02
Other cash and cash equivalents	6,510,845,523.02	5,820,232,608.81
Deposit in finance company		
Total	19,002,674,776.81	15,259,921,078.81
Including: total amount of overseas deposits	7,638,025,238.43	4,130,223,257.04

Other remarks

Other cash and cash equivalents at the end of the period included RMB 1,881,937,260.00 in deposits for bank acceptance drafts, RMB 385,173,740.98 in deposits for LCs, RMB 6,052,500.00 in deposits for LGs, RMB 2,593,286,331.10 in deposits for borrowings, RMB 29,001,910.10 in deposits for forward settlement and sales of foreign exchange, RMB 1,556,407,490.69 in deposited investments, RMB 25,615,271.56 in deposits for environmental impact assessments, RMB 20,710,379.48 in deposited funds for share repurchase, RMB 10,522,599.11 in frozen funds from litigation and RMB 2,138,040 in others.

2. Financial assets held for trading
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance	Specified reason and basis
Financial assets measured at fair value through current profit or loss	418,219,349.75	373,221,093.05	
Including:			
Short-term financial products	376,000,000.00	307,093,242.90	
Derivative financial assets	42,219,349.75	66,127,850.15	
Financial assets designated to be measured at fair value through current profit or loss			
Including:			
Total	418,219,349.75	373,221,093.05	

Other remarks:
Applicable Not applicable

3. Derivative financial assets
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Derivative financial assets	2,100,966,984.02	1,395,343,385.26
Total	2,100,966,984.02	1,395,343,385.26

Other remarks:

Hedging futures contracts at the end of the period refer to the investment cost and the gains or losses from changes in the fair value of the held futures contracts, including RMB 1,291,764,464.65 in the investment cost of the held futures contracts, and RMB 809,202,519.37 in the gains from changes in the fair value of the of the held futures contracts.

4. Notes receivable
(1) Notes receivable presented by categories
Applicable Not applicable

(2) Notes receivable that have been pledged as at the end of the period
Applicable Not applicable

(3) Notes receivable endorsed or discounted by the Company as at the end of the period but not expired on the balance sheet date
Applicable Not applicable

(4) Classification according to different methods of provision for bad debts
Applicable Not applicable

Provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

Provision for bad debt made according to the general model of expected credit loss:

Applicable Not applicable

Basis for the division of each phase and proportion of provisions for bad debts

None

Changes in book balance of notes receivable with significant change in the amount of provision for loss in the current period:

Applicable Not applicable

(5) Details of the provision for bad debts
Applicable Not applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(6) Notes receivable actually written off in the current period
Applicable Not applicable

In which, significant amount of notes receivable written off:

Applicable Not applicable

Remarks to write-offs of notes receivable:

Applicable Not applicable

Other remarks:

Applicable Not applicable

5. Accounts receivable
(1) Disclosure by aging
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year		
Including: each sub-item		
Accounts receivable	6,963,337,562.44	8,295,001,926.95
Sub-total	6,963,337,562.44	8,295,001,926.95
1 to 2 years	190,080,128.73	117,515,843.63
2 to 3 years	4,681,036.98	6,006,912.24
More than 3 years	17,492,116.96	16,493,601.46
3 to 4 years		

4 to 5 years		
More than 5 years		
Total	7,175,590,845.12	8,435,018,284.28

(2) Classification according to different methods of provision for bad debts

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debt made on an individual basis	402,048.00	0.01	402,048.00	100.00		402,048.00	0.00	402,048.00	100.00	
Including:										
Receivables of individually insignificant amount but with provision made on an individual basis	402,048.00	0.01	402,048.00	100.00		402,048.00	0.00	402,048.00	100.00	
Provision for bad debt made on a portfolio basis	7,175,188,797.12	99.99	405,588,613.30	5.65	6,769,600,183.82	8,434,616,236.28	100.00	457,348,274.66	5.42	7,977,267,961.62
Including:										
Portfolio grouped with ages	7,175,188,797.12	99.99	405,588,613.30	5.65	6,769,600,183.82	8,434,616,236.28	100.00	457,348,274.66	5.42	7,977,267,961.62
Total	7,175,590,845.12	/	405,990,661.30	/	6,769,600,183.82	8,435,018,284.28	/	457,750,322.66	/	7,977,267,961.62

Provision for bad debt made on an individual basis:

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Name	Ending balance			
	Book balance	Provision for bad debt	Proportion of provision (%)	Reason for making provision
Other entities	402,048.00	402,048.00	100.00	Such entities are struggling, and it is likely to be unrecoverable
Total	402,048.00	402,048.00	100.00	/

Description of the provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

Items with provision made on a portfolio basis:

Monetary unit: Yuan Currency: RMB

Name	Ending balance		
	Accounts receivable	Provision for bad debt	Proportion of provision (%)
Within 1 year	6,963,503,415.89	348,175,170.79	5.00
1-2 years	189,914,275.28	37,982,855.06	20.00
2-3 years	4,681,036.98	2,340,518.49	50.00
Over 3 years	17,090,068.96	17,090,068.96	100.00
Total	7,175,188,797.12	405,588,613.30	5.65

Description of the provision for bad debts made on a portfolio basis:

Applicable Not applicable

Provision for bad debt made according to the general model of expected credit loss

Applicable Not applicable

Basis for the division of each phase and proportion of provisions for bad debts

None

Changes in book balance of accounts receivable with significant change in the amount of provision for loss in the current period:

Applicable Not applicable

(3) Details of the provision for bad debts

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision made	Recovered or reversed	Written-off or charged off	Other change	
Provision for bad debt made on an individual basis	402,048.00					402,048.00
Provision for bad debt made on a portfolio basis	457,348,274.66		51,759,661.36			405,588,613.30
Total	457,750,322.66		51,759,661.36			405,990,661.30

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(4) Accounts receivable actually written off in the current period

Applicable Not applicable

In which, significant amount of accounts receivable written off:

Applicable Not applicable

Remarks to write-offs of accounts receivable:

Applicable Not applicable

(5) Top 5 accounts receivable and contract assets in terms of the ending balance presented by debtors:

Applicable Not applicable

Other remarks

Applicable Not applicable

6. Contract assets

(1) Details of contract assets

Applicable Not applicable

(2) Amount of and reason for major changes in the book value during the reporting period

Applicable Not applicable

(3) Classification according to different methods of provision for bad debts

Applicable Not applicable

Provision for bad debt made on an individual basis:

Applicable Not applicable

Description of the provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

Provision for bad debt made according to the general model of expected credit loss:

Applicable Not applicable

Basis for the division of each phase and proportion of provisions for bad debts

None

Changes in book balance of contract assets with significant change in the amount of provision for loss in the current period:

Applicable Not applicable

(4) Details of the provision for bad debts with contract assets in the current period

Applicable Not applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(5) Contract assets actually written off in the current period
Applicable Not applicable

In which, significant amount of contract assets written off:

Applicable Not applicable

Remarks to write-offs of contract assets:

Applicable Not applicable

Other remarks:

Applicable Not applicable

7. Accounts receivable financing
(1) Accounts receivable financing presented by categories
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Bank acceptance drafts	922,636,746.24	2,425,306,902.49
Total	922,636,746.24	2,425,306,902.49

(2) Accounts receivable financing that have been pledged as at the end of the period
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount pledged as at the end of the period
Bank acceptance drafts	77,368,313.85
Total	77,368,313.85

(3) Accounts receivable financing endorsed or discounted by the Company as at the end of the period but not expired on the balance sheet date
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount de-recognized as at the end of the period	Amount not de-recognized as at the end of the period
Bank acceptance drafts	7,228,222,179.63	
Total	7,228,222,179.63	

(4) Classification according to different methods of provision for bad debts

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debt made on an individual basis										
Including:										
Provision for bad debt made on a portfolio basis	922,636,746.24	100.00			922,636,746.24	2,425,306,902.49	100.00			2,425,306,902.49
Including:										
Bank acceptance drafts	922,636,746.24	100.00			922,636,746.24	2,425,306,902.49	100.00			2,425,306,902.49
Total	922,636,746.24	/		/	922,636,746.24	2,425,306,902.49	/		/	2,425,306,902.49

Provision for bad debt made on an individual basis:

Applicable Not applicable

Description of the provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

Provision for bad debt made according to the general model of expected credit loss:

Applicable Not applicable

Basis for the division of each phase and proportion of provisions for bad debts

None

Description of significant changes in the book balance of accounts receivable financing that have changed the provision for losses in the current period:

Applicable Not applicable

(5) Details of the provision for bad debts

Applicable Not applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(6) Accounts receivable financing actually written off in the current period

Applicable Not applicable

In which, significant amount of accounts receivable financing written off:

Applicable Not applicable

Remarks to write-offs of accounts receivable financing:

Applicable Not applicable

(7) Increase/decrease of accounts receivable financing and changes in fair value in the current period:

Applicable Not applicable

(8) Other remarks:

Applicable Not applicable

8. Advances to suppliers

(1) Advances to suppliers presented by aging

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	2,153,886,232.89	92.08	1,637,868,263.19	90.46
1 to 2 years	145,682,411.88	6.23	109,961,668.29	6.07
2 to 3 years	5,692,293.43	0.24	58,756,880.74	3.24

More than 3 years	33,993,032.58	1.45	4,238,834.44	0.23
Total	2,339,253,970.78	100.00	1,810,825,646.66	100.00

Remarks to reasons for failure in timely settling the advances to supplier with the aging over 1 year and major amount:

No advances to supplier with the aging over 1 year and major amount at the end of the period

(2) Top 5 advance to suppliers in terms of the ending balance presented by suppliers

Applicable Not applicable

Other remarks:

Applicable Not applicable

Closing balance of top 5 debtors totaled RMB 1,116,600,773.34, accounting for 48.06% of the total closing balance of advances to suppliers.

9. Other receivables

Presented by items

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Interests receivable		
Dividends receivable		
Other receivables	336,638,174.13	392,878,676.92
Total	336,638,174.13	392,878,676.92

Other remarks:

Applicable Not applicable

Interests receivable

(1) Classification of interests receivable

Applicable Not applicable

(2) Significant overdue interests

Applicable Not applicable

(3) Classification according to different methods of provision for bad debts

Applicable Not applicable

Provision for bad debt made on an individual basis:

Applicable Not applicable

Description of the provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

(4) Provision for bad debt made according to the general model of expected credit loss:

Applicable Not applicable

(5) Details of the provision for bad debts

Applicable Not applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(6) Interests receivable actually written off in the current period

Applicable Not applicable

In which, significant amount of interests receivable written off:

Applicable Not applicable

Remarks to write-offs of interests receivable:

Applicable Not applicable

Other remarks:

Applicable Not applicable

Dividends receivable

(1) Dividends receivable

Applicable Not applicable

(2) Major dividends receivable with aging over 1 year

Applicable Not applicable

(3) Classification according to different methods of provision for bad debts

Applicable Not applicable

Provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

(4) Provision for bad debt made according to the general model of expected credit loss:

Applicable Not applicable

(5) Details of the provision for bad debts

Applicable Not applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(6) Dividends receivable actually written off in the current period

Applicable Not applicable

In which, significant amount of dividends receivable written off:

Applicable Not applicable

Remarks to write-offs of dividends receivable:

Applicable Not applicable

Other remarks:

Applicable Not applicable

Other receivables
(1) Disclosure by aging
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year		
Including: each sub-item		
Within 1 year	212,385,438.17	278,544,130.15
Sub-total	212,385,438.17	278,544,130.15
1 to 2 years	109,208,612.61	128,649,339.42
2 to 3 years	115,270,585.79	40,203,445.04
More than 3 years	13,601,300.34	31,217,418.11
3 to 4 years		
4 to 5 years		
More than 5 years		
Total	450,465,936.91	478,614,332.72

(2) Classification by nature of funds
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Nature of funds	Ending book balance	Beginning book balance
Security deposits	318,020,474.07	305,129,790.00
Export tax refund	61,540,000.00	143,984,010.32
Petty cash	9,058,026.99	10,306,244.91
Temporary borrowings	11,538,067.82	15,249,602.59
Others	50,309,368.03	3,944,684.90
Total	450,465,936.91	478,614,332.72

(3) Provision for bad debt
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire existence (without credit impairment)	Expected credit loss over the entire existence (with credit impairment)	
Balance as at January 1, 2024	6,728,005.99	25,729,867.88	53,277,781.93	85,735,655.80
Balance as at January 1, 2024 in the current period				
--Transferred to Phase II	-5,460,430.63	5,460,430.63		
--Transferred to Phase III		-23,054,117.16	23,054,117.16	
--Reversed to Phase II				
--Reversed to Phase I				
Provision made in the current period	6,274,696.55	13,705,541.17	8,111,869.26	28,092,106.98
Reversal in the current period				
Write-off in the current period				
Charge off in the current period				
Other change				
Balance as at June 30, 2024	7,542,271.91	21,841,722.52	84,443,768.35	113,827,762.78

Basis for the division of each phase and proportion of provisions for bad debts

Phase I is where credit risk of other receivables with ages within one year and portfolio grouped with government funds receivable has not increased significantly since initial recognition. Phase II is where credit risk of other receivables with ages of 1-2 years has increased significantly since initial recognition, but such receivables are not considered credit-impaired. Phase III is where other receivables with ages over 2 years are considered credit-impaired since initial recognition.

Changes in book balance of other receivables with significant change in the amount of provision for loss in the current period

Applicable Not applicable

Amount of provision for bad debts in the current period and the basis for evaluating whether the credit risk of the financial instruments has significantly increased:

Applicable Not applicable

(4) Details of the provision for bad debts

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision made	Recovered or reversed	Written-off or charged off	Other change	
Provision for bad debt made on an individual basis	3,917,282.59					3,917,282.59
Provision for bad debt made on a portfolio basis	81,818,373.21	28,092,106.98				109,910,480.19
Total	85,735,655.80	28,092,106.98				113,827,762.78

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks

None

(5) Other receivables actually written off in the current period

Applicable Not applicable

In which, significant amount of other receivables written off:

Applicable Not applicable

Remarks to write-offs of other receivables

Applicable Not applicable

(6) Top 5 other receivables in terms of the ending balance presented by debtors

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Unit name	Ending balance	Proportion in the total ending balance of other receivables (%)	Nature of funds	Aging	Ending balance of provision for bad debt
Cinda Financial Leasing Co., Ltd.	102,600,000.00	22.78	Security deposits	1-2 years: RMB 20,100,000.00 2-3 years: RMB 82,500,000.00	45,270,000.00

Receivables from export tax rebates	61,540,000.00	13.66	Export tax refund	Within 1 year	
SINO IC Leasing Co., Ltd.	52,600,000.00	11.68	Security deposits	Within 1 year: RMB 40,000,000.00 1-2 years: RMB 6,000,000.00 2-3 years: RMB 6,600,000.00	6,500,000.00
Everbright Financial Leasing Co., Ltd.	52,500,000.00	11.65	Security deposits	1-2 years: RMB 20,000,000.00 2-3 years: RMB 32,500,000.00	20,250,000.00
Changjiang United Financial Leasing Co., Ltd.	25,000,000.00	5.55	Security deposits	Within 1 year	1,250,000.00
Total	294,240,000.00	65.32	/	/	72,370,000.00

(7) Other receivables presented due to centralized management of funds

Applicable Not applicable

Other remarks:

Applicable Not applicable

10. Inventories

(1) Classification of inventories

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value
Raw materials	9,362,413,528.11	50,597,904.47	9,311,815,623.64	10,100,507,961.25	78,802,703.35	10,021,705,257.90
Goods in production	2,274,928,019.71	34,582,250.08	2,240,345,769.63	1,828,374,057.48	53,859,439.89	1,774,514,617.59
Goods in stock	2,480,995,433.25	132,836,463.70	2,348,158,969.55	3,464,350,646.64	206,883,517.27	3,257,467,129.37
Revolving materials						
Consumptive biological assets						
Contract performance cost						
Materials on consignment for further processing	334,315,628.44	21,277,742.67	313,037,885.77	742,852,851.31	33,138,598.54	709,714,252.77
Total	14,452,652,609.51	239,294,360.92	14,213,358,248.59	16,136,085,516.68	372,684,259.05	15,763,401,257.63

Closing balance includes recognized losses on changes in fair value of hedged inventories of RMB -951,179,597.51. Please see XII 2 of this section for details.

(2) Data resource recognized as inventory

Applicable Not applicable

(3) Provision for inventory depreciation or provision for impairment of contract performance cost

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision made	Others	Reversed or charged-off	Others	
Raw materials	78,802,703.35	6,473,420.39		34,678,219.27		50,597,904.47
Goods in production	53,859,439.89	7,635,204.89		26,912,394.70		34,582,250.08
Goods in stock	206,883,517.27	28,295,938.39		102,342,991.96		132,836,463.70
Revolving materials						
Consumptive biological assets						
Contract performance cost						
Materials on consignment for further processing	33,138,598.54	4,697,783.53		16,558,639.40		21,277,742.67
Total	372,684,259.05	47,102,347.20		180,492,245.33		239,294,360.92

Reason for reversal or charge off of the provision for inventory depreciation in the current period

Applicable Not applicable

Provision for inventory depreciation made on a portfolio basis:

Applicable Not applicable

Standard of provision for inventory depreciation made on a portfolio basis:

Applicable Not applicable

(4) Capitalized amount of borrowing costs contained in the ending balance of inventories and standard and basis for its calculation

Applicable Not applicable

(5) Remarks to the amortization amount of contract performance cost

Applicable Not applicable

Other remarks:

Applicable Not applicable

11. Assets held for sale

Applicable Not applicable

12. Non-current assets maturing within one year

Applicable Not applicable

Creditor's right investments maturing within one year

Applicable Not applicable

Other creditor's right investments maturing within one year
Applicable Not applicable

Other remarks to non-current assets maturing within one year

None

13. Other current assets
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Contract acquisition cost		
Cost of returned goods		
Input VAT to be credited or refunded	3,985,921,343.27	3,610,782,741.58
Prepaid enterprise income tax	5,596,600.05	76,800,970.30
Prepaid resources tax	4,795,069.61	46,027,095.94
Total	3,996,313,012.93	3,733,610,807.82

Other remarks:

None

14. Creditor's right investments
(1) Details of creditor's right investments
Applicable Not applicable

Changes in the provision for impairment of creditor's right investments in the current period

Applicable Not applicable

(2) Major creditor's right investments as at the end of the period
Applicable Not applicable

(3) Provision for impairment
Applicable Not applicable

Basis for the division of each phase and proportion of provisions for impairment

None

Changes in book balance of creditor's right investments with significant change in the amount of provision for loss in the current period

Applicable Not applicable

Amount of provision for impairments in the current period and the basis for evaluating whether the credit risk of the financial instruments has significantly increased:

Applicable Not applicable

(4) Creditor's right investments actually written off in the current period
Applicable Not applicable

In which, significant amount of creditor's right investments written off:

Applicable Not applicable

Remarks to write-offs of creditor's right investments:

Applicable Not applicable

Other remarks:

None

15. Other creditor's right investments
(1) Details of other creditor's right investments
Applicable Not applicable

Changes in the provision for impairment of other creditor's right investments in the current period

Applicable Not applicable

(2) Major other creditor's right investments as at the end of the period
Applicable Not applicable

(3) Provision for impairment
Applicable Not applicable

(4) Other creditor's right investments actually written off in the current period
Applicable Not applicable

In which, significant amount of other creditor's right investments written off:

Applicable Not applicable

Remarks to write-offs of other creditor's right investments:

Applicable Not applicable

Other remarks:

Applicable Not applicable

16. Long-term receivables
(1) Details of long-term receivables
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance			Range of discount rate
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value	
Finance lease payments							
Including: unrealized financing income							
Installment proceeds from sale of goods							
Installment proceeds from rendering of services							
La Societe Immobiliere du Congo	1,257,702.03		1,257,702.03	1,249,919.48		1,249,919.48	N/A
La Sino-Congolaise Des Mines S. A. ("SGM")	41,921,975.64		41,921,975.64	41,662,566.21		41,662,566.21	N/A
Gecamines	2,096,170.05		2,096,170.05	2,083,199.14		2,083,199.14	N/A
La Province du Lualaba	16,127,444.68		16,127,444.68	16,027,649.49		16,027,649.49	N/A
Indonesia Weda Bay Industrial Park Co., Ltd. ("IWIP Company")	197,982,504.00		197,982,504.00	196,757,406.00		196,757,406.00	N/A
Veinstone Investment Limited ("Veinstone")	116,651,462.40		116,651,462.40	115,929,633.60		115,929,633.60	N/A

PT. Prima Puncak Mulia ("PPM Company")	131,474,769.10		131,474,769.10	130,661,215.01		130,661,215.01	N/A
Total	507,512,027.90		507,512,027.90	504,371,588.93		504,371,588.93	/

1) Gecamines, La Societe Immobiliere du Congo, SGM

Pursuant to the "Agreement on Establishment of Joint Venture" entered into among the Company, Gecamines, La Societe Immobiliere du Congo, China Railway Group (Hong Kong) Limited, China Railway Resources Development Co., Ltd., Sinohydro Corporation Limited, Sinohydro Harbour Co., Ltd. and China Metallurgical Group Corporation in September 2008 and the "Confirmation of Equity Adjustment" entered into among the Company, China Railway (Hong Kong) Engineering Limited and Sinohydro Resources Limited on October 23, 2013, the Company respectively rendered borrowings of USD 294,125.00 (equivalent to RMB 2,096,170.05 according to the exchange rate as at June 30, 2024) and USD 176,475.00 (equivalent to RMB 1,257,702.03 according to the exchange rate as at June 30, 2024) to Gecamines and La Societe Immobiliere du Congo for their contributions to SGM, and rendered borrowings of USD 5,882,300.00 (equivalent to RMB 41,921,975.64 according to the exchange rate as at June 30, 2024) to SGM. Gecamines and La Societe Immobiliere du Congo would repay the borrowings with dividends distributed by SGM, and SGM would repay the borrowings with its earnings from operations free of interest.

2) La Province du Lualaba

Pursuant to the "Pre-financing Agreement on Restoration Engineering of Luena Road" and the "Concession Contract" entered into between the subsidiary CDM Company and La Province du Lualaba respectively in September 2017 and March 2018, the subsidiary CDM Company rendered borrowings of USD 4.00 million to La Province du Lualaba for road restoration. La Province du Lualaba would repay the borrowings with taxes on proceedings from right-of-way of the road section. As of June 30, 2024, the subsidiary CDM Company has paid USD 2,262,929.32 (equivalent to RMB 16,127,444.68 according to the exchange rate as at June 30, 2024).

3) IWIP Company

Pursuant to the "Shareholder Loan Agreement" entered into between the subsidiary Huachuang International and the associate IWIP Company based on the resolution of the fifth meeting of the sixth session of the Board of Directors in 2023, Huachuang International, as shareholder of IWIP Company, rendered shareholder borrowings of USD 27,780,000.00 (equivalent to RMB 197,982,504.00 according to the exchange rate as at June 30, 2024) to IWIP Company. Such shareholder borrowings were rendered together with other shareholders based on holding proportions.

4) Veinstone

Pursuant to the "Shareholder Loan Agreement" entered into between the subsidiary Huayou Mining Hong Kong and the associate Veinstone based on the resolution of the fifth meeting of the sixth session of the Board of Directors in 2023, Huayou Mining Hong Kong, as shareholder of Veinstone, rendered shareholder borrowings of USD 16,368,000.00 (equivalent to RMB 116,651,462.40 according to the exchange rate as at June 30, 2024) to Veinstone. Such shareholder borrowings were rendered together with other shareholders based on holding proportions.

5) PPM Company

Pursuant to the "PPM Loan Agreement" entered into between the subsidiary Huayong International and PPM Company, the shareholder of PT. Merdeka Battery Materials (formerly known as "Hamparan Logistik Nusantara", the "MBM Company"), based on the resolution of the 36th meeting of the fifth session of the Board of Directors, Huayong International rendered borrowings of USD 18,447,938.64 (equivalent to RMB 131,474,769.10 according to the exchange rate as at June 30, 2024) to PPM Company to support PPM Company's subscription of equity of MBM Company. PPM Company would repay the borrowings with dividend distributed by MBM Company and gains on realization of shares of MBM Company after it is successfully listed.

As there was no obvious evidence indicating impairment of the above long-term receivables, no provision for impairment was made thereon.

(2) Classification according to different methods of provision for bad debts

Applicable Not Applicable

Provision for bad debt made on an individual basis:

Applicable Not Applicable

Description of the provision for bad debt made on an individual basis:

Applicable Not Applicable

Provision for bad debt made on a portfolio basis:

Applicable Not Applicable

Provision for bad debt made according to the general model of expected credit loss

Applicable Not Applicable

(3) Details of the provision for bad debts

Applicable Not Applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not Applicable

Other remarks:

None

(4) Long-term receivables actually written off in the current period

Applicable Not Applicable

In which, significant amount of long-term receivables written off:

Applicable Not Applicable

Remarks to write-offs of long-term receivables:

Applicable Not Applicable

Other remarks:

Applicable Not Applicable

17. Long-term equity investments
(1) Details of long-term equity investments

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Investee	Beginning balance	Increase/decrease in the current period								Ending balance	Ending balance of provision for impairment	
		Additional investment	Reduced investment	Profit/loss on investment recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash dividends or profits declared for distribution	Provision for impairment	Others			
I. Joint ventures												
PT Alam Hijau Environmental Services (“ Alam Hijau ”)	6,130,740.58			-500,575.97	11,123.91						5,641,288.52	
Sub-total	6,130,740.58	-	-	-500,575.97	11,123.91	-	-	-	-	-	5,641,288.52	
II. Associates												
Newstride Technology Limited (“ Newstride Technology ”)	1,703,945,945.79			271,503,108.27	573,971.00		85,521,584.18				1,890,501,440.88	-
Quzhou Minfu Woneng New Energy Vehicle Technology Co., Ltd. (“ Minfu Woneng ”)	-	-	-	-	-	-	-	-	-	-	-	1,161,307.33
AVZ MINERALS LIMITED	58,764,948.53										58,764,948.53	
Zhejiang Puhua New Energy Materials Co., Ltd.	582,518,957.15			-5,945,334.31							576,573,622.84	
Leyou New Energy Materials (Wuxi) Co., Ltd.	1,964,440,441.25			120,392,978.43			433,774,928.01				1,651,058,491.67	
Ruiyou Investment Company Limited	9,996,285.22										9,996,285.22	
Veinstone Investment Limited (Veinstone)	215,380,966.01			13,767,765.70	-2,993.83						229,145,737.88	
PT. Indonesia Weda Bay Industrial Park (“ IWIP ”)	323,396,923.15			20,017,825.92	62,126.47						343,476,875.54	
PT.HUA PIONEER INDONESIA (“ Indonesia Huatuo ”)	-	-	-	-	-	-	-	-	-	-	-	3,479,194.09
POSCO-HY CLEAN METAL CO.,LTD (“ PHC Company ”)	37,548,390.12	-	-	-37,548,390.12	-	-	-	-	-	-	-	-
Hunan Yacheng New Energy Co., Ltd. (“ Hunan Yacheng ”)	118,584,531.44	-	-	-10,745,316.29	-	-	-	-	-	-	107,839,215.15	-
Guangxi Times Li-ion New Energy Materials Investment Management	702,935,855.03	-	-	-706,669.58	-	-	-	-	-	-	702,229,185.45	-

Center (Limited Partnership) ("Guangxi Times Li-ion Investment Management Center")											
Guangxi Times Li-ion New Materials Industry Development Fund Partnership (Limited Partnership) ("Guangxi Times Li-ion Industry Fund")	657,644,871.98	-	-	-1,255,960.50	-	-	-	-	-	656,388,911.48	-
Quzhou Anyou Equity Investment Partnership (Limited Partnership) ("Quzhou Anyou")	587,288,826.94	-	-	-3,523,245.61	-	-	-	-	-	583,765,581.33	-
Quzhou Xinhua Equity Investment Partnership (Limited Partnership) ("Quzhou Xinhua")	1,169,141,544.85	-	-	-6,974,000.65	-	-	-	-	-	1,162,167,544.20	-
Zhejiang Power Investment Huayou Intelligent Energy Co., Ltd. ("Zhejiang Power Investment")	5,838,263.13	409,600.00	-	306,088.14	-	-	-	-	-	6,553,951.27	-
Tongxiang Lithium Times Equity Investment Partnership (Limited Partnership) ("Tongxiang Lithium Times")	119,513,527.56	32,000,000.00	-	31,120.15	-	-	-	-	-	151,544,647.71	-
Ningbo Ruihua International Trade Co., Ltd. ("Ningbo Ruihua")	62,875,176.08	-	-	729,977.95	-	-	-	-	-	63,605,154.03	-
PT Iwip Green Industry	4,687,757.55	177,814,716.75	-	391,578.49	552,410.16	-	-	-	-	183,446,462.95	-
LG-HY BCM CO., LTD ("LG-HY BCM")	673,133,839.31	-	-	95,386,849.78	-36,027.61	-	-	-	-	768,484,661.48	-
Jintang B&M Technology Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-
Zhejiang Haigang Pingyou Port Co., Ltd. ("Haigang Pingyou")	88,665,000.00	-	-	-	-	-	-	-	-	88,665,000.00	-
Quzhou Hangyang Huayou Gas Co., Ltd. ("Quzhou Hangyang")	70,282,751.48	-	-	-	-	-	-	-	-	70,282,751.48	-
ASKARI METALS LIMITED	9,599,207.07	-	-	-	-	-	-	-	-	9,599,207.07	-
Changchun Zongxu Huayou Energy Technology Co., Ltd.	1,864,503.67	-	-	123,819.92	-	-	-	-	-	1,988,323.59	-
MBM	538,587,411.85	-	-	3,933,987.60	54,795.71	-	-	-	-	542,576,195.16	-
PT. WANA KENCANA MINERAL ("WKM Company")		897,176,506.82		13,464,586.87	-136,434.25					910,504,659.44	
PT. ETERNAL NICKEL INDUSTRY		138,516,199.00		-423,329.07	413,440.05					138,506,309.98	
Sub-total	9,706,635,925.16	1,245,917,022.57		472,927,441.09	1,481,287.70			519,296,512.19		10,907,665,164.33	4,640,501.42
Total	9,712,766,665.74	1,245,917,022.57		472,426,865.12	1,492,411.61			519,296,512.19		10,913,306,452.85	4,640,501.42

(2) Impairment test of long-term equity investments
Applicable Not Applicable

Other remarks:

None

18. Other equity instrument investments
(1) Details of other equity instrument investments
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase/decrease in the current period					Ending balance	Dividend income recognized in the current period	Accumulated gains included in other comprehensive income	Accumulated losses included in other comprehensive income	Reason for the designation of measuring at fair value with changes included in other comprehensive income
		Additional investment	Capital reduction	Gains included in other comprehensive income in the current period	Losses included in other comprehensive income in the current period	Others					
Inner Mongolia Sinuo New Material Technology Co., Ltd. (“ Inner Mongolia Sinuo ”)	36,894,737.00						36,894,737.00				
Hanaq Argentina S.A. (“ Hanaq Company ”)	4,002,445.81						4,002,445.81				
Shenzhen Phoenicia Technology Co., Ltd. (“ Shenzhen Phoenicia ”)	1,750,000.00		1,750,000.00								
Total	42,647,182.81		1,750,000.00				40,897,182.81				/

(2) Explanation for de-recognition in the current period
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Accumulated gains transferred to retained earnings due to de-recognition	Accumulated losses transferred to retained earnings due to de-recognition	Reason for de-recognition
Shenzhen Phoenicia	0.00	0.00	Equity transfer
Total	0.00	0.00	/

Other remarks:

Applicable Not Applicable

19. Other non-current financial assets
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Financial assets classified as at fair value through profit or loss	6,573,600.00	6,573,600.00
Including: Equity instrument investments	6,573,600.00	6,573,600.00
Total	6,573,600.00	6,573,600.00

Other remarks:

Name of investee	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
SGM	6,573,600.00			6,573,600.00
In subtotal	6,573,600.00			6,573,600.00

20. Investment properties

Measurement method for investment properties

Not applicable

(1) Impairment test of investment properties measured at cost
Applicable Not Applicable

Other remarks:

Applicable Not Applicable

21. Fixed assets
Presented by items
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Fixed assets	47,472,208,626.88	46,339,084,007.03
Disposal of fixed assets		
Total	47,472,208,626.88	46,339,084,007.03

Other remarks:

None

Fixed assets
(1) Details of fixed assets
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Houses and buildings	Machinery equipment	Transportation equipment	Other equipment	Total
I. Original book value:					
1.Beginning balance	15,654,119,730.89	36,915,316,132.14	1,189,014,817.36	831,705,084.70	54,590,155,765.09
2. Increase in the current period	1,006,257,410.74	1,899,373,754.36	224,867,253.65	231,127,583.41	3,361,626,002.16
(1) Purchase	10,158,297.36	108,222,239.40	195,989,215.74	12,933,673.26	327,303,425.76
(2) Transfer from construction-in-progress	389,705,528.89	1,275,027,818.39		70,187,608.65	1,734,920,955.93
(3) Increase from the business combination	294,699,765.47	441,332,189.63	10,182,690.70	122,101.12	746,336,746.92
(4) Translation reserve	311,693,819.02	74,791,506.94	18,695,347.21	147,884,200.38	553,064,873.55
3. Decrease in the current period	5,823,929.47	108,052,166.09	6,919,890.53	23,172,306.47	143,968,292.56
(1) Disposal or scrapping	5,823,929.47	108,052,166.09	6,919,890.53	23,172,306.47	143,968,292.56
4.Ending balance	16,654,553,212.16	38,706,637,720.41	1,406,962,180.48	1,039,660,361.64	57,807,813,474.69
II. Accumulated depreciation					
1.Beginning balance	1,772,729,808.45	5,836,527,328.00	272,355,968.17	344,113,898.83	8,225,727,003.45
2. Increase in the current period	412,085,159.83	1,506,236,116.56	74,563,023.13	156,900,566.27	2,149,784,865.79
(1) Provision	403,727,557.80	1,496,499,856.64	72,193,944.24	154,655,865.44	2,127,077,224.12
(2) Translation reserve	8,357,602.03	9,736,259.92	2,369,078.89	2,244,700.83	22,707,641.67
3. Decrease in the current period	3,445,544.06	48,407,651.08	3,318,003.44	11,478,599.02	66,649,797.60
(1) Disposal or scrapping	3,445,544.06	48,407,651.08	3,318,003.44	11,478,599.02	66,649,797.60
4.Ending balance	2,181,369,424.22	7,294,355,793.48	343,600,987.86	489,535,866.08	10,308,862,071.64
III. Provision for impairment					
1.Beginning balance	5,401,261.92	18,565,100.04		1,378,392.65	25,344,754.61
2. Increase in the current period	1,559,419.73			47,244.39	1,606,664.12
(1) Provision					
(2) Translation reserve	1,559,419.73			47,244.39	1,606,664.12
3. Decrease in the current period		208,642.56			208,642.56
(1) Disposal or scrapping		208,642.56			208,642.56
4.Ending balance	6,960,681.65	18,356,457.48		1,425,637.04	26,742,776.17
IV. Book value					
1. Ending book value	14,466,223,106.29	31,393,925,469.45	1,063,361,192.62	548,698,858.52	47,472,208,626.88
2. Beginning book value	13,875,988,660.52	31,060,223,704.10	916,658,849.19	486,212,793.22	46,339,084,007.03

(2) Temporarily idle fixed assets

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Item	Original book value	Accumulated depreciation	Provision for impairment	Book value	Remarks
Buildings and structures	10,952,653.75	4,915,087.13	6,037,566.61	0.00	
Machinery	50,134,258.75	30,717,096.74	18,340,476.20	1,076,685.80	
Other equipment	1,455,962.83	268,425.33	1,040,156.69	147,380.81	
Sub-total	62,542,875.32	35,900,609.20	25,418,199.51	1,224,066.61	

(3) Fixed assets leased out under operating lease
 Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending book value
Buildings and structures	538,984.66
Transportation vehicles	113,762,948.41
Other equipment	2,152,020.41
Sub-total	116,453,953.48

(4) Fixed assets with the title certificate not obtained
 Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Book value	Reasons for the failure to obtain title certificate
Buildings and structures	3,575,028,255.56	In process

(5) Impairment test of fixed assets
 Applicable Not applicable

Other remarks:

 Applicable Not applicable

Disposal of fixed assets
 Applicable Not applicable

22. Construction in progress
Presented by items
 Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Construction in progress	11,892,898,467.03	10,438,025,172.14
Project materials	128,640,988.28	381,532,003.35
Total	12,021,539,455.31	10,819,557,175.49

Other remarks:

None

Construction in progress
(1) Details of construction in progress
 Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision For impairment	Book value	Book balance	Provision For impairment	Book value

Battery-grade nickel sulfate project with an annual output of 50,000 tons of nickel metal	707,347,077.85		707,347,077.85	215,904,827.68		215,904,827.68
Integration project for high-nickel ternary cathode materials for power batteries with an annual output of 50,000 tons and ternary precursor materials with an annual output of 100,000 tons	3,784,312,892.59		3,784,312,892.59	3,869,462,299.84		3,869,462,299.84
MHP project with an annual output of 120,000 tons of nickel metal	1,991,811,113.77		1,991,811,113.77	1,578,930,401.58		1,578,930,401.58
Project with an annual output of 50,000 tons of battery-grade lithium salt	365,110,238.75		365,110,238.75	1,195,186,065.35		1,195,186,065.35
Other miscellaneous projects	5,044,317,144.07		5,044,317,144.07	3,578,541,577.69		3,578,541,577.69
Total	11,892,898,467.03		11,892,898,467.03	10,438,025,172.14		10,438,025,172.14

(2) Changes of major construction-in-progress in the current period

√Applicable □Not applicable

单位：元 币种：人民币

Project name	Budget	Beginning balance	Increase in the current period	Amount of fixed assets into which the project was converted in the current period	Other decreases in the current period	Ending balance	Cumulative investment in the project as a percentage of the budget (%)	project progress (%)	cumulative amount of capitalized interest	Including: Capitalized interest amount in the current period	Capitalization rate of interest in the current period (%)	Source of funds
Battery-grade nickel sulfate project with an annual output of 50,000 tons of nickel metal	1,440,720,000.00	215,904,827.68	491,442,250.17			707,347,077.85	49.10	58.00	28,650,279.88	18,225,268.91	6.00	Funds raised and other sources
Integration project for high-nickel ternary cathode materials for power batteries with an annual output of 50,000 tons and ternary precursor materials with an annual output of 100,000 tons	5,617,770,000.00	3,869,462,299.84	246,295,667.82	331,445,075.07		3,784,312,892.59	93.13	92.00	370,956,971.04	35,212,282.17	3.55	Funds raised, loans from financial institutions and other sources
MHP project with an annual output of 120,000 tons of nickel metal	13,808,524,376.00	1,578,930,401.58	484,515,636.75	71,634,924.56		1,991,811,113.77	106.48	96.00	587,799,282.01			loans from financial institutions and other sources
Project with an annual output of 50,000 tons of LCE battery-grade lithium salt	1,916,751,200.00	1,195,186,065.35	30,009,840.74	860,085,667.34		365,110,238.75	98.14	98.00	60,006,231.73	23,329,608.09	4.10	Funds raised, loans from financial institutions and other sources
Total	22,783,765,576.00	6,859,483,594.45	1,252,263,395.48	1,263,165,666.97		6,848,581,322.96			1,047,412,764.66	76,767,159.17		

(3) Provision for impairment of construction in progress in the current period
 Applicable Not applicable

(4) Impairment test of construction in progress
 Applicable Not applicable

Other remarks:

 Applicable Not applicable

Project materials
 Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Project materials	128,640,988.28		128,640,988.28	381,532,003.35		381,532,003.35
Total	128,640,988.28		128,640,988.28	381,532,003.35		381,532,003.35

Other remarks:

None

23. Productive biological assets
(1) Productive biological assets measured at cost
 Applicable Not applicable

(2) Impairment test of productive biological assets measured at fair value
 Applicable Not applicable

(3) Productive biological assets measured at fair value
 Applicable Not applicable

Other remarks:

 Applicable Not applicable

24. Oil and gas assets
(1) Details of oil and gas assets
 Applicable Not applicable

(2) Impairment test of oil and gas assets
 Applicable Not applicable

Determination of recoverable amount by deducting the disposal cost from the fair value
 Applicable Not applicable

Determination of recoverable amount based on the present value of projected future cash flow
 Applicable Not applicable

Reason for the discrepancy between the foregoing information and the information used in the previous year's impairment test or external information
 Applicable Not applicable

Reason for the discrepancy between the information used in the previous year's impairment test of the Company and the actual situation of the year
Applicable Not applicable

Other remarks:

None

25. Right-of-use assets
(1) Details of right-of-use assets
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Buildings and structures	Transportation facility	Total
I. Original book value			
1.Beginning balance	184,868,799.84	18,265,807.02	203,134,606.86
2. Increase in the current period	1,143,932.21		1,143,932.21
1) Leased in	1,093,179.66		1,093,179.66
2) Translation reserve	50,752.55		50,752.55
3. Decrease in the current period	20,077,424.63		20,077,424.63
1) Disposal	20,077,424.63		20,077,424.63
4.Ending balance	165,935,307.42	18,265,807.02	184,201,114.44
II. Accumulated depreciation			
1.Beginning balance	81,906,222.77	15,094,659.97	97,000,882.74
2. Increase in the current period	21,551,062.96	3,171,147.04	24,722,210.00
(1)Provision made	21,537,528.95	3,171,147.04	24,708,675.99
(2) Translation reserve	13,534.02		13,534.02
3. Decrease in the current period	3,235,103.44		3,235,103.44
(1)Disposal	3,235,103.44		3,235,103.44
4. Ending balance	100,222,182.29	18,265,807.02	118,487,989.31
III. Provision for impairment			
1. Beginning balance			
2. Increase in the current period			
(1) Provision made			
3. Decrease in the current period			
(1)Disposal			
4.Ending balance			
IV. Book value			
1. Ending book value	65,713,125.13		65,713,125.13
2. Beginning book value	102,962,577.08	3,171,147.04	106,133,724.12

(2) Impairment test of right-of-use assets
Applicable Not applicable

Other remarks:

None

26. Intangible assets
(1) Details of intangible assets

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Item	Land use rights	Patent right	Non-patented technology	Software	Mining right	Pollution discharge right	Know-how	Contractual rights and interests	Total
I. Original book value									
1.Beginning balance	1,045,408,962.70	267,375,199.35		84,066,331.93	3,404,716,128.62	28,134,832.82			4,829,701,455.42
2. Increase in the current period	25,030,215.60			10,970,603.37	1,456,772.29	2,488,901.50	340,845,122.00	969,966,506.00	1,350,758,120.76
(1) Purchase	11,871,167.25			10,734,234.57		2,488,901.50			25,094,303.32
(2) Internal R&D									
(3) Increase due to business combination	11,934,552.00						340,845,122.00	969,966,506.00	1,322,746,180.00
(4) Translation reserve	1,224,496.35			236,368.80	1,456,772.29				2,917,637.44
3. Decrease in the current period				1,115,943.03					1,115,943.03
(1) Disposal				1,115,943.03					1,115,943.03
4. Ending balance	1,070,439,178.30	267,375,199.35		93,920,992.27	3,406,172,900.91	30,623,734.32	340,845,122.00	969,966,506.00	6,179,343,633.15
II. Accumulated amortization									
1.Beginning balance	113,121,983.64	69,988,872.10		27,776,410.89	685,565,500.32	18,852,718.59			915,305,485.54
2. Increase in the current period	12,309,293.22	14,296,402.32		4,819,854.64	159,017,114.68	1,752,679.88	34,084,512.20	48,498,325.30	274,778,182.24
(1) Provision made	12,076,082.32	13,418,442.10		4,794,619.91	155,061,641.06	1,752,679.88	34,084,512.20	48,498,325.30	269,686,302.77
(2) Translation reserve	233,210.90	877,960.22		25,234.73	3,955,473.62				5,091,879.47
3. Decrease in the current period				370,797.65					370,797.65
(1) Disposal				370,797.65					370,797.65
4. Ending balance	125,431,276.86	84,285,274.42	-	32,225,467.88	844,582,615.00	20,605,398.47	34,084,512.20	48,498,325.30	1,189,712,870.13

Item	Land use rights	Patent right	Non-patented technology	Software	Mining right	Pollution discharge right	Know-how	Contractual rights and interests	Total
III. Provision for impairment									
1.Beginning balance									
2. Increase in the current period									
(1)Provision made									
3. Decrease in the current period									
(1)Disposal									
4.Ending balance									
IV. Book value									
1. Ending book value	945,007,901.44	183,089,924.93		61,695,524.39	2,561,590,285.91	10,018,335.85	306,760,609.80	921,468,180.70	4,989,630,763.02
2. Beginning book value	932,286,979.06	197,386,327.25		56,289,921.04	2,719,150,628.30	9,282,114.23			3,914,395,969.88

The intangible assets of the Company generated via internal R&D account for 0% of the intangible assets balance as at the end of the current period.

(2) Data resource recognized as intangible assets
Applicable Not applicable

(3) Land use rights with the title certificate not obtained
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Book value	Reasons for the failure to obtain title certificate
Land use right	128,108,947.80	In process
Sub-total	128,108,947.80	

(4) Impairment test of intangible assets
Applicable Not applicable

Other remarks:

Applicable Not applicable

27. Goodwill
(1) Original book value of goodwill
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Name of investee or matters forming goodwill	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Formed due to business combination		Disposal		
Huahai New Energy	95,136,198.86					95,136,198.86
Tianjin B&M	366,245,456.38					366,245,456.38
Zhongjing Holdings (Note)		358,478,813.44				358,478,813.44
Total	461,381,655.24	358,478,813.44				819,860,468.68

Note: The increase in the current period is attributable to the equity of Zhongjing Holdings Co., Ltd. (“**Zhongjing Holdings**”) and its subsidiary PT Andalán Metal Industry (“**AMI Company**”). For more details, please see “1. Business combination not under common control” of “IX. Changes in consolidation scope” of “Section X Financial Report”.

(2) Provision for impairment of goodwill
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Name of investee or matters forming goodwill	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision made		Disposal		
Tianjin B&M	5,030,276.98	1,032,217.39				6,062,494.37
Total	5,030,276.98	1,032,217.39				6,062,494.37

Goodwill of B&M Technology included: 1) the core goodwill of RMB 336,004,594.11; and 2) the goodwill of RMB 30,240,862.27 arising from the recognition of deferred tax liabilities. For the latter, provision for impairment loss of goodwill was made based on corresponding holding proportion along with the reversal of deferred tax liabilities.

(3) Relevant information of asset group or combination of asset groups related to the goodwill
 Applicable Not applicable

Name	Composition of the asset group or portfolio and basis	Operating segment and basis	Consistent with previous years or not
Huahai New Energy asset group	Its products have an active market and can generate independent cash flows, therefore, such asset group can be determined as an independent asset group.	Its products are ternary precursors.	Yes
Tianjin B&M asset group	Its products have an active market and can generate independent cash flows, therefore, such asset group can be determined as an independent asset group.	Its products are cathode materials.	Yes
Zhongjing Holdings asset group	Its products have an active market and can generate independent cash flows, therefore, such asset group can be determined as an independent asset group.	Its products are nickel precursors.	/

Changes in asset group or portfolio

 Applicable Not applicable

Other remarks

 Applicable Not applicable

(4) Specific method for determining the recoverable amount

Determination of recoverable amount by deducting the disposal cost from the fair value

 Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Book value	Recoverable amount	Amount of impairment	Method for determining fair value and disposal cost	Key parameter	Basis for determining key parameter
Huahai New Energy asset group	2,234,266,122.76	2,313,370,000.00		5 years	Based on its historical experience and forecast of market development.	determination basis: the weighted average cost of capital calculation model

Tianjin B&M asset group	4,364,840,310.63	4,731,947,314.74		5 years	Based on its historical experience and forecast of market development.	determination basis: the weighted average cost of capital calculation model
Zhongjing Holdings asset group	2,799,367,546.28	2,876,520,299.36		5 years	Based on its historical experience and forecast of market development.	determination basis: the weighted average cost of capital calculation model
Total	9,398,473,979.67	9,921,837,614.10		/	/	/

Determination of recoverable amount based on the present value of projected future cash flow
Applicable Not applicable

Reason for the discrepancy between the foregoing information and the information used in the previous year's impairment test or external information

Applicable Not applicable

Reason for the discrepancy between the information used in the previous year's impairment test of the Company and the actual situation of the year

Applicable Not applicable

(5) Performance commitment and corresponding goodwill impairment

When goodwill is formed, there is a performance commitment and the reporting period or the period preceding the reporting period is within the performance commitment period

Applicable Not applicable

Other remarks:

Applicable Not applicable

28. Long-term deferred expenses
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Amortization in the current period	Other decreases	Ending balance
Renovation cost of fixed assets	15,203,872.12	1,246,297.93	1,879,626.72	0.00	14,570,543.33
Insurance premiums	0.00	1,230,954.07	0.00	0.00	1,230,954.07
Aircraft usage fees	54,660,780.34	0.00	4,204,675.41	0.00	50,456,104.93
Total	69,864,652.46	2,477,252.00	6,084,302.13	0.00	66,257,602.33

Other remarks:

None

29. Deferred income tax assets/deferred income tax liabilities
(1) Deferred income tax assets before offset
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for asset impairment	375,728,597.16	62,311,236.00	704,927,681.06	129,950,605.97
Unrealized profits of internal transactions				
Deductible loss				
Uncovered losses	3,045,530,719.33	554,753,525.38	2,409,217,294.66	458,249,854.31
Deferred income	551,311,643.45	125,695,236.44	572,542,493.20	130,217,669.69
Unrealized profit from inventories	1,375,685,597.07	242,117,444.52	621,878,852.69	122,261,617.89
Expenses related to share-based payment	15,855,223.57	2,378,283.54	15,855,223.57	2,378,283.54
Lease liabilities	28,995,899.06	4,737,279.50	80,937,147.80	17,132,298.60
Total	5,393,107,679.64	991,993,005.38	4,405,358,692.98	860,190,330.00

(2) Deferred income tax liabilities before offset
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Asset valuation appreciation arising from business combination not under common control				
Changes in fair value of other creditor's right investments				
Changes in fair value of other equity instrument investments				
Temporary difference of long-term assets	292,166,503.54	50,873,441.12	355,214,913.12	53,278,046.49
Depreciation of fixed assets	1,150,001,586.02	232,140,056.23	1,378,056,154.59	264,511,883.61
Gains or losses on changes in fair value	117,630,001.49	25,096,173.79	75,039,736.32	15,164,766.89
Right-of-use assets	79,277,766.37	17,344,018.94	88,103,270.67	19,002,218.46
Total	1,639,075,857.42	325,453,690.08	1,896,414,074.70	351,956,915.45

(3) Deferred income tax assets/liabilities presented by net amount after offset
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Offset amount of	Balance of deferred	Offset amount of	Balance of deferred
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	deferred income tax assets and liabilities at the end of the period	income tax assets or liabilities upon offsetting at the end of the period	deferred income tax assets and liabilities at the beginning of the period	income tax assets or liabilities upon offsetting at the beginning of the period
Deferred income tax assets	210,660,393.43	781,332,611.95	295,016,895.35	565,173,434.65
Deferred income tax liabilities	210,660,393.43	114,793,296.65	295,016,895.35	56,940,020.10

(4) Details of unrecognized deferred income tax assets

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Deductible temporary difference		
Deductible loss	228,479,912.48	135,671,769.31
Temporary difference of long-term assets	1,117,987,334.43	1,051,370,412.51
Unrealized profit from inventories		
Provision for impairment of assets	206,820,522.14	248,109,138.43
Total	1,553,287,769.05	1,435,151,320.25

(5) Deductible loss of unrecognized deferred income tax assets to be due in the following years

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Year	Ending amount	Beginning amount	Remarks
Year 2024	12,160,398.17	12,160,398.17	
Year 2025	2,637,727.78	2,637,727.78	
Year 2026	11,300,105.45	11,304,941.45	
Year 2027	27,613,599.03	27,613,599.03	
Year 2028	81,955,101.88	81,955,101.88	
Year 2029	92,812,980.17		
Total	228,479,912.48	135,671,768.31	/

Other remarks:

Applicable Not applicable

30. Other non-current assets

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Contract acquisition cost						
Contract performance cost						
Cost of returned						

goods						
Contract assets						
Prepayments for acquisition of land and engineering equipment	3,076,617,191.65		3,076,617,191.65	2,112,732,897.10		2,112,732,897.10
Prepayments for equity investments	391,094,967.05		391,094,967.05	1,738,848,254.05		1,738,848,254.05
Total	3,467,712,158.70		3,467,712,158.70	3,851,581,151.15		3,851,581,151.15

Other remarks:

It mainly includes: (1) USD 25.00 million as advances paid for the subsidiary Huayou Mining Hong Kong's acquisition of equity of DATHOMIR INTERNATIONAL CORP; and (2) USD 30.00 million as advances paid for the subsidiary Huacheng International's acquisition of equity of Huajing Mining Investment (Hong Kong) Limited. The above-mentioned equities were temporarily presented under other non-current assets as the equity transfer was not yet completed.

31. Assets with restricted ownership or use right

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending				Beginning			
	Book balance	Book value	Type of restriction	Restriction condition	Book balance	Book value	Type of restriction	Restriction condition
Cash and cash equivalents	4,903,727,652.85	4,903,727,652.85	Others	RMB 4,903,727,652.85 in other cash and cash equivalents, including RMB 1,881,937,260.00 in deposits for bank acceptance drafts, RMB 385,173,740.98 in deposits for letters of credit (L/Cs), RMB 6,052,500.00 in deposits for letters of guarantee (L/Gs), RMB 2,563,286,331.10 in deposits for borrowings, RMB 29,001,910.10 in deposits for forward settlement and sales of foreign exchange, RMB 25,615,271.56 in deposits for environmental impact assessments, RMB 10,522,599.11 in frozen funds from litigation, and RMB 2,138,040.00 in other deposits	4,733,146,309.59	4,733,146,309.59	Others	RMB 4,733,146,309.59 in other cash and cash equivalents, including RMB 3,156,266,863.66 in deposits for bank acceptance drafts, RMB 452,578,910.35 in deposits for letters of credit (L/Cs), RMB 6,052,500.00 in deposits for letters of guarantee (L/Gs), RMB 1,097,663,952.77 in deposits for borrowings, RMB 9,508,508.46 in deposits for environmental impact assessments, RMB 10,522,599.11 in frozen funds from litigation, and RMB 552,975.24 in other deposits.

Item	Ending				Beginning			
	Book balance	Book value	Type of restriction	Restriction condition	Book balance	Book value	Type of restriction	Restriction condition
Notes receivable								
Inventory	1,406,178,426.01	1,406,178,426.01	Others	Inventory for bank financing and sale and repurchase	1,843,990,852.54	1,843,990,852.54	Others	Pledge guarantee for bank financing and futures transaction and inventory for sale and repurchase
Including: data resource								
Fixed assets	18,696,105,110.84	15,467,694,436.37	Others	Mortgage guarantee for bank financing and fixed assets for sale and leaseback	18,945,524,162.58	15,526,597,174.51	Others	Mortgage guarantee for bank financing and fixed assets for sale and leaseback
Intangible assets	307,775,864.88	264,298,283.89	Mortgage	Mortgage guarantee for bank financing	299,757,043.81	260,369,484.50	Mortgage	Mortgage guarantee for bank financing
Including: data resource								
Accounts receivable	661,928,524.94	628,832,098.69	Pledge	Pledge guarantee for bank financing	599,998,080.86	569,998,176.82	Pledge	Pledge guarantee for bank financing
Construction in progress	111,216,379.73	111,216,379.73	Others	Mortgage guarantee for bank financing and construction in progress for sale and leaseback	328,101,585.57	328,101,585.57	Others	Mortgage guarantee for bank financing and construction in progress for sale and leaseback
Financial assets held for trading	300,000,000.00	300,000,000.00	Pledge	Pledge guarantee for bank financing	202,078,356.16	202,078,356.16	Pledge	Pledge guarantee for bank financing
Receivables financing	77,368,313.85	77,368,313.85	Pledge	Pledge guarantee for bank financing	598,161,801.28	598,161,801.28	Pledge	Pledge guarantee for bank financing
Other non-current assets								
Total	26,464,300,273.10	23,159,315,591.39			27,550,758,192.39	24,062,443,740.97	/	/

Other remarks:

1) Huayue Company

In accordance with the account pledge agreement entered into between the subsidiary Huayue Company and the Bank of China (Hong Kong) Limited Jakarta Branch, Huayue Company pledged part of its accounts with the bank as guarantee for the *USD760,000,000 Loan Agreement*. Huayue Company made payments in accordance with the payment priority order stipulated in the loan agreement. The ending balance of the aforesaid pledged account is RMB37,984,335.59.

2) Huafei Indonesia

In accordance with the account pledge agreement entered into between the subsidiary Huafei Indonesia and the Industrial and Commercial Bank of China (Indonesia) Limited, Huafei Indonesia pledged part of its accounts with the bank as guarantee for the *RMB8,400,000,000 Loan Agreement*. The ending balance of the aforesaid pledged account is RMB128,244,309.56.

In addition, the loan agreement also stipulated that Huafei Indonesia should complete the land mortgage within sixty (60) business days after receiving the land certificate. Before the expiration of one year after the closing date, the *Machinery and Equipment Trust Guarantee, Inventory Trust Guarantee and Accounts Receivable Trust Guarantee* have been officially signed by the parties and officially filed with the relevant Indonesian trust registry.

3) Others

At the end of the period, the Company provided a pledge guarantee for its financing with its 36.86% equity held in Tianjin B&M, 40.00% equity in CDM Company, 80.68% equity in Huayou Quzhou, 100.00% equity in Huayuan Copper, 51.00% equity in Huafei Indonesia, 57.00% equity in Huayue Company and 45.00% equity in Prospect Lithium.

32. Short-term borrowings

(1) Classification of short-term borrowings

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Pledged borrowing	3,807,269,328.93	4,425,773,413.00
Mortgaged borrowing		
Guaranteed borrowing	13,751,546,198.10	7,244,938,033.34
Credit borrowing	2,239,733,609.32	2,389,905,345.95
Guaranteed & pledged borrowing		
Guaranteed & mortgaged borrowing	714,000,000.00	964,000,000.00
Interest on short-term borrowings	33,004,010.13	24,005,774.24
Total	20,545,553,146.48	15,048,622,566.53

Remarks to the classification of short-term borrowings:

None

(2) Overdue and outstanding short-term borrowings

Applicable Not applicable

Other remarks:

Applicable Not applicable

33. Financial liabilities held for trading

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Ending balance	Reason and basis for the designation
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Financial liabilities held for trading		22,190,000.00	/
Including:			
Derivative financial liabilities		22,190,000.00	/
Financial liabilities designated to be measured at fair value through current profit or loss			
Including:			
Total		22,190,000.00	/

Other remarks:

Applicable Not applicable

34. Derivative financial liabilities

Applicable Not applicable

35. Notes payable

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Type	Ending balance	Beginning balance
Commercial acceptance bill	1,303,625,203.78	1,455,095,561.76
Bank acceptance bill	5,063,139,404.59	6,564,031,478.05
Total	6,366,764,608.37	8,019,127,039.81

The total amount of notes payable that become due but unpaid yet at the end of current period is RMB 0.
 The reason for failure to pay on schedule is N/A

36. Accounts payable

(1) Details of accounts payable

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Payments for goods	6,585,251,736.26	8,791,087,413.90
Payments for engineering and equipment	3,685,360,143.16	3,157,768,992.98
Others	47,121,552.21	53,661,272.12
Total	10,317,733,431.63	12,002,517,679.00

(2) Major account payable with aging over 1 year or overdue

Applicable Not applicable

Other remarks:

Applicable Not applicable

37. Advance from customers

(1) Details of advance from customers

Applicable Not applicable

(2) Major advance from customers with aging over 1 year

Applicable Not applicable

(3) Amount of and reason for major changes in the book value during the Reporting Period

Applicable Not applicable

Other remarks:

Applicable Not applicable

38. Contract liabilities
(1) Details of contract liabilities
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Payments for goods	494,520,262.07	364,675,682.87
Service fees		66,362,170.00
Total	494,520,262.07	431,037,852.87

(2) Major contract liabilities with aging over 1 year
Applicable Not applicable

(3) Amount of and reason for major changes in the book value during the Reporting Period
Applicable Not applicable

Other remarks:

Applicable Not applicable

39. Employee compensation payable
(1) Details of employee compensation payable
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term employee compensation	624,756,075.74	2,019,997,533.85	2,197,889,605.17	446,864,004.42
II. Post-employment benefits - defined contribution plan	16,764,110.08	85,506,567.08	89,744,013.36	12,526,663.80
III. Dismissal welfare	6,688,415.00	1,852,588.62	8,541,003.62	
IV. Other welfare maturing within one year				
Total	648,208,600.82	2,107,356,689.55	2,296,174,622.15	459,390,668.22

(2) Details of short-term employee compensation
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Salary, bonus, allowance and subsidy	606,667,079.30	1,810,287,184.34	1,984,665,730.00	432,288,533.64
II. Employee welfare expenses		71,722,514.15	71,722,514.15	0.00
III. Social insurance premiums	10,002,092.19	88,160,012.92	90,439,712.96	7,722,392.15
Including: medical	9,155,678.81	76,452,291.61	78,696,087.45	6,911,882.97

insurance				
Work-related injury insurance	846,413.38	11,707,721.31	11,743,625.51	810,509.18
Maternity insurance fee				
IV. Housing provident funds	6,084,201.30	41,075,507.06	41,856,532.70	5,303,175.66
V. Labor union expenditures and employee education expenses	2,002,702.95	8,752,315.38	9,205,115.36	1,549,902.97
VI. Short-term paid absence				
VII. Short-term profit sharing plan				
Total	624,756,075.74	2,019,997,533.85	2,197,889,605.17	446,864,004.42

(3) Details of defined contribution plans

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic endowment insurance	16,054,012.01	82,070,743.56	86,164,645.62	11,960,109.96
2. Unemployment insurance	710,098.07	3,435,823.52	3,579,367.74	566,553.85
3. Enterprise annuity payment				
Total	16,764,110.08	85,506,567.08	89,744,013.36	12,526,663.80

Other remarks:

□Applicable √Not applicable

40. Taxes payable

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
VAT	126,399,900.01	151,671,585.07
Consumption tax		
Business tax		
Enterprise income tax	293,177,248.52	138,758,219.50
Individual income tax	14,727,305.65	18,753,693.59
Urban maintenance and construction tax	79,451.83	127,176.13
Housing property tax	20,033,690.98	13,020,860.44
Land use tax	7,868,490.17	1,550,281.90
Education surcharge	39,903.82	113,077.59
Local education surcharge	26,602.57	73,232.16
Mineral tax	80,746,380.95	77,753,801.56
Others	38,054,985.04	27,552,919.82
Total	581,153,959.54	429,374,847.76

Other remarks:

None

41. Other payables

(1) Presented by items

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Interests payable		
Dividends payable	452,092,611.48	18,789,426.30
Other payables	2,406,352,907.31	2,680,200,976.57
Total	2,858,445,518.79	2,698,990,402.87

1) No material closing balance with age over one year.

2) Other remarks

a. Call loans and interests mainly include balances due to Glauous International Pte. Ltd., Tsingshan Holding Group Co., Ltd., Newstride Technology, Zhejiang Yongxu Mining Group Co., Ltd, PERLUX LIMITED, etc.

b. For more details regarding repurchase obligations attached to restricted shares, please see “55. Capital reserves” and “60. Undistributed profits” of “VII. Notes to the items in the consolidated financial statements” of “Section X Financial Report” of this report.

c. Funds from repo transactions mainly include financing from Zhejiang Xin’an International Trading Group Co., Ltd., etc.

(2) Interests payable

Applicable Not applicable

(3) Dividends payable

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Dividend of ordinary shares		
Dividends of preferred shares/perpetual bond classified as equity instruments		
Dividends of preferred shares/perpetual bond - XXX		
Dividends of preferred shares/perpetual bond - XXX		
Dividend payable – Quzhou Cobalt New	90,000,000.00	
Dividend payable – Zhongjing Holdings	348,952,972.95	
Dividend payable – AMI Company	30,736.46	
Dividend payable – Youqing Trading	9,958,646.03	14,274,059.31
Dividend payable – Tongxiang Hua’ang	3,150,256.04	4,515,366.99
Total	452,092,611.48	18,789,426.30

Other remarks (including remarks to the major dividend payable unpaid over 1 year with the reasons for non-payment disclosed)

None

(4) Other payables

Other payables presented by nature of funds

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Call loans and interests	1,430,387,682.21	1,575,429,301.35
Repurchase obligation of restricted shares	265,016,783.20	685,525,425.40
Security deposits	30,274,395.78	33,331,981.57
Funds from repo transactions	611,022,415.01	363,132,333.52

Others	69,651,631.11	22,781,934.73
Total	2,406,352,907.31	2,680,200,976.57

Major other payables with aging over 1 year or overdue
Applicable Not applicable

Other remarks:

Applicable Not applicable

42. Liabilities held for sale
Applicable Not applicable

43. Non-current liabilities maturing within one year
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Long-term borrowings maturing within one year	4,246,570,392.45	5,959,126,854.79
Bonds payable maturing within one year		
Long-term payables maturing within one year	1,072,925,749.59	
Lease liabilities maturing within one year	29,332,975.39	44,394,275.88
Sale and leaseback payments maturing within one year	1,856,973,394.96	2,152,330,878.26
Total	7,205,802,512.39	8,155,852,008.93

Other remarks:

None

44. Other current liabilities
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Short-term bonds payable	2,430,711,917.52	1,413,233,847.44
Payable refunds		
Output VAT to be transferred	33,771,407.66	19,989,935.40
Other	18,306,932.09	
Total	2,482,790,257.27	1,433,223,782.84

Increase/decrease of short-term bonds payable:

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Bond	Nominal value	Nominal interest rate (%)	Issuance date	Maturity period	Issuance amount	Beginning balance	Amount issued in the current period	Interest accrued by face value	Amortization of premiums or discounts	Amount repaid off in the current period	Ending balance	Default or not
23 Huayou Cobalt SCP002 (Science and Technology Notes)	100	4.03	2023.07.24	268 days	700,000,000.00	711,615,559.65		8,478,415.30	-562,527.78	720,656,502.73		No
23 Huayou Cobalt SCP003 (Science and Technology Notes)	100	3.90	2023.11.24	270 days	700,000,000.00	701,618,287.79		13,843,934.42	-917,777.78		716,379,999.99	No
24 Huayou Cobalt SCP001 (Science and Technology Notes)	100	3.87	2024.01.04	259 days	500,000,000.00		500,000,000.00	9,513,750.00	227,777.78		509,285,972.22	No
24 Huayou Cobalt SCP002 (Science and Technology Notes)	100	3.30	2024.04.08	255 days	700,000,000.00		700,000,000.00	5,325,833.34	663,561.64		704,662,271.70	No
24 Huayou Cobalt SCP003 (Science and Technology Notes)	100	2.84	2024.06.05	267 days	500,000,000.00		500,000,000.00	986,111.11	602,437.50		500,383,673.61	
Total	/	/	/	/	3,100,000,000.00	1,413,233,847.44	1,700,000,000.00	38,148,044.17	13,471.36	720,656,502.73	2,430,711,917.52	/

Other remarks:

Applicable Not applicable

45. Long-term borrowings
(1) Classification of long-term borrowings

 ✓Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Pledged borrowing		
Mortgaged borrowing		
Guaranteed borrowing	7,158,470,097.02	3,598,696,188.22
Credit borrowing		
Guaranteed, pledged, mortgaged borrowing	3,471,150,237.22	3,816,158,760.00
Guaranteed, mortgaged borrowing	2,897,918,288.43	2,784,781,866.96
Guaranteed, pledged borrowing	7,970,751,190.44	8,663,723,125.05
Long-term borrowing interests	80,008,178.41	36,965,568.58
Total	21,578,297,991.52	18,900,325,508.81

Remarks to the classification of long-term borrowings:

None

Other remarks

 ✓Applicable Not applicable

None

46. Bonds payable
(1) Bonds payable

 ✓Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Convertible Corporate Bonds - Huayou Convertible Bonds	6,767,983,966.51	6,631,718,848.37
Total	6,767,983,966.51	6,631,718,848.37

(2) Details of bonds payable: (excluding preferred shares, perpetual bonds and other financial instruments classified as financial liabilities)

 ✓Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Bond	Nominal value (Yuan)	Nominal interest rate (%)	Issuance date	Maturity period	Issuance amount	Beginning balance	Amount issued in the current period	Interest accrued by face value	Amortization of premiums or discounts	Amount repaid off in the current period	Ending balance	Default or not
Huayou Convertible Bonds	100.00		2022.2.24	6 years	7,600,000,000.00	6,631,718,848.37		20,110,169.29	-146,549,212.85	30,394,264.00	6,767,983,966.51	No
Total	/	/	/	/	7,600,000,000.00	6,631,718,848.37		20,110,169.29	-146,549,212.85	30,394,264.00	6,767,983,966.51	/

The coupon rate of Huayou Convertible Bonds is 0.20% in the first year, 0.40% in the second year, 0.60% in the third year, 1.50% in the fourth year, 1.80% in the fifth year, and 2.00% in the sixth year.

(3) Remarks to convertible corporate bonds
Applicable ✓Not applicable

Accounting treatment and criteria of the right to convert

 ✓Applicable Not applicable

1) Basic information of convertible corporate bonds

Pursuant to the “Approval of Zhejiang Huayou Cobalt Co., Ltd.’s Public Offering of Convertible Corporate Bonds” (Zheng Jian Xu Ke [2022] No. 209) by the China Securities Regulatory Commission, the Company publicly issued 76.00 million convertible corporate bonds on February 24, 2022 at par value of RMB 100 per share, totaling RMB 7.60 billion, with a term of 6 years.

Pursuant to the regulations in “CASBE 37 – Presentation of Financial Instruments”, for convertible bonds that are non-derivative financial instruments containing both financial liability component and equity instrument component, financial liabilities and equity instruments shall be measured separately at initial recognition. Therefore, the fair value of the financial liability component was recognized as bonds payable at RMB 6,063,498,791.20 after deducting allocated issuance expenses, and the fair value of equity instrument component was recognized as other equity instruments at RMB 1,490,340,831.42 after deducting allocated issuance expenses.

2) Conversion of convertible corporate bonds

In the current period, a total of 160 Huayou Convertible Bonds have been converted into 322 A shares of the Company (each with par value of RMB 1). Accordingly, the difference of RMB 16,860.26, which equals to the sum of the balance of bonds payable of RMB 14,007.25, interest payable of RMB 37.44 and other equity instruments of RMB 3,137.57 less the increased share capital of RMB 322, is included in capital reserve (share premium).

(4) Remark to other financial instruments classified as financial liabilities

Basic information of the preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period:

Applicable Not applicable

Table of changes in preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period

Applicable Not applicable

Basis for classifying other financial instruments into financial liabilities

Applicable Not applicable

Other remarks:

Applicable Not applicable

47. Lease liabilities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Unpaid lease payments	39,472,194.70	57,943,671.84
Less: Unrecognized financing expenses	1,545,189.91	2,964,471.14
Total	37,927,004.79	54,979,200.70

Other remarks:

None

48. Long-term payables

Presented by items

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Long-term payables	4,344,268,682.45	5,544,170,217.25
Special payables	-	-
Total	4,344,268,682.45	5,544,170,217.25

Other remarks:
None

Long-term payables

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Funds from sale and leaseback	1,820,472,987.28	2,025,641,142.06
Long-term call loans and interests thereon	2,523,795,695.17	3,518,529,075.19
Total	4,344,268,682.45	5,544,170,217.25

Other remarks:

1) Funds from sale and leaseback refer to funds from financial institutions such as Cinda Financial Leasing Co., Ltd., Xinxin Financial Leasing Co., Ltd., Everbright Financial Leasing Co., Ltd. through the sale and leaseback of fixed assets.

2) As of the balance sheet date, long-term call loans and interests mainly included borrowings from W-SOURCE HOLDING LIMITED, TSING CREATION INTERNATIONAL HOLDING, LONG SINCERE HOLDING LIMITED, WING TAI INDUSTRIAL HOLDING LIMITED and EVE ASIA CO. Funds, etc.

Special payables

Applicable Not applicable

49. Long-term employee compensation payable

Applicable Not applicable

50. Estimated liabilities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Ending balance	Reason for formation
External guarantee			
Pending litigation			
Product quality assurance			
Restructuring obligations			
Onerous contract to be performed			
Payable refunds			
Others			
Environment restoration expenses	65,282,244.77	76,623,127.77	It is the environmental restoration costs accrued by the subsidiaries MIKAS Company, CDM Company and Prospect Lithium according to the Mining Code of the Democratic Republic of the Congo and local regulations of Zimbabwe.
Total	65,282,244.77	76,623,127.77	/

Other remarks (including remarks to major assumptions and estimations with respect to the major estimated liabilities)

None

51. Deferred income

Details of deferred income

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Reason for formation
Government subsidies	666,550,531.96	45,304,450.93	37,345,965.17	674,509,017.72	Granted by the government free of charge.
Total	666,550,531.96	45,304,450.93	37,345,965.17	674,509,017.72	/

Other remarks:

Applicable Not applicable

52. Other non-current liabilities

Applicable Not applicable

53. Share capital

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

	Beginning balance	Increase or decrease (+, -)					Ending balance
		Share newly issued	Shares donated	Shares transferred from reserve funds	Others	Sub-total	
Total number of shares	1,710,086,520.00	322.00	0.00	0.00	-12,873,923.00	-12,873,601.00	1,697,212,919.00

Other remarks:

The total share capital decreased by RMB 12,873,601.00 during the current period. For more details, please see “55. Capital reserves” of “VII. Notes to the items in the consolidated financial statements” of “Section X Financial Report” of this report.

54. Other equity instrument investments

(1) Basic information of the preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period:

Applicable Not applicable

(2) Table of changes in preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Financial Instruments issued and outstanding	Beginning balance		Increases in the current period		Decrease in the current period		Ending balance	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Huayou Convertible Bonds	75,985,750.00	1,490,061,392.53			160.00	3,137.57	75,985,590.00	1,490,058,254.96
Total	75,985,750.00	1,490,061,392.53			160.00	3,137.57	75,985,590.00	1,490,058,254.96

Changes in other equity instruments during the current period and the reasons therefor, as well as the basis for the accounting treatment:

√Applicable □Not applicable

For details regarding the reasons and basis for changes in other equity instruments in the current period, please see “46. Bonds payable” of “VII. Notes to the items in the consolidated financial statements” of “Section X Financial Report” of this report.

Other remarks:

□Applicable √Not applicable

55. Capital reserves

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Capital premium (share capital premium)	15,332,824,296.15	16,860.26	443,161,232.40	14,889,679,924.01
Other capital reserves	719,964,018.90	155,455,936.50		875,419,955.40
Total	16,052,788,315.05	155,472,796.76	443,161,232.40	15,765,099,879.41

Other remarks (including remarks to the increase/decrease in the current period and the reason therefor):

(1) Movements of share premium

Current increase of RMB 16,860.26 was due to the following events: In the current period, share capital was increased by RMB 322 and capital reserve (share premium) was increased by RMB 16,860.26 due to conversion of convertible bonds into share capital. For more details, please see “46. Bonds payable” of “VII. Notes to the items in the consolidated financial statements” of “Section X Financial Report” of this report.

Current decrease of RMB443,161,232.40 was due to the following events: a. Pursuant to the resolution of the 14th meeting of the sixth session of the Board of the Directors under the authorization of the first extraordinary shareholders’ meeting of 2021, the second extraordinary shareholders’ meeting of 2022 and the second extraordinary shareholders’ meeting of 2023, the Company repurchased and cancelled 1,738,57 shares granted to 242 incentive targets but not unlocked, with share capital decreased by RMB 1,741,575.00 and capital reserve (share premium) decreased by RMB 51,352,257.20. Meanwhile, treasury shares were decreased by RMB 52,760,592.20 and other payables were decreased by RMB 52,760,592.20 accordingly; b. Pursuant to the resolutions of the 14th meeting of the sixth session of the Board of the Directors, the 9th meeting of the sixth session of the Board of Supervisors and the first extraordinary shareholders’ meeting of 2024, the Company decided to terminate the 2021 Restricted Stock Incentive Plan and the 2022 Restricted Stock Incentive Plan, and repurchased and cancelled a total of 11,135,348 shares granted to 779 incentive targets under the 2021 Incentive Plan and 1,318 incentive targets under the 2022 Incentive Plan but not unlocked, with share capital decreased by RMB 11,135,348.00 and capital reserve (share premium) decreased by RMB 348,909,139.60. Meanwhile, treasury shares were decreased by RMB 356,870,150.00 and other payables were decreased by RMB 356,870,150.00 accordingly; c. The Company acquired non-controlling interest of the subsidiary Industry New Energy, with capital reserve (share premium) decreased by RMB 42,991,665.60 based on the difference between the consideration paid and the proportionate share of net assets.

(2) Current movements of other capital reserve:

Current increase of RMB 155,455,936.50 was due to the following events: a. According to the Company’s equity incentive plan, expenses related to share-based payment for restricted shares of 2024 were recognized at RMB 21,469,941.61, which were included in the capital reserve (other capital reserve); b. Due to the Company’s decision to terminate the 2021 Restricted Stock Incentive Plan and the 2022 Restricted Stock Incentive Plan, expenses related to share-based payment were recognized at RMB 133,985,994.89 in a lump sum, which were included in the capital reserve (other capital reserve).

56. Treasury stock

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Restricted shares	685,525,425.40		420,414,412.20	265,111,013.20
Repurchased shares	638,081,400.64	92,928,219.88		731,009,620.52
Total	1,323,606,826.04	92,928,219.88	420,414,412.20	996,120,633.72

Other remarks (including remarks to the increase/decrease in the current period and the reason therefor)

1) In the current period, restricted shares were decreased by RMB 420,414,412.20. For more details, please see “55. Capital reserves” and “60. Undistributed profits” of “VII. Notes to the items in the consolidated financial statements” of “Section X Financial Report” of this report.

2) In the current period, repurchased shares were increased by RMB 92,928,219.88 due to the Company’s repurchase of its own shares through centralized bidding pursuant to the resolution of the 10th meeting of the sixth session of the Board of Directors. As of the balance sheet date, the Company had accumulatively repurchased 21,852,160 shares, with treasury shares increased by RMB 731,009,620.52.

57. Other comprehensive income

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Amount incurred in the current period						Ending balance
		Amount incurred before income tax in the current period	Less: amount included in other comprehensive income previously and then transferred into current profits and losses	Less: amount recorded in other comprehensive incomes in the prior period and converted into retained earnings in the current period	Less: income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive incomes that cannot be reclassified into profit and loss	-49,068,581.76							-49,068,581.76
Including: change in re-measurement of the defined benefit plan								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Changes in fair value of the other equity instrument investment	-49,068,581.76							-49,068,581.76
Changes in the fair value of the Company's own credit risk								
II. Other comprehensive income that will be reclassified to profit and loss	1,091,087,480.60	374,665,101.32				235,185,973.01	139,479,128.31	1,326,273,453.61
Including: other comprehensive income that can be transferred to profit and loss under the equity method	113,329,258.36	1,492,411.61				1,492,411.61		114,821,669.97
Changes in fair value of other creditor's right investments								-

Amount of financial assets reclassified into other comprehensive income								-
Provision for credit impairment of other creditor's rights investments								-
Cash flow hedge reserves								-
Differences arising from translation of foreign-currency financial statements	977,758,222.24	373,172,689.71				233,693,561.40	139,479,128.31	1,211,451,783.64
Total other comprehensive income	1,042,018,898.84	374,665,101.32				235,185,973.01	139,479,128.31	1,277,204,871.85

Other remarks (including remarks to the adjustment converting effective part of profit and loss of cash flow hedges to the initial recognition amount of the hedged item):

None

58. Special reserves

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Safety production fee	6,444,637.93	78,564,151.60	76,413,352.96	8,595,436.57
Mine development fund	40,099,109.71	6,951,290.68		47,050,400.39
Total	46,543,747.64	85,515,442.28	76,413,352.96	55,645,836.96

Other remarks (including remarks to the increase/decrease in the current period and the reason therefor):
 Work safety fund was appropriated and used by the Company and its subsidiaries including Huayou Quzhou and New Energy Quzhou according to the document numbered Cai Zi [2022] 136 jointly issued by the Ministry of Finance and the Ministry of Emergency Management. Mine development fund was appropriated by the subsidiaries CDM Company and MIKAS Company according to the Mining Code of the Democratic Republic of the Congo.

59. Surplus reserves

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Statutory surplus reserves	387,225,558.29			387,225,558.29
Discretionary surplus reserves				
Reserve funds				
Enterprise development funds				
Others				
Total	387,225,558.29			387,225,558.29

Notes to the surplus reserves (including remarks to the increase/decrease in the current period and the reason therefor)

None

60. Undistributed profit

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in last year
Undistributed profit as at December 31, 2020 before adjustment	14,872,683,731.09	11,900,465,606.35
Total adjustment to undistributed profit as at the begging of the period ("+" for increase, "-" for decrease)		
Undistributed profit as at the beginning of the current period after adjustment	14,872,683,731.09	11,900,465,606.35
Plus: net profit attributable to owners of the parent company in the current period	1,670,732,131.17	3,350,891,340.06
Less: withdrawal of statutory surplus reserves		59,027,197.52
Withdrawal of discretionary surplus reserves		
Withdrawal of general risk reserves		
Ordinary share dividends payable	1,671,853,759.40	319,646,017.80
Ordinary share dividends transferred to share capital		
Undistributed profits as at the end of the period	14,871,562,102.86	14,872,683,731.09

Details of the adjustment of undistributed profit at the beginning of period:

- 1). Due to retroactive adjustment under the *Accounting Standard for Business Enterprises* and relevant new regulations, the undistributed profit at the beginning of the period is affected by RMB 0.
- 2). Due to change in accounting policy, the undistributed profit at the beginning of the period is affected by RMB 0.
- 3). Due to correction of major accounting errors, the undistributed profit at the beginning of the period is affected by RMB 0.
- 4). Due to changes in consolidation scope caused by business combination under common control, the undistributed profits at the beginning of the period are affected by RMB 0.
- 5). Due to other adjustments, the undistributed profit at the beginning of the period is affected by RMB 0.

According to the 2023 profit distribution plan adopted by the 2023 Annual General Meeting of Shareholders, the Company distributed a cash dividend of RMB 10.00 (tax included) per 10 shares based on the 1,675,360,737 shares for distribution, i.e., the total share capital of 1,697,212,897 shares minus 21,852,160 shares that have been repurchased. The restricted stock dividends were reduced by RMB10,877,900.00 and other payables were RMB10,877,900.00. The Company subsequently repurchased and cancelled the restricted shares, converted into cash dividends of RMB 3,506,977.60, totaling common stock dividends payable of RMB 1,671,853,159.40.

61. Operating income and operating cost

(1) Details of operating income and operating cost

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Primary business	29,340,665,559.92	24,496,536,435.43	32,604,215,671.85	27,833,734,932.10
Other businesses	709,649,004.49	575,547,880.13	741,321,847.91	538,577,016.30
Total	30,050,314,564.41	25,072,084,315.56	33,345,537,519.76	28,372,311,948.40

(2) Breakdown of operating income and operating cost

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Classification of contracts	Division 1		Total	
	Operating income	Operating cost	Operating income	Operating cost
By commodity type				
Cobalt products	2,218,190,277.39	1,836,947,736.27	2,218,190,277.39	1,836,947,736.27
Copper products	2,959,556,864.21	1,909,848,287.80	2,959,556,864.21	1,909,848,287.80
Nickel products	5,404,050,681.20	4,276,078,121.25	5,404,050,681.20	4,276,078,121.25
Lithium products	1,650,935,118.65	1,574,591,626.81	1,650,935,118.65	1,574,591,626.81
Ternary precursors	3,319,758,779.01	2,801,989,296.01	3,319,758,779.01	2,801,989,296.01
Cathode materials	5,477,436,055.54	5,000,364,023.01	5,477,436,055.54	5,000,364,023.01
Nickel intermediates	3,292,782,465.48	2,313,446,713.19	3,292,782,465.48	2,313,446,713.19
Trade and others	5,725,175,619.14	5,357,353,872.66	5,725,175,619.14	5,357,353,872.66
By business area				
Domestic	12,882,519,672.54	11,503,350,141.28	12,882,519,672.54	11,503,350,141.28
Overseas	17,165,366,188.08	13,567,269,535.72	17,165,366,188.08	13,567,269,535.72
By market or customer type				
By contract type				
By time of commodity transfer				
Recognized at a point in time	30,047,885,860.62	25,070,619,677.00	30,047,885,860.62	25,070,619,677.00
By contract term				
By sales channel				

Total	30,047,885,860.62	25,070,619,677.00	30,047,885,860.62	25,070,619,677.00
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Other remarks

Applicable Not applicable

Among them: the income from contracts with customers was RMB 30,047,885,860.62, the cost was RMB 25,070,619,677.00, and the total difference from the operating income was lease income in other business income.

(3) Information related to performance obligations:

Applicable Not applicable

(4) Information related to transaction prices apportioned to the remaining performance obligations:

Applicable Not applicable.

(5) Major contract changes or major transaction price adjustments

Applicable Not applicable

Other remarks:

None

62. Taxes and surcharges

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Consumption tax		
Business tax		
Urban maintenance and construction tax	695,176.77	6,561,399.75
Educational surcharges	321,798.97	2,817,581.18
Resource tax		
Property tax	47,858,659.64	21,023,176.06
Land use tax	26,042,818.87	12,680,483.87
Vehicle and vessel use tax	43,788.08	49,023.15
Stamp tax	23,465,475.19	24,525,086.59
Local education surcharge	214,576.31	1,878,388.51
Mineral tax	148,293,079.23	149,029,903.98
Export duty		
Environmental protection tax		
Security fund for the disabled		
Others	2,073,929.60	1,675,249.35
Total	249,009,302.65	220,240,292.44

Other remarks:

None

63. Selling and distribution expenses

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee benefits	36,254,140.35	21,952,376.02

Business traveling expenses		
Service fees		
Sample charges		
Entertainment expenses		
Others	28,244,596.71	42,354,349.78
Total	64,498,737.06	64,306,725.80

Other remarks:

None

64. General and administrative expenses

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee benefits	351,508,949.13	434,182,623.33
Office expenses	81,074,370.48	75,537,406.95
Service fees	194,091,342.60	147,848,958.80
Business entertainment expenses	10,076,734.81	13,196,103.46
Depreciation and amortization	109,116,903.29	120,886,568.34
Insurance premiums	9,182,173.15	16,086,470.40
Aircraft usage fees	11,227,850.66	6,074,878.75
Share-based payments	155,455,936.50	236,838,411.21
Others	27,887,923.50	65,034,881.17
Total	949,622,184.12	1,115,686,302.41

Other remarks:

None

65. R&D expenses

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee benefits	262,827,736.88	212,271,001.71
Materials consumption	230,556,739.08	372,179,358.19
Depreciation and amortization	108,538,876.56	91,551,326.72
Others	85,192,774.26	83,736,930.87
Total	687,116,126.78	759,738,617.49

Other remarks:

None

66. Financial expenses

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expenses	1,108,253,620.67	1,014,387,408.71
Interest income	-152,737,755.25	-118,381,450.87
Gains or losses on foreign exchange	46,387,351.94	-436,290,858.16
Handling fees and others	68,186,219.31	78,999,263.18
Total	1,070,089,436.67	538,714,362.86

Other remarks:

None

67. Other incomes

 ✓Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Classification by nature	Amount incurred in the current period	Amount incurred in the previous period
Government grants related to assets	28,371,152.17	21,273,973.15
Government grants related to income	51,116,929.61	132,686,907.20
Refund of handling fees for withholding individual income tax	3,432,584.25	2,192,775.58
VAT extra deductions	48,825,834.46	
Total	131,746,500.49	156,153,655.93

Other remarks:

None

68. Investment income

 ✓Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income accounted by equity method	472,426,865.12	899,796,221.85
Income from disposal of long-term equity investments		3,191,849.90
Investment income from available-for-sale financial assets during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from creditor's right investments during the holding period		
Interest income from other creditor's right investments during the holding period	2,010,208.29	
Income from disposal of financial assets held for trading	56,141,234.88	22,908,463.90
Income from disposal of other equity instruments	3,025,000.00	
Income from disposal of creditor's right investments		
Income from disposal of other creditor's right investments		
Income from debt restructuring		
Losses on discounting of receivables financing	-35,099,010.73	-67,805,589.53
Gains or losses on hedging	-7,433,922.46	
Losses on derecognition of accounts receivable	-56,309,903.02	-69,570,194.47
Total	434,760,472.08	788,520,751.65

Other remarks:

None

69. Gains from net exposure hedge
Applicable ✓Not applicable

70. Gains from changes in fair value

 ✓Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Sources for gains from change in fair value	Amount incurred in the	Amount incurred in
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	current period	the previous period
Financial assets held for trading	-15,457,493.15	137,684,032.30
Including: income from changes in fair value arising from derivative financial instruments	-13,364,250.25	128,604,308.28
Financial liabilities held for trading	-2,093,242.90	
Investment properties measured at fair value		-50,853,870.53
Gains on changes in fair value of financial products		
Gains or losses on hedging	25,626,279.85	45,150,457.31
Total	10,168,786.70	131,980,619.08

Other remarks:

None

71. Loss from credit impairment

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Loss from bad debts of notes receivable		
Loss from bad debts of accounts receivable	30,201,247.88	-71,078,135.82
Loss from bad debts of other receivables		
Losses from impairment of creditor's right investments		
Losses from impairment of other creditor's right investments		
Loss from bad debts of long-term receivables		
Loss from impairment of financial guarantee		
Total	30,201,247.88	-71,078,135.82

Other remarks:

None

72. Asset impairment loss

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Loss from impairment of contract assets		
II. Loss from depreciation of inventories and impairment of contract performance costs	-47,102,347.20	-18,786,617.48
III. Loss from impairment of long-term equity investments		
IV. Loss from impairment of investment properties		
V. Loss from impairment of fixed assets		
VI. Loss from impairment of project materials		
VII. Loss from impairment of construction in progress		
VIII. Loss from impairment of productive biological assets		

IX Loss from impairment of oil and gas assets		
X. Loss from impairment of intangible assets		
XI. Loss from impairment of goodwill	-1,032,217.39	-1,032,217.39
XII. Others		
Total	-48,134,564.59	-19,818,834.87

Other remarks:

None

73. Gains from disposal of assets
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Gains on disposal of fixed assets	761,008.74	-3,019,116.47
Gains on disposal of intangible assets		
Total	761,008.74	-3,019,116.47

Other remarks:

Applicable Not applicable

74. Non-operating income
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in the current non-recurring profit or loss
Total gains or losses from disposal of non-current assets	57,522.12	4,881.96	57,522.12
Including: gain from disposal of fixed assets	57,522.12	4,881.96	57,522.12
Gain from disposal of intangible assets			
Gain from debt restructuring			
Gain from exchange of non-monetary assets			
Donations received			
Government subsidies			
Indemnity income		982,043.50	
Liquidated damages income	1,309,817.00	1,621,500.00	1,309,817.00
Others	3,727,021.81	2,031,603.38	3,727,021.81
Total	5,094,360.93	4,640,028.84	5,094,360.93

Other remarks:

Applicable Not applicable

75. Non-operating expenses
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in the current non-recurring profit or loss
Total losses from disposal of	4,574,418.61	11,501,777.19	4,574,418.61

non-current assets			
Including: loss from disposal of fixed assets	4,574,418.61	11,302,122.19	4,574,418.61
Loss from disposal of intangible assets		199,655.00	
Loss from debt restructuring			
Loss from exchange of non-monetary assets			
Donations made	21,931,096.58	10,442,223.61	21,931,096.58
Others	8,446,991.52	3,130,035.41	8,446,991.52
Total	34,952,506.71	25,074,036.21	34,952,506.71

Other remarks:

None

76. Income tax expense

(1) Statement of income tax expense

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expense	275,853,687.95	264,831,103.64
Deferred income tax expense	-158,305,900.75	24,765,190.35
Total	117,547,787.20	289,596,293.99

(2) Adjustment process of accounting profit and income tax expense

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period
Total profit	2,487,539,767.09
Income tax expense calculated according to statutory/applicable tax rate	373,130,965.06
Effect of applying different tax rates to subsidiaries	-91,369,653.29
Effect of adjustment on income tax in previous periods	
Effect of non-taxable income	-160,522,123.49
Impact from non-deductible costs, expenses and losses	-35,748,408.28
Effect of using the deductible losses from deferred income tax assets unrecognized in the previous periods	
Effect of deductible temporary differences or deductible losses of unrecognized deferred income tax assets in the current period	32,057,007.20
Income tax expense	117,547,787.20

Other remarks:

Applicable Not applicable

77. Other comprehensive income

Applicable Not applicable

For more details, please see the note.

78. Items in the Statement of Cash Flows

(1) Cash related to operating activities

Cash received from other operating activities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of cash and bank balances not considered as cash and cash equivalents	782,198,465.15	1,030,421,434.82
Receipts of government grants related to operating activities	90,879,151.79	244,678,832.57
Interest income	152,737,755.25	118,381,450.87
Others	149,953,951.73	4,640,028.84
Total	1,175,769,323.92	1,398,121,747.10

Remarks to cash received from other operating activities:

None

Cash paid for other operating activities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payments of cash and bank balances not considered as cash and cash equivalents	100,200,568.59	502,043,686.12
Expenses paid in cash	594,639,990.17	481,477,157.97
Total	694,840,558.76	983,520,844.09

Remarks to cash paid for other operating activities:

None

(2) Cash related to investing activities

Cash received from important investing activities

Applicable Not applicable

Cash paid for important investing activities

Applicable Not applicable

Cash received from other investing activities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of cash and bank balances not considered as cash and cash equivalents	739,653,203.75	1,296,962,686.32
Receipts of repayments for call loans		328,350,521.76
Total	739,653,203.75	1,625,313,208.08

Remarks to cash received from other investing activities:

None

Cash paid for other investing activities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payments of cash and bank balances not considered as cash and cash equivalents	265,403,504.63	472,672,756.88
Call loans		331,963,421.76
Return of advances for transfer of equity		246,047,900.00
Payments for acquisition of minority equity	526,022,354.88	
Total	791,425,859.51	1,050,684,078.64

Remarks to cash paid for other investing activities:

None

(3) Cash related to financing activities

Cash received from other financing activities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of cash and bank balances not considered as cash and cash equivalents	138,793,439.39	916,517,753.46
Receipts of funds from repo transactions	425,551,047.45	1,438,076,810.66
Call loans		117,805,785.81
Funds from sale and leaseback	831,339,034.04	1,078,903,676.58
Total	1,395,683,520.88	3,551,304,026.51

Remarks to cash received from other financing activities:

None

Cash paid for other financing activities

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payments of cash and bank balances not considered as cash and cash equivalents	1,465,622,378.33	1,187,604,570.24
Repayments for repo transactions	177,660,965.96	664,821,028.64
Payments for sale and leaseback	807,752,778.84	511,073,305.87
Issuance fees	2,359,464.13	1,563,333.33
Payments for lease liabilities	57,818,987.57	21,422,440.15
Payments for share repurchase	502,558,962.08	
Total	3,013,773,536.91	2,386,484,678.23

Remarks to cash paid for other financing activities:

None

Changes in liabilities arising from financing activities

Applicable Not applicable

(4) Remarks to cash flow presented by net amount

Applicable Not applicable

(5) Major activities that do not involve cash receipts and payments in the current period but affect the financial position of the enterprise or may affect the cash flow of the enterprise in the future and their financial impact

Applicable Not applicable

79. Supplementary information to the Statement of Cash Flows

(1) Supplementary information to the Statement of Cash Flows

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Supplementary information	Amount in the current period	Amount in the previous period
1. Net profit adjusted to cash flows from operating activities:		
Net profit	2,369,991,979.89	2,947,247,908.50
Plus: provision for asset impairment	48,134,564.59	19,818,834.87
Loss from credit impairment	-30,201,247.88	71,078,135.82
Depreciation of fixed assets, oil and gas assets and productive biological assets	2,018,102,951.30	1,223,173,982.61
Depreciation of right-of-use assets	24,722,210.01	33,412,612.60
Amortization of intangible assets	255,930,730.90	59,900,534.94
Amortization of long-term deferred expenses	6,084,302.13	40,005,083.50
Loss from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-761,008.74	3,019,116.47
Loss from scrapping of fixed assets ("-" for gains)	11,501,777.19	11,501,777.19
Loss on changes in fair value ("-" for gains)	-10,168,786.70	-131,980,619.08
Financial expenses ("-" for gains)	1,154,640,972.61	608,506,785.84
Investment loss ("-" for gains)	-434,760,472.08	-788,520,751.65
Decrease in deferred income tax assets ("-" for increase)	-237,602,376.31	-54,531,285.21
Increase in deferred income tax liabilities ("-" for decrease)	79,296,475.56	79,296,475.56
Decrease in inventories ("-" for increase)	1,325,337,465.41	-570,805,117.15
Decrease in operating receivables ("-" for increase)	-1,799,957,425.69	758,005,186.42
Increase in operating payables ("-" for decrease)	-2,172,166,718.20	-2,751,490,394.89
Others	155,455,936.50	236,838,411.21
Net cash flow from operating activities	2,763,581,330.49	1,794,476,677.55
2. Significant investing and financing activities that do not involve in cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds maturing within 1 year		
Fixed assets acquired under financing leases		
3. Net changes in cash and cash equivalents:		

Ending balance of cash	14,098,947,123.96	9,656,926,997.30
Less: beginning balance of cash	10,526,774,769.22	8,579,643,614.59
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	3,572,172,354.74	1,077,283,382.71

(2) Net cash paid for acquisition of subsidiaries in the current period
Applicable Not applicable

(3) Net cash received from disposal of subsidiaries in the current period
Applicable Not applicable

(4) Composition of cash and cash equivalents
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
I. Cash	14,098,947,123.96	10,526,774,769.22
Including: cash in hand	7,219,438.57	11,891,845.98
Unrestricted bank deposit available for payment	12,484,609,815.22	9,427,796,624.02
Other unrestricted cash and cash equivalents available for payment	1,607,117,870.17	1,087,086,299.22
Unrestricted deposits in central bank		
Deposits with banks and other financial institutions		
Loans from banks and other financial institutions		
II. Cash equivalents		
Including: bond investments maturing within 3 months		
III. Ending balance of cash and cash equivalents	14,098,947,123.96	10,526,774,769.22
Including: restricted cash and cash equivalents of the parent company or subsidiaries within the group		

(5) Those limited in use but still presented as cash and cash equivalents
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount in the current period	Reason
Bank deposits	143,231,919.15	The ending balance is the amount of raised funds. The Company can use the raised funds to pay for the projects invested with raised funds at any time. Therefore, it meets the cash and cash equivalents criteria.
Bank deposits	166,228,645.15	The ending balance is the balance of the loan pledge accounts held by the subsidiaries Huayue Company and Huafei Indonesia. The use of such accounts is supervised by banks, but subsidiaries can use the cash to make payment at any time. Therefore, it meets the cash and cash equivalents criteria.

Total	309,460,564.30	/
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(6) Monetary funds which are not cash and cash equivalents
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the previous period	Reason
Other cash and cash equivalents	4,903,727,652.85	4,733,146,309.59	RMB 1,881,937,260.00 in deposits for bank acceptance drafts, RMB 385,173,740.98 in deposits for letters of credit (L/Cs), RMB 6,052,500.00 in deposits for letters of guarantee (L/Gs), RMB 2,563,286,331.10 in deposits for borrowings, RMB 29,001,910.10 in deposits for forward settlement and sales of foreign exchange, RMB 25,615,271.56 in deposits for environmental impact assessments, RMB 10,522,599.11 in frozen funds from litigation, and RMB 2,138,040.00 in other deposits.
Total	4,903,727,652.85	4,733,146,309.59	/

Other remarks:

Applicable Not applicable

80. Notes to items in the Statement of Changes in Equity

Specify the name, adjustment amount and other matters of "Others" item with ending balance in last year adjusted:

Applicable Not applicable

81. Monetary items in foreign currency
(1) Monetary items in foreign currency
Applicable Not applicable

Monetary unit: Yuan

Item	Ending balance in foreign currency	Conversion rate	Ending balance translated in RMB
Cash and cash equivalents			10,583,666,678.18
Including: USD	1,352,806,380.57	7.1268	9,641,180,513.05
EUR	6,546,509.12	7.6617	50,157,388.92
HKD	690,582,456.78	0.9127	630,280,796.65
AUD		4.7650	
IDR	593,467,217,600.26	0.0004	261,125,575.74
ZAR		0.3869	
KRW		0.0052	
CDF	329,219,007.64	0.0026	855,969.42
ARS		0.0078	
SGD		5.2790	
ZWL	9,482,836.60	0.0002	2,027.40
HUF	3,347,540.50	0.0192	64,406.68
JPY	7	0.0447	0.31
Accounts receivable			3,242,107,494.41
Including: USD	451,176,850.24	7.1268	3,215,447,176.29
EUR		7.6617	
HKD		0.9127	
AUD		4.7650	
IDR	60,591,632,092.00	0.0004	26,660,318.12
ZAR		0.3869	

KRW		0.0052	
CDF		0.0026	
ARS		0.0078	
Other receivables			63,642,044.40
Including: USD	8,521,855.24	7.1268	60,733,557.92
EUR	80,665.54	7.6617	618,035.17
HKD	1,200.00	0.9127	1,095.22
AUD		4.7650	
IDR	4,312,453,907.00	0.0004	1,897,479.72
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	
HUF	20,367,795.00	0.0192	391,876.38
Long-term receivables			507,512,027.90
Including: USD	71,211,767.96	7.1268	507,512,027.90
EUR		7.6617	
HKD		0.9127	
AUD		4.7650	
IDR		0.0004	
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	
Short-term borrowings			1,027,935,779.49
Including: USD	144,235,249.97	7.1268	1,027,935,779.49
EUR		7.6617	
HKD		0.9127	
AUD		4.7650	
IDR		0.0004	
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	
Accounts payable			3,433,534,882.80
Including: USD	406,606,381.78	7.1268	2,897,802,361.67
EUR	10,320,636.59	7.6617	79,073,621.36
HKD		0.9127	
AUD		4.7650	
IDR	1,037,748,573,266.23	0.0004	456,609,372.24
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	
ZWL	231,656,764.41	0.0002	49,527.53
Other payables			1,351,935,144.01
Including: USD	141,096,213.13	7.1268	1,005,564,491.73
EUR		7.6617	
HKD		0.9127	
AUD		4.7650	
IDR	787,195,330,276.00	0.0004	346,365,945.32
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	

HUF	244,644.00	0.0192	4,706.95
Non-current liabilities maturing within one year			1,007,098,630.86
Including: USD	141,311,476.52	7.1268	1,007,098,630.86
EUR		7.6617	
HKD		0.9127	
AUD		4.7650	
IDR		0.0004	
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	
Long-term borrowings			2,099,493,831.52
Including: USD	294,591,377.83	7.1268	2,099,493,831.52
EUR		7.6617	
HKD		0.9127	
AUD		4.7650	
IDR		0.0004	
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	
Long-term payables			2,371,541,206.27
Including: USD	332,763,821.95	7.1268	2,371,541,206.27
EUR		7.6617	
HKD		0.9127	
AUD		4.7650	
IDR		0.0004	
ZAR		0.3869	
KRW		0.0052	
CDF		0.0026	
ARS		0.0078	

Other remarks:

None

(2) Remarks to overseas business entities, including its principal place of business overseas, the functional currency and selection basis therefor, as well as the reason for the change of the functional currency (if any)

Applicable Not applicable

Foreign operating entities	Main operating place	Functional currencies	Basis for selection of functional currencies
Huayou Hong Kong	Hong Kong SAR	HKD	The local currency
Huayou Singapore	Singapore	USD	The local primary currency
Huayue Company	Republic of Indonesia	USD	The local primary currency
Huafei Indonesia	Republic of Indonesia	USD	The local primary currency

82. Lease

(1) As lessee

Applicable Not applicable

Variable lease payments not included in the measurement of the lease liability

Applicable Not applicable

Rental expense on short-term leases and leases of low-value assets with simplified treatment

Applicable Not applicable

For details regarding the Company's accounting policies on short-term leases and leases for which the underlying asset is of low value, please see "38. Lease" of "V. Major accounting policies and accounting estimates" of "Section X Financial Report" of this report. The amounts of short-term leases and low-value asset leases included into profit or loss are as follows:

Items	Current period cumulative	Preceding period comparative
Expense relating to short-term leases	9,391,948.15	9,447,770.60
Expense relating to leases of low-value assets (excluding short-term leases)	4,625,884.91	8,650,647.62
Total	14,017,833.05	18,098,418.21

Leaseback transaction and criteria

Applicable Not applicable

Total cash outflows related to lease: 46,386,910.98 (Monetary unit: Yuan Currency: RMB)

(2) As lessor

Operating lease as lessor

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Lease income	Including: income related to variable lease payments not included in lease receipts
Lease income	2,428,703.79	
Total	2,428,703.79	

Finance lease as lessor

Applicable Not applicable

Table of adjustment of undiscounted lease receipts and net lease investments

Applicable Not applicable

Undiscounted lease receipts for the next five years

Applicable Not applicable

(3) Recognition of finance lease and sales profit and loss as manufacturer or distributor

Applicable Not applicable

Other remarks

None

83. Data resource

Applicable Not applicable

84. Others

Applicable Not applicable

VIII. R&D expenditure

(1) Presented by nature of expenses

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
R&D expenses	687,116,126.78	759,738,617.49
Total	687,116,126.78	759,738,617.49
Including: expensed R&D expenditure	687,116,126.78	759,738,617.49
Capitalized R&D expenditure		

Other remarks:

The Company's R&D costs were all costs to be expensed. For more details, please see "65. R&D expenses" of "VII. Notes to the items in the consolidated financial statements" of "Section X Financial Report" of this report.

(2) Development expenditure of R&D projects eligible for capitalization

Applicable Not applicable

Important capitalized R&D projects

Applicable Not applicable

Provision for impairment of development expenditure

Applicable Not applicable

Other remarks

None

(3) Important outsourced ongoing projects

Applicable Not applicable

IX. Changes in Consolidation Scope

1. Business combination not under common control

Applicable Not applicable

(1) Business combination not under common control incurred in the current period

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Acquiree	Date of equity acquisition	Cost of equity acquisition	Ratio of equity acquisition (%)	Method of equity acquisition	Acquisition date	Basis for determining the acquisition date	Income of the acquiree from the acquisition date to period-end	Net profit of the acquiree from the acquisition date to period-end	Cash flow of the acquiree from the acquisition date to period-end
Zhongjing Holdings	January 2024	USD190,032,992	50.15	Transfer	January 2024	Please refer to other remarks	475,778,440.67	43,354,955.64	-15,979,254.79
Controlway (SIP) Industrial Electronics Co., Ltd.	June 2024	IDR8,400,000,000	70.00	Transfer	June 2024	Please refer to other remarks		29,317.47	29,317.47

Other remarks:

(1) As approved at the 7th meeting of the sixth session of the Board of Directors, the Company, through its wholly-owned subsidiary Huayou Mining Hong Kong, acquired 50.15% equity of Zhongjing Holdings held by Perlux Limited and the corresponding shareholder loan at the price of USD 200,400,000 (where the consideration for the purchase of the equity is USD 190,032,992, and the consideration for the purchase of the shareholder loan is USD 10,367,008), in order to acquire indirectly 50.1% equity of AMI Company, a subsidiary of Zhongjing Holdings. As of January 30, 2024, the Company has made the equity payment, completed hand-over procedures of relevant property rights, and obtained the substantial control over it. Therefore, Zhongjing Holdings was brought into the consolidation scope since then.

(2) The subsidiary Huabo Singapore acquired 70% equity of Controlway Industrial Park at the price of IDR 8.4 billion. As of June 30, 2024, the Company has made the equity payment, completed hand-over procedures of relevant property rights, and obtained the substantial control over it. Therefore, Controlway Industrial Park was brought into the consolidation scope since then.

(2) Combination costs and goodwill

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Combination cost	Zhongjing Holdings
--Cash	1,358,861,496.21
--Fair value of non-cash assets	
--Fair value of debt issued or assumed	
--Fair value of equity securities issued	
--Fair value of contingent consideration	
--Fair value of equity interests held prior to the acquisition date on the acquisition date	
--Others	
Total combination costs	1,358,861,496.21
Less: Share of fair value of identifiable net assets acquired	1,000,382,682.77
Goodwill/combination cost less than share of fair value of identifiable net assets acquired	358,478,813.44

Combination cost	Controlway Industrial Park
--Cash	3,711,637.44
--Fair value of non-cash assets	
--Fair value of debt issued or assumed	
--Fair value of equity securities issued	
--Fair value of contingent consideration	
--Fair value of equity interests held prior to the acquisition date on the acquisition date	
--Others	
Total combination costs	3,711,637.44
Less: Share of fair value of identifiable net assets acquired	3,711,637.44
Goodwill/combination cost less than share of fair value of identifiable net assets acquired	

Method for determining the fair value of the combination cost:

Applicable Not applicable

Completion of performance commitments:

Applicable Not applicable

Main reason for the formation of the goodwill with large amount:

Applicable Not applicable

Other remarks:

None

(3) Identifiable assets and liabilities of the acquiree on the acquisition date

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

	Zhongjing Holdings	
	Fair value on acquisition date	Book value on acquisition date
Assets:		
Cash and cash equivalents	185,189,350.34	185,189,350.34
Accounts receivable	190,212,266.20	190,212,266.20
Inventories	21,787,158.41	21,787,158.41
Fixed assets	635,689,436.82	591,587,832.09
Intangible assets	1,322,746,180.00	868,367.31
Other assets	275,634,700.25	275,634,700.25
Liabilities:		
Borrowings	146,851,820.80	146,851,820.80
Accounts payable	111,161,327.37	111,161,327.37
Deferred income tax liabilities		
Other liabilities	375,954,743.95	375,954,743.95
Net assets	1,997,291,199.90	631,311,782.48
Less: minority equity	996,908,517.14	315,282,738.88
Net assets acquired	1,000,382,682.77	316,029,043.61

	Controlway Industrial Park	
	Fair value on acquisition date	Book value on acquisition date
Assets:		
Cash and cash equivalents	5,302,339.20	5,302,339.20
Accounts receivable		
Inventories		
Fixed assets		
Intangible assets		
Liabilities:		
Borrowings		
Accounts payable		
Deferred income tax		

liabilities		
Net assets	5,302,339.20	5,302,339.20
Less: minority equity	1,590,701.76	1,590,701.76
Net assets acquired	3,711,637.44	3,711,637.44

Method for determining the fair value of identifiable assets and liabilities:

Based on the appraisal opinions provided by Kun Yuan Asset Appraisal Co., Ltd. using the asset-based approach in its valuation report, and after a proper review, the Company confirmed that the fair values of the identifiable assets and liabilities of Zhongjing Holdings on the purchase date were RMB 2,631.2591 million and RMB 633.9679 million, respectively.

Contingent liability of the acquiree undertaken in business combination:

None

Other remarks:

None

(4) Profit or loss arising from the re-measurement of equity held prior to acquisition date at the fair value

Whether there is a transaction where any step-by-step combination is realized through multiple transactions with the controlling rights obtained during the Reporting Period.

Applicable Not applicable

(5) Remarks to combination consideration or fair values of identifiable assets and liabilities on the acquisition date or at the end of the period of combination

Applicable Not applicable

(6) Other remarks:

Applicable Not applicable

2. Business combination under the common control

Applicable Not applicable

3. Counter purchase

Applicable Not applicable

4. Disposal of subsidiaries

Whether there is a transaction or event resulting in loss of control over the subsidiaries in the current period

Applicable Not applicable

Other remarks:

Applicable Not applicable

Whether there is a loss of control due to disposal of investment in subsidiaries through multiple transactions step by step

Applicable Not applicable

Other remarks:

Applicable Not applicable

5. Change in consolidation scope for other reasons

Specify the change of consolidation scope caused by other reasons (such as establishment of new subsidiaries and liquidation of subsidiaries) and other related situations.

Applicable Not applicable

Entities	Equity acquisition method	Equity acquisition date	Capital contribution	Holding proportion (%)
Zhejiang Huayou Supply chain Co., Ltd.	Establishment	January 31, 2024	500,000.00	100.00
PT. HUANENG NEW MATERIAL	Establishment	February 5, 2024	USD1,000,000.00	100.00
HUAYOU LITHIUM RECYCLE TECHNOLOGY SINGAPORE PTE. LTD.	Establishment	February 7, 2024	Not yet paid	100.00
Huayou Green Energy Technology Singapore Pet. Ltd.	Establishment	February 20, 2024	Not yet paid	100.00
Zhejiang Huayou New Material Co., Ltd.	Establishment	March 21, 2024	Not yet paid	100.00
Guangxi Huajin Technology Co., Ltd.	Establishment	May 17, 2024	Not yet paid	100.00
Zhejiang Huayou Catering Management Co., Ltd.	Establishment	May 22, 2024	1,000,000.00	100.00
Zhejiang Huayou Property Management Co., Ltd.	Establishment	May 22, 2024	1,000,000.00	100.00
Chengdu Huayou Energy Technology Co., Ltd.	Establishment	May 27, 2024	Not yet paid	51
Huayou New Materials Morocco Holding Limited	Establishment	May 6, 2024	Not yet paid	100.00
Taize International Investment Limited	Establishment	June 11, 2024	Not yet paid	100.00

6. Others

Applicable Not applicable

X. Equity in other entities
1. Equity in subsidiaries
(1) Structure of the enterprise group

✓Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Subsidiary's name	Principal place of business	Registered capital	Registration place	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Huayou Quzhou	Quzhou City, Zhejiang Province	240,124.36	Quzhou City, Zhejiang Province	Manufacturing	83.96		Establishment
Chengdu B&M	Jintang County, Sichuan Province	103,000.00	Jintang County, Sichuan Province	Manufacturing	36.86		Business combination not under common control
Huayou New Energy Quzhou	Quzhou City, Zhejiang Province	226,578.66	Quzhou City, Zhejiang Province	Manufacturing	83.86		Establishment
Huayou Hong Kong	Hong Kong SAR	HKD55,099.20	Hong Kong SAR	Trade and wholesale	100.00		Establishment
Huayou Mining Hong Kong	Hong Kong SAR	USD1,500.00	Hong Kong SAR	Business and service	100.00		Establishment
Huayou Singapore	Singapore	USD1,500.00	Singapore	Trade and wholesale	70.00		Establishment
Huayue Company	Republic of Indonesia	USD26,000.00	Republic of Indonesia	Manufacturing	57.00		Establishment
Huake Indonesia	Republic of Indonesia	USD10,318.20	Republic of Indonesia	Manufacturing	70.00		Establishment
Huafei Indonesia	Republic of Indonesia	USD54,000.00	Republic of Indonesia	Manufacturing	51.00		Business combination not under common control

Remarks to the subsidiaries in which the ownership ratio is different from the voting right ratio:

None

Basis for determining the control over an investee while holding its half or less than half voting rights, and non-control over an investee while holding its more than half voting rights:

None

Basis for determining control in case of the important structured entities included in the scope of consolidation:

None

Basis for determining whether the Company is an agent or a principal:

None

Other remarks:

None

(2) Major non-wholly owned subsidiaries

✓Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Subsidiary's name	Ownership ratio of minority shareholders (%)	Profit and loss attributable to minority shareholders in the current period	Dividend declared to minority shareholders in the current period	Ending balance of minority equity
New Energy Quzhou	16.14	12,388,905.98		582,414,167.36
Huayue Company	43.00	296,606,413.27		2,616,562,388.39
Chengdu B&M	63.14	63,240,259.36		1,600,507,179.00
Huayou Quzhou	16.04	25,343,359.96	90,000,000.00	1,003,139,138.20
Huayou Singapore	30.00	45,266,210.38		105,646,767.88
Huake Indonesia	30.11	140,380,354.85		621,224,251.61
Huafei Indonesia	49.00	218,464,077.43		2,199,901,137.10

Remarks to the subsidiaries in which the minority shareholder's ownership ratio is different from its voting right ratio:

Applicable Not applicable

Other remarks:

Applicable Not applicable

(3) Main financial information of major non-wholly owned subsidiaries

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Subsidiary's name	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
New Energy Quzhou	4,892,501,990.9 2	5,065,003,965.4 2	9,957,505,956.3 4	5,356,399,646.5 6	992,592,261.73	6,348,991,908.2 9	4,637,229,599.0 9	5,117,275,348.9 5	9,754,504,948.0 4	4,731,318,261.0 5	1,493,134,660. 58	6,224,452,921.6 3
Huayue Company	3,756,488,154.7 2	8,903,529,850.9 6	12,660,018,005. 68	725,883,314.36	5,849,105,881.1 2	6,574,989,195.4 8	3,173,164,569.5 4	8,916,321,965.9 8	12,089,486,535. 52	1,520,146,066.2 1	5,465,077,203. 56	6,985,223,269.7 7
Chengdu B&M	7,430,183,944.1 4	3,122,303,513.3 2	10,552,487,457. 46	6,934,445,423.0 8	1,083,187,458.8 3	8,017,632,881.9 1	8,672,241,262.3 9	3,129,887,733.7 2	11,802,128,996. 11	8,921,626,479.1 1	445,806,730.4 3	9,367,433,209.5 4
Huayou Quzhou	14,719,684,076. 46	7,951,512,525.2 3	22,671,196,601. 69	12,324,098,028. 96	4,093,113,920.6 3	16,417,211,949. 59	14,210,418,987. 51	7,412,472,428.3 5	21,622,891,415. 86	12,335,451,891. 51	2,630,455,868. 63	14,965,907,760. 14
Huayou Singapore	4,350,250,695.8 9	-	4,350,250,695.8 9	3,998,094,802.9 7	-	3,998,094,802.9 7	2,360,026,360.4 4	-	2,360,026,360.4 4	2,160,468,656.8 9	-	2,160,468,656.8 9
Huake Indonesia	1,659,004,988.4 0	2,824,827,766.7 4	4,483,832,755.1 4	717,666,336.74	1,695,418,913.0 3	2,413,085,249.7 7	1,215,935,399.0 4	2,857,249,961.2 1	4,073,185,360.2 5	525,653,740.01	1,956,079,969. 50	2,481,733,709.5 1
Huafei Indonesia	3,079,000,232.3 3	14,431,322,866. 43	17,510,323,098. 76	2,874,972,662.5 3	10,145,756,278. 89	13,020,728,941. 42	2,574,875,129.1 1	14,123,462,712. 36	16,698,337,841. 47	3,085,046,197.5 4	9,592,740,897. 56	12,677,787,095. 10

Subsidiary's name	Amount incurred in the current period				Amount incurred in the previous period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
New Energy Quzhou	2,756,231,030	76,759,020.92	76,759,020.92	-1,576,023,418.41	5,257,743,140.43	247,233,554.87	247,233,554.87	-2,254,193,924.34
Huayue Company	3,509,917,389	689,782,356.4	1,216,015,284.79	1,047,626,682.46	3,734,338,241.50	829,638,342.93	1,355,871,271.28	258,107,388.88
Chengdu B&M	5,193,043,910	100,158,789	100,158,788.98	582,479,218.66	14,817,347,030.09	387,356,464.26	387,356,464.26	1,120,237,742.47
Huayou Quzhou	11,699,870,879	158,000,997.3	158,000,997.27	-1,844,453,685.33	11,659,907,662.12	-175,227,674.68	-175,227,674.68	-213,301,113.25
Huayou Singapore	7,012,604,598	150,887,367.9	150,887,367.92	460,887,293.09	588,212,760.93	13,316,214.46	13,316,214.46	-54,197,682.84
Huake Indonesia	2,779,855,583.00	467,934,516.17	509,915,896.36	24,493,503.90	2,614,790,242.92	556,086,088.44	598,067,468.62	24,833,748.74
Huafei Indonesia	3,812,457,525	445,845,056	523,393,097.28	914,499,891.47		-6,318,286.88	71,229,754.43	164,111.57

Other remarks:

None

(4) Major restriction on using the assets of the enterprise group and repaying the debts of the enterprise group:

Applicable Not applicable

(5) Financial or other supports provided for structured entities included in the consolidated financial statement:

Applicable Not applicable

Other remarks:

Applicable Not applicable

2. Transactions which results in changes in owner's equity in a subsidiary and remain in control of the subsidiary

Applicable Not applicable

(1) Remarks to the changes in owner's equity in the subsidiary

Applicable Not applicable

Subsidiaries	Date of change	Holding proportion before change (%)	Holding proportion after change (%)
Huayou New Energy Technology	March 2024	84.04%	100.00%

(2) Impacts of the transactions on minority shareholders' equity and owner's equity attributable to the parent company

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Huayou New Energy Technology	
Purchase cost / disposal price	
--Cash	526,022,354.88
--Fair value of non-cash assets	
Total purchase cost / disposal price	526,022,354.88
Less: share of net assets of subsidiaries calculated according to the proportion of equity acquired / disposed	483,030,689.28
Difference	42,991,665.60
Including: adjustment to capital reserve	42,991,665.60
Adjustment to surplus reserve	
Adjustment to undistributed profit	

Other remarks:

Applicable Not applicable

3. Equity in joint ventures or associates

Applicable Not applicable

(1) Major joint ventures or associates

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Name of joint venture or associate	Principal place of business	Registration place	Business nature	Shareholding ratio (%)		Accounting treatment method for investment in joint ventures or associates
				Direct	Indirect	

Leyou Company	Wuxi City, Jiangsu Province	Wuxi City, Jiangsu Province	Non-metallic mineral products industry	49.00		Equity method
Newstride Technology	Hong Kong SAR	Hong Kong SAR	Industrial investments	30.00		Equity method

Remarks to the circumstance where shareholding ratio in joint ventures or associates are different from the voting right ratio:

None

Basis for determining the voting rights below 20% but with significant influence, or the voting rights over 20% (inclusive) without significant influence:

None

(2) Main financial information of major joint ventures

Applicable Not applicable

(3) Main financial information of associates

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

	Ending balance/ amount incurred in current period		Beginning balance/ amount incurred in last period	
	Leyou Company	Newstride Technology	Leyou Company	Newstride Technology
Current assets	3,130,051,637.07	4,203,847,047.90	3,336,862,998.26	5,719,469,010.88
Non-current assets	1,686,401,882.69	6,471,863,790.47	1,756,454,218.95	5,869,547,461.97
Total assets	4,816,453,519.76	10,675,710,838.36	5,093,317,217.21	11,589,016,472.85
Current liabilities	1,271,240,885.63	1,386,972,347.12	950,039,159.11	2,085,305,279.76
Non-current liabilities	153,039,342.65	67,971,822.54	136,226,679.59	57,579,449.78
Total liabilities	1,424,280,228.28	1,454,944,169.65	1,086,265,838.70	2,142,884,729.54
Minority interests		4,217,770,731.66		3,319,313,390.56
Equity attributable to shareholders of the parent company	3,392,173,291.48	5,002,995,937.05	4,007,051,378.51	6,126,818,352.75
Share of net assets calculated as per shareholding ratio				
Adjustment items				
--Goodwill				
--Unrealized profits from internal transactions				
--Others				
Book value of equity investment in joint venture				
Fair value of equity investment in joint venture with quoted price				
Operating income				

Net profit	245,699,955.98	1,983,209,975.17	843,182,016.80	5,297,875,106.01
Net profit from discontinuing operation				
Other comprehensive income				
Total comprehensive income	245,699,955.98	1,983,209,975.17	843,182,016.80	5,469,351,355.24
Dividends received from joint ventures in the current year				

Other remarks:
None

(4) Summary of the financial information for those minor joint venture and associates

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

	Ending balance/ amount incurred in current period	Beginning balance/ amount incurred in last period
Joint ventures:		
Total book value of investments	5,641,288.52	6,130,740.58
Totals of the following items calculated as per shareholding ratio		
--Net profit	-500,575.97	166,175.75
--Other comprehensive income	11,123.91	209,880.30
--Total comprehensive income	-489,452.06	376,056.05
Associates:		
Total book value of investments	7,366,105,231.78	6,038,249,538.12
Totals of the following items calculated as per shareholding ratio		
--Net profit	81,031,354.39	-158,310,628.94
--Other comprehensive income	907,316.70	9,692,177.05
--Total comprehensive income	81,938,671.09	-148,618,451.89

Other remarks:
None

(5) Major restrictions on capital transferring from joints ventures or associates to the Company:

Applicable Not applicable

(6) Excess losses incurred to joint ventures or associates

Applicable Not applicable

(7) Unrecognized commitments related to investments in joint ventures

Applicable Not applicable

(8). Contingent liabilities relevant to investment in joint ventures or associates

Applicable Not applicable

4. Major joint operation
Applicable Not applicable

5. Equity in structured entities not included in the consolidated financial statements

Remark to the structured entities not included in the consolidated financial statement:

Applicable Not applicable

6. Others
Applicable Not applicable

XI. Government subsidies
1. Government subsidy recognized as amount receivable at the end of the reporting period
Applicable Not applicable

Reason for failure to receive government subsidy of the expected amount at the expected time

Applicable Not applicable

2. Liabilities involving government subsidy
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Financial statement item	Beginning balance	Amount of subsidy increase in the current period	Amount included in non-operating income in the current period	Amount transferred to other income in the current period	Other change in the current period	Ending balance	Related to assets/income
Deferred income	664,731,907.02	34,351,900.00		28,371,152.17		670,712,654.85	Related to assets
Deferred income	1,818,624.94	10,952,550.93		8,974,813.00		3,796,362.87	Related to income
Total	666,550,531.96	45,304,450.93		37,345,965.17		674,509,017.72	/

3. Government subsidy included in current profit and loss
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Type	Amount incurred in the current period	Amount incurred in the previous period
Related to income	28,371,152.17	21,273,973.15
Related to assets	51,116,929.61	132,686,907.20
Others	2,624,376.31	3,509,092.28
Total	82,112,458.09	157,469,972.63

Other remarks:

None

XII. Risks Relating to Financial Instruments
1. Risks of financial instruments
Applicable Not applicable

In risk management, the Company aims to seek the appropriate balance between the risks and benefits from its use of financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Company's financial performance, so as to maximize the profits of shareholders and other equity investors. Based on such risk management objectives, the Company's risk management

policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits on a timely and reliable basis.

The Company has exposure to the following risks from its use of financial instruments, which mainly include: credit risk, liquidity risk, and market risk. The Management has deliberated and approved policies concerning such risks, and details are:

(I) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

1. Credit risk management practice

(1) Evaluation method of credit risk

At each balance sheet date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When assessing whether the credit risk has increased significantly since initial recognition, the Company takes into account reasonable and supportable information, which is available without undue cost or effort, including qualitative and quantitative analysis based on historical data, external credit risk rating, and forward-looking information. The Company determines the changes in default risk of financial instruments during the estimated lifetime through comparison of the default risk at the balance sheet date and the initial recognition date, on an individual basis or a portfolio basis.

The Company considers the credit risk on a financial instrument has increased significantly when one or more of the following qualitative and quantitative standards are met:

1) Quantitative standard mainly relates to the scenario in which, at the balance sheet date, the probability of default in the remaining lifetime has risen by more than a certain percentage compared with the initial recognition;

2) Qualitative standard mainly relates to significant adverse changes in the debtor's operation or financial position, present or expected changes in technology, market, economy or legal environment that will have significant adverse impact on the debtor's repayment ability;

(2) Definition of default and credit-impaired assets

A financial instrument is defined as defaulted when one or more following events have occurred, of which the standard is consistent with that for credit-impairment:

1) significant financial difficulty of the debtor;

2) a breach of binding clause of contract;

3) it is very likely that the debtor will enter bankruptcy or other financial reorganization;

4) the creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the creditor would not otherwise consider.

2. Measurement of expected credit losses

The key factors in the measurement of expected credit loss include the probability of default, loss given default, and exposure to default risk. The Company develops a model of the probability of default, loss given default, and exposure to default risk on the basis of quantitative analysis of historical data (e.g., counterparty rating, guarantee measures and collateral type, payment method, etc.) and forward-looking information.

3. For details regarding the reconciliation table of opening balance and closing balance of loss allowances of financial instrument, please see "5. Accounts receivable", "7. Accounts receivable financing" and "9. Other receivables" of "VII. Notes to the items in the consolidated financial statements" of "Section X Financial Report" of this report.

4. Exposure to credit risk and concentration of credit risk

The Company's credit risk is primarily attributable to cash and bank balances and receivables. In order to control such risks, the Company has taken the following measures:

(1) Cash and bank balances

The Company deposits its bank balances and other cash and bank balances in financial institutions with relatively high credit levels, hence, its credit risk is relatively low.

(2) Receivables

The Company performs credit assessment on customers using credit settlement on a continuous basis. The Company selects credible and well-reputed customers based on credit assessment result, and conducts ongoing monitoring on balance of receivables, to avoid significant risks in bad debts.

As the Company only conducts business with credible and well-reputed third parties, collateral is not required from customers. The Company manages credit risk aggregated by customers. As of June 30, 2024, the Company has certain concentration of credit risk, and 36.97% (December 31, 2023: 36.40%)

of the total accounts receivable was due from the five largest customers of the Company. The Company held no collateral or other credit enhancement on balance of receivables.

The maximum amount of exposure to credit risk of the Company is the carrying amount of each financial asset at the balance sheet.

(II) Liquidity risk

Liquidity risk is the risk that the Company may encounter deficiency of funds in meeting obligations associated with cash or other financial assets settlement, which is possibly attributable to failure in selling financial assets at fair value on a timely basis, or failure in collecting liabilities from counterparties of contracts, or early redemption of debts, or failure in achieving estimated cash flows.

In order to control such risk, the Company comprehensively utilizes financing tools such as notes settlement, bank borrowings, etc. and adopts long-term and short-term financing methods to optimize financing structures, and finally maintains a balance between financing sustainability and flexibility. The Company has obtained credit limit from several commercial banks to meet working capital requirements and expenditures.

Financial liabilities classified based on remaining time period till maturity

Items	Closing balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Bank borrowings	46,370,421,530.45	51,981,703,177.86	26,200,137,015.91	8,650,456,411.93	17,131,109,750.02
Held-for-trading financial liabilities	22,190,000.00	22,190,000.00	22,190,000.00		
Notes payable	6,366,764,608.37	6,366,764,608.37	6,366,764,608.37		
Accounts payable	10,317,733,431.63	10,317,733,431.63	10,317,733,431.63		
Non-current liabilities maturing within one year	1,886,306,370.35	1,964,146,379.30	1,964,146,379.30		
Other payables	2,858,445,518.79	2,883,678,829.81	2,883,678,829.81		
Other current liabilities	2,430,711,917.52	2,430,745,267.52	2,430,745,267.52		
Bonds payable	6,767,983,966.51	8,041,702,962.18	40,221,318.18	250,758,684.00	7,750,722,960.00
Lease liabilities	37,927,004.79	39,472,194.70		37,927,004.79	1,545,189.91
Long-term payables	5,417,194,432.04	5,747,484,364.27	1,072,925,749.59	2,561,918,664.54	2,112,639,950.15
Sub-total	82,475,678,780.45	89,795,621,215.65	51,298,542,600.32	11,501,060,765.26	26,996,017,850.07

(Continued)

Items	Beginning balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Bank borrowings	39,908,074,930.13	44,412,200,854.09	22,261,645,234.35	8,011,462,048.07	14,139,093,571.67
Held-for-trading financial liabilities					
Notes payable	8,019,127,039.81	8,019,127,039.81	8,019,127,039.81		
Accounts payable	12,002,517,679.00	12,002,517,679.00	12,002,517,679.00		
Non-current liabilities maturing within one year					
Other payables	2,698,990,402.87	2,723,596,956.84	2,723,596,956.84		
Other current liabilities	1,413,233,847.44	1,456,545,724.94	1,456,545,724.94		
Bonds payable	6,631,718,848.37	7,041,282,040.87		237,075,540.00	6,804,206,500.87
Lease liabilities	99,373,476.58	103,831,394.33	45,594,854.72	50,500,984.58	7,735,555.03

Items	Beginning balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Long-term payables	7,696,501,095.51	8,619,947,075.33	2,462,350,818.34	2,406,330,887.36	3,751,265,369.63
Sub-total	78,469,537,319.71	84,379,048,765.21	48,971,378,308.00	10,705,369,460.01	24,702,300,997.20

(III) Market risk

Market risk is the risk that the Company may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market price. Market risk mainly includes interest risk and foreign currency risk.

1. Interest risk

Interest risk is the risk that an enterprise may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market interest rates. The Company's fair value interest risks arise from fixed-rate financial instruments, while the cash flow interest risks arise from floating-rate financial instruments. The Company determines the proportion of fixed-rate financial instruments and floating-rate financial instruments based on the market environment, and maintains a proper financial instruments portfolio through regular review and monitoring. The Company's interest risk in cash flows relates mainly to bank borrowings with floating interest rate.

As of June 30, 2024, balance of borrowings with interest accrued at floating interest rate totaled RMB 21,498,289,813.11 (December 31, 2023: RMB 18,057,707,437.49). If interest rates had been 50 basis points higher/lower and all other variables were held constant, financial effect on the Company would be a/an decrease/increase of RMB 107.4914 million (December 31, 2023: a/an decrease/increase of RMB 90.2885 million) in equity, a/an decrease/increase of RMB 107.4914 million (2023: a/an decrease/increase of RMB 90.2885 million) in net profit.

2. Foreign currency risk

Foreign currency risk is the risk arising from changes in fair value or future cash flows of financial instrument resulted from changes in exchange rate. The Company's foreign currency risk relates mainly to foreign currency monetary assets and liabilities. When short-term imbalance occurred to foreign currency assets and liabilities, the Company may trade foreign currency at market exchange rate when necessary, in order to maintain the net risk exposure within an acceptable level.

For details regarding foreign currency financial assets and liabilities at the balance sheet date, please see "81. Monetary items in foreign currency" of "VII. Notes to the items in the consolidated financial statements" of "Section X Financial Report" of this report.

2. Hedging

(1) The Company carries out hedging business for risk management

√Applicable □Not applicable

Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information on hedged risk	Economic relationship between the hedged items and the related hedging instruments	Expected effective realization of risk management objectives	Impact of corresponding hedging activities on risk exposure
Fair value hedging – futures contracts	To avoid the risks to the Company's production and operations caused by price changes of commodity metals such as nickel, lithium and cobalt, so as to achieve	For quantitative information on hedged risks, i.e., price fluctuation risks of nickel, lithium and cobalt, please	The hedged item and the hedging instrument generally fluctuate in opposite directions, which indicates that the hedging is effective, otherwise the hedging is ineffective.	Gains or losses on hedging instruments can offset the value changes of the hedged items, and the expected risk	Fair value hedging – futures contracts

	stable operations	see “3. Derivative financial assets”, “10. Inventories”, “68. Investment income” and “70. Gains from changes in fair value” of “VII. Notes to the items in the consolidated financial statements” of “Section X Financial Report” of this report.		management objectives are effectively achieved.	
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Other remarks

Applicable Not applicable

(2) The Company carries out conforming hedging business and applies hedge accounting
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Book value related to hedged items and hedging instruments	Cumulative fair value hedge adjustment of the hedged item included in the recognized book value of the hedged item	Hedging validity and source of the invalid hedging part	Impact of hedge accounting on the financial statements of the Company
Type of hedging risk				
Price fluctuation risks of nickel, lithium and cobalt		-193,780,475.71	Whether the hedging instrument and hedged item fluctuate in the opposite directions	Gains on hedging instruments in the current period were RMB 211,972,833.10, losses on the hedged items arising from hedging risks were RMB 193,780,475.71, and gains on ineffective hedges were RMB 18,192,357.39 (including gains from close position of RMB -7,433,922.46 and gains from open position of RMB 25,626,279.85).
Hedging category				
Fair value		-193,780,475.71	Whether the	Gains on hedging

hedging			hedging instrument and hedged item fluctuate in the opposite directions	instruments in the current period were RMB 211,972,833.10, losses on the hedged items arising from hedging risks were RMB 193,780,475.71, and gains on ineffective hedges were RMB 18,192,357.39 (including gains from close position of RMB -7,433,922.46 and gains from open position of RMB 25,626,279.85).
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Other remarks

Applicable Not applicable

(3) The Company carries out hedging business for risk management and expects to achieve risk management objectives, but does not apply hedge accounting

Applicable Not applicable

Other remarks

Applicable Not applicable

3. Transfer of financial assets

(1) Classification of transfer method

Applicable Not applicable

(2) Financial assets de-recognized due to transfer

Applicable Not applicable

(3) Transferred financial assets further involved

Applicable Not applicable

Other remarks

Applicable Not applicable

XIII. Disclosure of Fair Value

1. Ending fair value of the assets and liabilities measured at fair value

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending fair value			
	First level of fair value measurement	Second level of fair value measurement	Third level of fair value measurement	Total
I. Continuous fair value measurement				
(I) Financial assets held for trading	2,100,966,984.02		418,219,349.75	2,519,186,333.77
1. Financial assets	2,100,966,984.02		418,219,349.75	2,519,186,333.77

measured at fair value through current profit or loss				
(1) Debt instrument investments				
(2) Equity instrument investments				
(3) Derivative financial assets	2,100,966,984.02		42,219,349.75	2,143,186,333.77
(4) Financial products			376,000,000.00	376,000,000.00
2. Financial asset designated to be measured at fair value through current profit or loss				
(1) Debt instrument investment				
(2) Equity instrument investment				
(II) Other creditor's right investments				
(III) Other equity instrument investments			40,897,182.81	40,897,182.81
(IV) Investment properties				
1. Right to use the land for lease				
2. Leased buildings				
3. Land use right held for transfer upon appreciation				
(V) Biological assets				
1. Consumptive biological assets				
2. Productive biological assets				
(VI) Receivables financing			922,636,746.24	922,636,746.24
(VII) Other non-current financial assets			6,573,600.00	6,573,600.00
Total amount of assets measured at fair value on a continuous basis	2,100,966,984.02		1,388,326,878.80	3,489,293,862.82
(VI) Financial liabilities held for trading			22,190,000.00	22,190,000.00
1. Financial liabilities measured at fair value through current profit or loss			22,190,000.00	22,190,000.00
Including: traded bonds issued				
Derivative financial liabilities			22,190,000.00	22,190,000.00
Others				
2. Financial liabilities designated to be measured at fair value through current profit or loss				

Total amount of liabilities measured at fair value on a continuous basis			22,190,000.00	22,190,000.00
II. Non-continuous fair value measurement				
(I) Assets held for sale				
Total amount of assets measured at fair value not on a continuous basis				
Total amount of liabilities measured at fair value not on a continuous basis				

2. Basis for determining the market price for the items subject to the first level of continuous and non-continuous fair value measurement

Applicable Not applicable

Items	Closing fair value	Valuation technique
Derivative financial assets	2,100,966,984.02	The fair value of futures contracts is determined based on the settlement price determined in futures transactions. The fair value of hedged items is determined based on the settlement price in spot market.
Held-for-trading financial liabilities – Derivative financial liabilities	0.00	

3. Valuation techniques adopted and qualitative and quantitative information of important parameters for the items subject to the second level of continuous and non-continuous fair value measurement

Applicable Not applicable

4. Valuation techniques adopted and qualitative and quantitative information of important parameters for the items subject to the third level of continuous and non-continuous fair value measurement

Applicable Not applicable

Items	Closing fair value	Valuation technique
Held-for-trading financial assets – Derivative financial assets	42,219,349.75	The fair value of forward foreign exchange settlement = the amount of foreign currencies sold * (forward exchange rate agreed in contracts - closing forward exchange rate of forward foreign exchange settlement with similar delivery date)/(1+discount rate * number of days from balance sheet date to delivery date/360); the fair value of foreign exchange swap transaction = the amount of currencies purchased at the near end agreed in contracts * (exchange rate at the far end agreed in contracts - closing forward exchange rate of swap transaction with similar delivery date) * exchange rate of foreign currency to RMB on the balance sheet

Items	Closing fair value	Valuation technique
		date/(1+discount rate * number of days from balance sheet date to delivery date/360); the fair value of foreign exchange put option contracts = option premium income agreed in contracts * number of days from transaction date to balance sheet date/number of days from transaction date to delivery date
Short-term bank financial products	376,000,000.00	The principal plus expected income as of the balance sheet date.
Other equity instrument investments	40,897,182.81	For Inner Mongolia Sinuo, Hanaq Company and Shenzhen Phoenicia, the carrying amount is used as the fair value as there is little difference between them.
Receivables financing	922,636,746.24	The carrying amount is used as the fair value as there is little difference between them.
Other non-current financial assets	6,573,600.00	The carrying amount is used as the fair value as there is little difference between them.
Held-for-trading financial liabilities – Derivative financial liabilities	22,190,000.00	The fair value of forward foreign exchange settlement = the amount of foreign currencies sold * (forward exchange rate agreed in contracts - closing forward exchange rate of forward foreign exchange settlement with similar delivery date)/(1+discount rate * number of days from balance sheet date to delivery date/360); the fair value of foreign exchange swap transaction = the amount of currencies purchased at the near end agreed in contracts * (exchange rate at the far end agreed in contracts - closing forward exchange rate of swap transaction with similar delivery date) * exchange rate of foreign currency to RMB on the balance sheet date/(1+discount rate * number of days from balance sheet date to delivery date/360); the fair value of foreign exchange put option contracts = option premium income agreed in contracts * number of days from transaction date to balance sheet date/number of days from transaction date to delivery date

5. Adjustment between book values at beginning and ending and sensitivity analysis of unobservable parameters for the items subject to the third level of continuous fair value measurement

Applicable Not applicable

6. Conversion causes and policy to determine the conversion time point in case of conversion between levels in current period for the items subject to continuous fair value measurement

Applicable Not applicable

7. Changes in valuation techniques in the current period and the reason therefor

Applicable Not applicable

8. Fair value of the financial assets and liabilities not measured at fair value

Applicable Not applicable

9. Others
Applicable Not applicable

XIV.Related Party and Related-party Transactions
1. Information of the parent company of the Company
Applicable Not applicable

Monetary unit: Ten Thousand Yuan Currency: RMB

Name of the parent company	Registration place	Business nature	Registered capital	Percentage of the Company's equities held by the parent company (%)	Ratio of voting right of the parent company in the Company (%)
Huayou Holding	Tongxiang City, Zhejiang Province	Business services	7,009.20	15.22	15.22

Information of the parent company

None

The ultimate controller of the Company is Chen Xuehua

Other remarks:

Chen Xuehua holds 21.66% of the Company's equity by direct holding and indirect holding through Huayou Holding

2. Information of subsidiaries of the Company

Please refer to Note for the details of the subsidiaries of the Company.

Applicable Not applicable

3. Information of joint ventures and associates of the Company

Please refer to Note for the details of major joint ventures and associates of the Company.

Applicable Not applicable

Information of other joint ventures and associates that have related party transactions with the Company in the current period or had related party transactions with the Company in the previous period and generated balances:

Applicable Not applicable

Joint ventures or associates	Relationships with the Company
IWIP Company	Associate
LG-HY BCM	Associate
Puhua Company	Associate
Leyou Company	Associate
Zhejiang Times Li-ion Material Co., Ltd. (" Times Li-ion Company ")	The associates Quzhou Xinhua and Quzhou Anyou hold 35.30% and 17.88% of its equity respectively, being its first and second largest shareholders.
PHC Company	Associate
Hunan Yacheng	Associate
Ningbo Ruihua	Associate
Newstride Technology	Associate
PT. Wedabay Nickel Indonesia (" WBN Company ")	Subsidiary of the associate Newstride Technology
Veinstone	Associate
PT. Weda Bay Energi (" WBE Company ")	Subsidiary of the associate Veinstone
Indonesia Huatuo	Associate
WKM Company	Associate

Joint ventures or associates	Relationships with the Company
Zhejiang Huayou Lithium Battery Materials Co., Ltd. (“ Huayou Lithium Battery ”)	Subsidiary of the associate Tongxiang Lithium Times
Quzhou Power Investment Huayou Intelligent Energy Co., Ltd. (“ Quzhou Power Investment ”)	Subsidiary of the associate Zhejiang Power Investment
Tongxiang Power Investment Huayou Intelligent Energy Co., Ltd. (“ Tongxiang Power Investment ”)	Subsidiary of the associate Zhejiang Power Investment
Guangxi Times Huineng Lithium Battery Material Technology Co., Ltd. (“ Guangxi Times Huineng ”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Juneng Thermal Energy Co., Ltd. (“ Yulin Times Juneng ”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Green Water Environmental Protection Technology Co., Ltd. (“ Yulin Times Green Water ”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Sky Blue Gas Co., Ltd. (“ Yulin Times Sky Blue ”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Alam Hijau	Joint venture

Other remarks:

Applicable Not applicable

4. Other related parties

Applicable Not applicable

Other related parties	Relationships with the Company
Qiu Jinhua	Close family member of the ultimate controller Chen Xuehua
Guangxi Huayou Construction Operation Management Co., Ltd. (“ Guangxi Huayou Construction ”)	Under the control of Huayou Holding
Yunnan Youtian New Energy Technology Co., Ltd. (“ Yunnan Youtian ”)	Under the control of Huayou Holding
Inner Mongolia Shengfan Technology New Energy Co., Ltd. (“ Inner Mongolia Shengfan ”)	Under the control of Huayou Holding
Guangxi Huachuang New Material Copper Foil Co., Ltd. (“ Guangxi Huachuang ”)	Under the control of Huayou Holding
Guangxi Times New Energy Lithium Battery Material Technology Co., Ltd. (“ Guangxi Times New Energy ”)	Under the control of Huayou Holding
Guangxi Times Chuangneng New Material Technology Co., Ltd. (“ Guangxi Times Chuangneng ”)	Under the control of Huayou Holding
Youshan New Material	Under the control of Huayou Holding
Ruby Mining Hong Kong Limited (“ Ruby Mining ”)	Under the control of Huayou Holding
Hubei Youxing	Under the control of Huayou Holding
Guangxi Huayou Resource Recycling Technology Co., Ltd. (“ Guangxi Recycling ”)	Under the control of Huayou Holding
Inner Mongolia Huajing New Materials Co., Ltd. (“ Inner Mongolia Huajing ”)	Under the control of Huayou Holding
PT. Youshan Nickel Indonesia (“ Youshan Nickel ”)	Associate of Huayou Holding
Zhejiang Beilinde Enterprise Management Co., Ltd. (“ Beilinde Company ”)	Associate of Huayou Holding

Other related parties	Relationships with the Company
Zhejiang Xinhua Polymeric Materials Co., Ltd. (“Xinhua Polymeric Materials”)	Associate of Huayou Holding

Other remarks:

None

5. Related-party transactions

(1) Related-party transactions for purchasing/selling goods or rendering/accepting labor services

Details of related party transactions for purchasing goods or accepting labor service

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Contents of related-party transaction	Amount incurred in the current period	Transaction limit approved (if applicable)	Whether the transaction limit is exceeded (if applicable)	Amount incurred in the previous period
Associate	Goods	1,673,770,353.66			374,762,880.94
Associate	Services	127,293,303.62			65,261,775.26
Other related party	Goods	523,887,519.37			769.91
Sub-total		2,324,951,176.65			440,025,426.11

Details of related-party transactions for selling goods or rendering labor service

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Contents of related-party transaction	Amount incurred in the current period	Amount incurred in the previous period
Associate	Goods	908,972,473.26	1,144,160,380.11
Associate	Services	61,349,236.47	143,941,428.17
Other related party	Goods	197,500,604.77	191,679,519.33
Other related party	Services	13,698,318.45	18,900,803.84
Sub-total		1,181,520,632.95	1,498,682,131.45

Remark to the related party transactions for purchasing/selling goods or rendering/accepting labor service

Applicable Not applicable

(2) Related party trusteeship/contracting

Details of trusteeship/contracting where the Company is the trustee/contractor:

Applicable Not applicable

Remarks to related party trusteeship/contracting

Applicable Not applicable

Details of trusteeship/contracting where the Company is the trustor/contractee:

Applicable Not applicable

Remarks to related party management/outsourcing

Applicable Not applicable

(3) Related party leasing

Where the Company is the lessor:

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Name of lessee	Type of leased asset	Lease income recognized in the current period	Lease income recognized in the previous period
Huayou Holding Group Co., Ltd.	Buildings and structures	210,986.16	27,522.94
Sub-total		210,986.16	27,522.94

Where the Company is the lessee:

Applicable Not applicable

Remark to related party leasing:

Applicable Not applicable

(4) Related-party guarantee

Where the Company is the guarantor:

Applicable Not applicable

Where the Company is the guaranteed party:

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Guarantor	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Guarantee fulfilled or not
Chen Xuehua	240,000,000.00	2024.5.9	2024.11.9	No
Chen Xuehua	400,000,000.00	2024.2.29	2025.5.17	No
Chen Xuehua	316,898,962.01	2024.4.10	2025.4.9	No
Chen Xuehua	22,224,115.25	2024.5.14	2024.7.30	No
Chen Xuehua	50,000,000.00	2024.3.1	2025.2.28	No
Chen Xuehua	416,448,127.55	2024.3.5	2024.12.18	No
Chen Xuehua	38,117,034.99	2024.2.22	2024.10.15	No
Chen Xuehua	379,099,475.00	2023.12.27	2024.10.14	No
Chen Xuehua	964,000,000.00	2023.10.19	2024.11.9	No
Chen Xuehua, Qiu Jinhua	400,000,000.00	2024.2.2	2024.12.9	No
Chen Xuehua	157,000,000.00	2024.2.28	2024.8.26	No
Chen Xuehua	835,000,000.00	2022.9.16	2024.12.6	No
Chen Xuehua	190,000,000.00	2024.5.28	2024.11.29	No
Chen Xuehua	194,000,000.00	2024.1.18	2025.1.15	No
Chen Xuehua	400,000,000.00	2024.1.8	2025.1.3	No
Chen Xuehua	169,027,644.94	2024.5.24	2025.6.17	No
Chen Xuehua	289,000,000.00	2024.1.12	2024.12.13	No
Chen Xuehua	310,000,000.00	2024.1.12	2025.6.19	No
Chen Xuehua, Qiu Jinhua	100,000,000.00	2023.8.18	2024.10.17	No
Chen Xuehua, Qiu Jinhua	53,000,000.00	2024.4.9	2024.9.30	No
Chen Xuehua	151,250,000.00	2024.1.26	2026.5.27	No
Chen Xuehua	180,000,000.00	2024.6.6	2025.6.2	No
Chen Xuehua	166,235,579.04	2024.5.24	2024.12.24	No
Chen Xuehua	157,000,000.00	2023.9.25	2025.1.14	No
Chen Xuehua	28,000,000.00	2024.1.25	2024.7.25	No
Chen Xuehua	280,801,536.80	2024.4.23	2025.5.9	No
Chen Xuehua	229,096,559.50	2024.3.8	2025.3.7	No
Chen Xuehua	100,000,000.00	2024.5.31	2025.5.9	No
Chen Xuehua	19,000,000.00	2024.6.18	2024.12.13	No
Chen Xuehua	161,129,000.00	2021.10.29	2029.3.21	No
Chen Xuehua	64,670,008.56	2021.10.29	2029.3.21	No
Chen Xuehua	935,479,869.00	2021.10.29	2029.3.21	No
Chen Xuehua	322,340,600.00	2021.10.29	2029.3.21	No
Chen Xuehua	323,350,042.80	2021.10.29	2029.3.21	No
Chen Xuehua	644,604,500.00	2021.10.29	2029.3.21	No
Huayou Holding	18,076,310.40	2024.6.17	2024.12.21	No
Huayou Holding	120,000,000.00	2024.2.7	2025.5.5	No
Huayou Holding	299,990,000.00	2023.9.26	2025.6.21	No
Huayou Holding	616,240,000.00	2024.4.14	2026.4.8	No
Huayou Holding	12,922,589.50	2024.1.15	2024.11.20	No
Huayou Holding	369,475,875.37	2024.3.28	2024.12.25	No
Huayou Holding	124,000,000.00	2024.1.25	2025.6.26	No
Huayou Holding	43,653,540.65	2024.2.29	2024.8.29	No
Huayou Holding	100,000,000.00	2023.11.28	2025.2.27	No
Huayou Holding	178,225,017.12	2024.1.19	2024.12.18	No
Huayou Holding	167,756,450.67	2024.1.30	2024.8.23	No

Huayou Holding	20,000,000.00	2023.7.13	2024.7.12	No
Huayou Holding	20,000,000.00	2024.4.26	2025.4.25	No
Huayou Holding	5,925,048.98	2024.1.5	2024.8.2	No
Huayou Holding	41,666,666.67	2021.9.17	2024.10.18	No
Huayou Holding	65,763,969.82	2022.1.7	2025.1.7	No
Huayou Holding	110,000,000.00	2022.5.12	2025.5.11	No
Huayou Holding	300,000,000.00	2024.1.4	2026.3.21	No
Huayou Holding	325,316,136.00	2024.3.27	2024.12.27	No
Huayou Holding	460,706,188.22	2022.8.4	2026.12.20	No
Huayou Holding	88,055,594.80	2024.1.25	2024.12.26	No
Huayou Holding	50,000,000.00	2024.2.23	2024.8.23	No
Huayou Holding	48,503,279.46	2024.3.29	2024.10.30	No
Chen Xuehua	212,000,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	848,000,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	503,500,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	1,484,000,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	742,000,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	662,500,000.00	2023.7.20	2030.6.21	No
Chen Xuehua, Qiu Jinhua	356,340,000.00	2023.3.11	2025.3.10	No
Chen Xuehua	712,680,000.00	2023.3.30	2025.3.30	No

Remarks to related-party guarantee

√Applicable □Not applicable

The Company provides guarantee for Tianjin B&M, Chengdu B&M and Zhejiang B&M, while Huayou Holding provides counter guarantee for the Company.

(5) Fund lending/borrowing to/from related parties

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Amount of lending/borrowing	Starting date	Maturity date	Remark
Borrowing				
Newstride Technology	10,562,373.72	2020/12/31	2024/12/30	
Newstride Technology	5,281,186.86	2021/4/13	2025/4/12	
Newstride Technology	179,628,176.42	2022/6/27	2025/6/27	
Newstride Technology	36,560,484.00	2022/6/1	2025/6/1	
Newstride Technology	60,934,140.00	2022/7/11	2024/7/11	
Newstride Technology	48,747,312.00	2022/8/1	2024/8/1	
Newstride Technology	9,749,462.40	2022/8/8	2024/8/8	
Newstride Technology	60,934,140.00	2022/9/1	2024/8/31	
Newstride Technology	36,560,484.00	2022/10/11	2024/10/11	
Newstride Technology	48,747,312.00	2022/10/31	2024/10/31	
Newstride Technology	34,427,718.90	2022/12/13	2024/12/13	
Newstride Technology	104,806,720.80	2023/1/5	2025/1/4	

Related party	Amount of lending/borrowing	Starting date	Maturity date	Remark
Lending				
IWIP Company	197,982,504.00	2023/6/27	2028/6/26	
Veinstone	116,651,462.40	2023/6/27	2028/6/26	
Indonesia Huatuo	3,563,400.00	2023/6/27	2028/6/26	
Alam Hijau	7,839,480.00	2022/1/21	2025/1/20	

(6) Asset transfer and debt restructuring of related parties
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Contents of related party transaction	Amount incurred in the current period	Amount incurred in the previous period
Associate	Sale of long-term assets	538,316.91	673,575.31
Other related party	Sale of long-term assets	426,695.45	905,789.39
Sub-total		965,012.36	1,579,364.70

(7) Compensation of key management personnel
Applicable Not applicable

Monetary unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Compensation of key management personnel	2,801.38	3,724.88

(8). Other related party transactions
Applicable Not applicable

6. Details of unsettled items, such as receivable from and payables to related parties
(1) Receivables
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Related party	Ending balance		Beginning balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Accounts receivable	Other related party	51,267,362.78	2,563,368.14	54,778,883.12	2,757,825.48
Accounts receivable	Associate and its subsidiaries	918,244,748.39	45,912,237.42	562,427,791.30	28,255,855.36
Sub-total		969,512,111.17	48,475,605.56	617,206,674.42	31,013,680.84
Other receivables	Joint venture	7,839,480.00	4,988,760.00	7,790,970.00	1,558,194.00
Other receivables	Associate and its subsidiaries	3,691,905.81	3,570,475.03	3,541,350.00	3,541,350.00
Sub-total		11,531,385.81	8,559,235.03	11,332,320.00	5,099,544.00
Long-term receivables	Associate and its subsidiaries	314,633,966.40		312,687,039.60	
Sub-total		314,633,966.40		312,687,039.60	
Receivables financing	Other related party	3,091,828.35		56,917,169.66	
Receivables financing	Associate and its subsidiaries	19,839,982.97		60,169,276.57	
Sub-total		22,931,811.32		117,086,446.23	
Advances paid	Joint venture	5,345,100.00		5,312,025.00	
Advances paid	Associate and its subsidiaries	15,771,110.40		388,235.29	
Sub-total		21,116,210.40		5,700,260.29	

(2) Payables
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Related party	Ending book balance	Beginning book balance
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Item	Related party	Ending book balance	Beginning book balance
Accounts payable	Associate and its subsidiaries	1,351,759,315.87	1,353,970,283.98
Accounts payable	Other related party	47,791.40	164,470,131.65
Sub-total		1,351,807,107.27	1,518,440,415.63
Other payables	Associate and its subsidiaries	637,690,316.55	633,628,910.52
Sub-total		637,690,316.55	633,628,910.52
Contract liabilities	Associate and its subsidiaries	104,970,409.08	67,690,084.06
Sub-total		104,970,409.08	67,690,084.06
Notes payable	Associate and its subsidiaries	614,245,801.86	1,076,078,694.64
Sub-total		614,245,801.86	1,076,078,694.64

(3) Other items
Applicable Not applicable

7. Commitments of related parties
Applicable Not applicable

8. Others
Applicable Not applicable

XV. Share-based payment
1. Equity instruments
Applicable Not applicable

Stock options or other equity instruments outstanding at the end of the period

Applicable Not applicable

2. Equity-settled share-based payment
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Method of determining the fair value of equity instruments on the grant date	The closing price of the Company's shares on the grant date.
Important parameters of the fair value of equity instruments on the grant date	
Basis for determining the amount of exercisable equity instruments	Based on the number of restricted shares granted, as well as a comprehensive consideration of changes in the number of employees eligible to exercise on each balance sheet date, the Company's performance assessment indicators for each exercising year, and the individual performance appraisal of incentive objects.
Reasons for significant difference between the estimate in this period and prior period	None
Cumulative amount of equity settled share-based payments included in the capital reserve	503,266,781.09

Other remarks

None

3. Cash-settled share-based payment
Applicable Not applicable

4. Expenses of share-based payment in the current period
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Class of grantee	Expenses of equity settled share-based payment	Expenses of cash-settled share-based payment
Directors, supervisors, senior executives	17,170,465.02	
Key managers, core backbone and other personnel that the Board of Directors deems necessary to incentivize	138,285,471.48	
Total	155,455,936.50	

Other remarks

None

5. Modification and termination of share-based payment
Applicable Not applicable

It is agreed upon approval at the 14th meeting of the Sixth Board of Directors of the Company and the 2024 first extraordinary general meeting of shareholders that, in view of the significant changes in the macroeconomic situation at home and abroad, the capital market environment and the external operating environment of the new energy lithium-ion battery industry and the significant fluctuations in the Company's stock prices since the implementation of the incentive plan, if implementation of the incentive plan was continued, it would be difficult to achieve the incentive purpose and effect under the original plan, which would not be conducive to fully mobilizing the enthusiasm of the Company's core employees. After careful study, the Company decided to terminate the implementation of the 2021 and 2022 Restricted Stock Incentive Plans and repurchase and cancel the restricted shares that have been granted and have not been unlocked.

Upon termination of the Company's 2021 Incentive Plan, 4,104,828 restricted shares granted to 779 incentive recipients but not unlocked were repurchased and cancelled by the Company, including 2,978,612 restricted shares granted to 566 incentive recipients involved in the first grant but not unlocked, the repurchase price of which was RMB 28.72 per share, 1,019,564 restricted shares granted to 187 incentive recipients involved in the first grant of reserved part but not unlocked, the repurchase price of which was RMB 40.98 per share, and 106,652 restricted shares granted to 26 incentive recipients involved in the second grant of reserved part but not unlocked, the repurchase price of which was RMB 44.24 per share.

Upon termination of the Company's 2022 Incentive Plan, 7,030,520 restricted shares granted to 1,318 incentive recipients (two of them received restricted shares of both the first grant part and the reserved part) but not unlocked were repurchased or cancelled by the Company, including 5,412,120 restricted shares granted to 969 incentive recipients involved in the first grant but not unlocked, the repurchase price of which was RMB 32.15 per share, and 1,618,400 restricted shares granted to 351 incentive recipients involved in the grant of reserved part but not unlocked, the repurchase price of which was RMB 31.41 per share.

6. Others
Applicable Not applicable

XVI. Commitments and Contingencies
1. Major commitments
Applicable Not applicable

2. Contingencies

(1) Major contingencies on the balance sheet date

Applicable Not applicable

As of June 30, 2024, the progress of the land dispute between GENILAND and the subsidiary CDM Company is as follows:

GENILAND sued CDM Company for the encroachment of the mining area corresponding to CDM Company's Mining Concession No. 527 on its long-term lease concession (land), and claimed compensation for damages of USD 22.65 million. According to the judgment rendered by the court of Democratic Republic of the Congo (DRC), CDM Company shall pay damages and penalties totaling USD 9,935,084 to GENILAND. CDM Company has filed an appeal against such judgment, and relevant enforcement is currently suspended. According to the "Legal Opinion on the Interests of Zhejiang Huayou Cobalt Co., Ltd. in the Democratic Republic of the Congo" issued by Edmond Cibamba Diata, a lawyer from Emery Mukendi Wafwana & Associés in August 2020, there is no legal basis to sustain the GENILAND's claim due to the following reasons:

According to Article 64 of the 2002 Mining Code, the exploitation license entitles its holder to the exclusive right to carry out, within the perimeter over which it has been granted, and during its term of validity, exploration, development, construction and exploitation works in connection with the mineral substances for which the license has been granted. CDM Company, as the holder of Mining Concession No. 527, has the right to enter the mining area to carry out mining operations. As GENILAND acquired the long-term lease concession (land) on May 25, 2012, later than the date when CDM Company acquired Mining Concession No. 527, GENILAND cannot consider the mining operations or the construction of installations and infrastructures required for mining exploitation conducted by CDM Company within the exploitation perimeter as illegal activities, nor can it claim any compensation on such basis.

GENILAND filed a motion seeking damages of USD 22.65 million. However, according to Article 281 of the 2002 Mining Code, the fair compensation for disputes over land occupation between the holder of the mining rights and the holder of the surface rights shall be the value of the land at the time of its occupation plus fifty per cent (50%). Based on the legal opinion issued by the DRC lawyer in September 2020 as well as the investigation conducted by the Land Bureau where the land in question is located, it is confirmed that the land price in the area where the land in question located ranges from USD 500 to USD 800 per hectare and the land in question is 26.83 hectares, thus the maximum amount of compensation will not exceed USD 32,196.00 according to the above-mentioned compensation standard. In summary, the Company believes that it is not liable for any compensation concerning the above lawsuit and therefore accrues no provisions.

(2) Explanation shall also be given even if there is no major contingency to be disclosed by the Company

Applicable Not applicable

3. Others

Applicable Not applicable

XVII. Post Balance Sheet Events

1. Major non-adjusting events

Applicable Not applicable

2. Profit distribution

Applicable Not applicable

3. Sales return

Applicable Not applicable

4. Description of other post-balance-sheet eventsApplicable Not applicable**XVIII. Other Major Events****1. Correction of accounting errors in the previous period****(1) Retrospective restatement method**Applicable Not applicable**(2) Prospective application method**Applicable Not applicable**2. Material debt restructuring**Applicable Not applicable**3. Replacement of assets****(1) Replacement of non-monetary assets**Applicable Not applicable**(2) Replacement of other assets**Applicable Not applicable**4. Pension plan**Applicable Not applicable**5. Discontinued operation**Applicable Not applicable**6. Segment information****(1) Determination basis and accounting policies of the reportable segment**Applicable Not applicable

The Company's main business is manufacturing and sales of cobalt products, copper products, nickel products, lithium products, ternary precursors, cathode materials, nickel intermediates, etc., with its operating results managed and evaluated on an integral basis. Therefore, the Company is not required to disclose segment information. For details on the Company's operating revenue and operating cost by products/geographic information, please see "61. Operating income and operating cost" of "VII. Notes to the items in the consolidated financial statements" of "Section X Financial Report" of this report.

(2) Financial information of the reportable segmentApplicable Not applicable**(3) Please explain the reason in case of no reportable segment or inability to disclose the total assets and total liabilities of each reportable segment.**Applicable Not applicable**(4) Other remarks:**Applicable Not applicable**7. Other major transactions and events impacting the investor's decision-making**Applicable Not applicable

8. Others

Applicable Not applicable

XIX. Notes to Main Items in the Financial Statements of the Parent Company

1. Accounts receivable

(1) Disclosure by aging

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year		
Including: each sub-item		
Within 1 year	756,629,146.04	921,524,940.66
Sub-total	756,629,146.04	921,524,940.66
1 to 2 years	1,945,837.66	127,362,796.30
2 to 3 years		
More than 3 years	463,014.77	463,014.77
3 to 4 years		
4 to 5 years		
More than 5 years		
Total	759,037,998.47	1,049,350,751.73

(2) Classification according to different methods of provision for bad debts

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debt made on an individual basis	402,048.00	0.05	402,048.00	100.00		402,048.00	0.04	402,048.00	100.00	
Including:										
Receivables of individually insignificant amount but with provision made on an individual basis	402,048.00	0.05	402,048.00	100.00		402,048.00	0.09	402,048.00	100.00	
Provision for bad debt made on a portfolio basis	758,635,950.47	99.95	10,595,135.99	1.40	748,040,814.48	1,048,948,703.73	99.96	1,516,870.74	0.14	1,047,431,832.99
Including:										

Portfolio grouped with balances due from external customers	204,906,838.1 ₅	27.00	10,595,135.9 ₉	5.17	194,311,702.1 ₆	25,244,529.12		1,516,870.7 ₄	6.01	23,727,658.38
Portfolio grouped with balances due from related parties within the consolidation scope	553,729,112.3 ₂	72.95			553,729,112.3 ₂	1,023,704,174.6 ₁				1,023,704,174.6 ₁
Total	759,037,998.4 ₇	/	10,997,183.9 ₉	/	748,040,814.4 ₈	1,049,350,751.7 ₃	/	1,918,918.7 ₄	/	1,047,431,832.9 ₉

Provision for bad debt made on an individual basis:

Applicable Not applicable

Monetary unit: Yuan Currency:
RMB

Name	Ending balance			
	Book balance	Provision for bad debt	Proportion of provision (%)	Reason for making provision
Other entities	402,048.00	402,048.00	100.00	Such entities are struggling, and it is likely that the payments will be unrecoverable
Total	402,048.00	402,048.00	100.00	/

Description of the provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

Items with provision made on a portfolio basis: Portfolio grouped with balances due from external customers

Monetary unit: Yuan Currency:
RMB

Name	Ending balance		
	Accounts receivable	Provision for bad debt	Proportion of provision (%)
Within 1 year	202,900,033.72	10,145,001.69	5.00
1-2 years	1,945,837.66	389,167.53	20.00
2-3 years			
Over 3 years	60,966.77	60,966.77	100.00
Total	204,906,838.15	10,595,135.99	2.17

Description of the provision for bad debts made on a portfolio basis:

Applicable Not applicable

Provision for bad debt made according to the general model of expected credit loss

Applicable Not applicable

Basis for the division of each phase and proportion of provisions for bad debts

None

Changes in book balance of accounts receivable with significant change in the amount of provision for loss in the current period:

Applicable Not applicable

(3) Details of the provision for bad debts

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision made	Recovered or reversed	Written-off or charged off	Other change	
Receivables with provision for bad debts made on a portfolio basis using age analysis method	1,516,870.74	9,078,265.25				10,595,135.99
Receivables of individually insignificant amount but with provision made on an individual basis	402,048.00					402,048.00
Total	1,918,918.74	9,078,265.25				10,997,183.99

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(4) Accounts receivable actually written off in the current period

Applicable Not applicable

In which, significant amount of accounts receivable written off:

Applicable Not applicable

Remarks to write-offs of accounts receivable

Applicable Not applicable

(5) Top 5 accounts receivable and contract assets in terms of the ending balance presented by debtors

Applicable Not applicable

Other remarks:

Applicable Not applicable

Closing balance of top 5 debtors totaled RMB 586,400,078.38, accounting for 77.26% of the total closing balance of accounts receivable, and the total provision for bad debts made thereon was RMB 9,181,689.91.

2. Other receivables

Presented by items

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Interests receivable		
Dividends receivable	467,028,308.81	24,906,913.93
Other receivables	4,429,144,889.30	6,626,313,796.61
Total	4,896,173,198.11	6,651,220,710.54

Other remarks:

Applicable Not applicable

Interests receivable

(1) Classification of interests receivable

Applicable Not applicable

(2) Significant overdue interests

Applicable Not applicable

(3) Classification according to different methods of provision for bad debts

Applicable Not applicable

Provision for bad debt made on an individual basis:

Applicable Not applicable

Description of the provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

(4) Provision for bad debt made according to the general model of expected credit loss

Applicable Not applicable

(5) Details of the provision for bad debts

Applicable Not applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(6) Interests receivable actually written off in the current period

Applicable Not applicable

In which, significant amount of interests receivable written off:

Applicable Not applicable

Remarks to write-offs of interests receivable:

Applicable Not applicable

Other remarks:

Applicable Not applicable

Dividends receivable

(1) Dividends receivable

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item (or investee)	Ending balance	Beginning balance
Huayou Quzhou	467,028,308.81	
Youqing Trading		18,921,427.45
Tongxiang Hua'ang		5,985,486.48
Total	467,028,308.81	24,906,913.93

(2) Major dividends receivable with aging over 1 year

Applicable Not applicable

(3) Classification according to different methods of provision for bad debts

Applicable Not applicable

Provision for bad debt made on an individual basis:

Applicable Not applicable

Description of the provision for bad debt made on an individual basis:

Applicable Not applicable

Provision for bad debt made on a portfolio basis:

Applicable Not applicable

(4) Provision for bad debt made according to the general model of expected credit loss

Applicable Not applicable

(5) Details of the provision for bad debts

Applicable Not applicable

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks:

None

(6) Dividends receivable actually written off in the current period

Applicable Not applicable

In which, significant amount of dividends receivable written off:

Applicable Not applicable

Remarks to write-offs of dividends receivable:

Applicable Not applicable

Other remarks:

Applicable Not applicable

Other receivables
(1) Disclosure by aging

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year		
Including: each sub-item		
Within 1 year	3,509,611,537.29	5,717,557,384.67
Sub-total	3,509,611,537.29	5,717,557,384.67
1 to 2 years	873,664,683.11	671,251,450.42
2 to 3 years	6,829,436.84	238,649,599.11
More than 3 years	40,150,589.84	474,356.07
3 to 4 years		
4 to 5 years		
More than 5 years		
Total	4,430,256,247.08	6,627,932,790.27

(2) Classification by nature of funds

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Nature of funds	Ending book balance	Beginning book balance
Temporary borrowings	4,183,575,969.47	6,615,632,857.95
Security deposits	1,497,493.97	9,506,971.94
Petty cash	1,184,903.50	1,274,904.42
Others	243,997,880.14	1,518,055.96
Total	4,430,256,247.08	6,627,932,790.27

(3) Provision for bad debt

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire existence (without credit impairment)	Expected credit loss over the entire existence (with credit impairment)	
Balance as at January 1, 2024	420,705.35	646,023.27	552,265.04	1,618,993.66
Balance as at January 1, 2024 in the current period				
--Transferred to Phase II	-66,097.07	66,097.07		-
--Transferred to Phase III		-137,500.00	137,500.00	-
--Reversed to Phase II				-
--Reversed to Phase I				-
Provision made in the current period	-288,270.45	-319,859.82	100,494.39	-507,635.88
Reversal in the current period				-
Write-off in the current period				-
Charge off in the current period				-
Other change				-
Balance as at June 30, 2024	66,337.83	254,760.52	790,259.43	1,111,357.78

Basis for the division of each phase and proportion of provisions for bad debts
 None

Changes in book balance of other receivables with significant change in the amount of provision for loss in the current period

Applicable Not applicable

Amount of provision for bad debts in the current period and the basis for evaluating whether the credit risk of the financial instruments has significantly increased:

Applicable Not applicable

(4) Details of the provision for bad debts

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision made	Recovered or reversed	Written-off or charged off	Other change	
Other receivables with provision for bad debts made on credit risk feature combination	1,618,993.66	-507,635.88				1,111,357.78
Total	1,618,993.66	-507,635.88				1,111,357.78

In which, significant amount of provision for bad debt recovered or reversed in the current period:

Applicable Not applicable

Other remarks

None

(5) Other receivables actually written off in the current period

Applicable Not applicable

In which, significant amount of other receivables written off:

Applicable Not applicable

Remarks to write-offs of other receivables:

Applicable Not applicable

(6) Top 5 other receivables in terms of the ending balance presented by debtors

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Unit name	Ending balance	Proportion in the total ending balance of other receivables (%)	Nature of funds	Aging	Ending balance of provision for bad debt
Huayou Hong Kong	976,371,600.00	22.04	Temporary borrowings	Within 1 year	

Guangxi Huayou New Materials Co., Ltd.	545,760,604.10	12.32	Temporary borrowings	Within 1 year: RMB 473,709,378.27 1-2 years: RMB 72,051,225.83	
Huayou New Energy Technology	544,850,140.49	12.30	Temporary borrowings	Within 1 year: RMB 86,000,000 1-2 years: RMB 458,850,140.49	
Zhejiang Huayou Import & Export Co., Ltd.	420,473,472.34	9.49	Temporary borrowings	Within 1 year	
Quzhou Huayou	370,848,111.03	8.37	Temporary borrowings	Within 1 year: RMB 317,338,968.51 1-2 years: RMB 53,509,142.52	
Total	2,858,303,927.96	64.52	/	/	

(7) Other receivables presented due to centralized management of funds
Applicable Not applicable

Other remarks:

Applicable Not applicable

3. Long-term equity investments
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	25,627,466,118.67		25,627,466,118.67	24,175,130,093.79		24,175,130,093.79
Investment in joint ventures and associates	4,361,526,603.58		4,361,526,603.58	4,255,904,187.80		4,255,904,187.80
Total	29,988,992,722.25		29,988,992,722.25	28,431,034,281.59		28,431,034,281.59

(1) Investment in subsidiaries
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Investee	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Provision for impairment in the current period	Ending balance of provision for impairment
Like Cobalt	33,171,333.03			33,171,333.03		
Huayou Import & Export	100,587,951.00			100,587,951.00		
Huayou Hong Kong	458,040,203.00			458,040,203.00		
CDM Company	480,447,838.92			480,447,838.92		
OIM Company	3,958,802.50			3,958,802.50		

Investee	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Provision for impairment in the current period	Ending balance of provision for impairment
MIKAS Company	263,815,386.00			263,815,386.00		
Huayou Quzhou	2,488,000,000.00			2,488,000,000.00		
Huayou Mining Hong Kong	10,448,523,870.34	923,813,670.00		11,372,337,540.34		
New Energy Quzhou	1,900,000,000.00			1,900,000,000.00		
Huayou Recycling	1,250,000,000.00			1,250,000,000.00		
Huayou New Energy	1,940,248,109.00	526,022,354.88		2,466,270,463.88		
Youqing Trading	5,700,000.00			5,700,000.00		
Tongxiang Hua'ang	2,850,000.00			2,850,000.00		
Beijing Youhong	1,710,000.00			1,710,000.00		
Guangxi Huayou Engineering	50,000,000.00			50,000,000.00		
Guangxi B&M	2,456,000,000.00			2,456,000,000.00		
Tongxiang Hualing	18,040,800.00			18,040,800.00		
Tongxiang Huawang	18,040,800.00			18,040,800.00		
Wenzhou Huashan	25,500,000.00			25,500,000.00		
Tianjin B&M	1,351,200,000.00			1,351,200,000.00		
Resource Recycling	138,000,000.00			138,000,000.00		
Guangxi Lithium	560,000,000.00			560,000,000.00		
Tongxiang Huashan	5,100,000.00			5,100,000.00		
Tongxiang Huazheng	34,695,000.00			34,695,000.00		
Guangxi Huayou New Material	100,000,000.00			100,000,000.00		
Shanghai Xincheng	17,500,000.00			17,500,000.00		
Tongxiang Huashi	10,000,000.00			10,000,000.00		

Investee	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Provision for impairment in the current period	Ending balance of provision for impairment
Tongxiang Huaxun	7,000,000.00			7,000,000.00		
Wenzhou Huake	7,000,000.00			7,000,000.00		
Huayou Supply Chain		500,000.00		500,000.00		
Huayou Catering		1,000,000.00		1,000,000.00		
Huayou Property		1,000,000.00		1,000,000.00		
Total	24,175,130,093.79	1,452,336,024.88	0.00	25,627,466,118.67		

(2) Investment in joint ventures and associates

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Investee	Beginning balance	Increase/decrease in the current period							Ending balance	Ending balance of provision for impairment
		Additional investment	Reduced investment	Profit/loss on investment recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash dividends or profits declared for distribution	Provision for impairment		
I. Joint ventures										
Sub-total										
II. Associates										
Quzhou Anyou	587,288,826.94			-3,523,245.61						583,765,581.33
Guangxi Times Li-ion Investment Management Center	702,935,855.03			-706,669.58						702,229,185.45
Guangxi Times Li-ion Industry Fund	657,644,871.98			-1,255,960.50						656,388,911.48
Hunan Yacheng	118,584,531.44			-10,745,316.29						107,839,215.15
Quzhou Xinhua	1,169,141,544.85			-6,974,000.65						1,162,167,544.20
Zhejiang Power Investment	5,838,263.13	409,600.00		306,088.14						6,553,951.27
Tongxiang Lithium Times	119,513,527.56	32,000,000.00		31,120.15						151,544,647.71
Ningbo Ruihua	62,875,176.08			729,977.95						63,605,154.03
Haigang Pingyou	88,665,000.00									88,665,000.00
LG-HY BCM	673,133,839.31			95,386,849.78	-36,027.61					768,484,661.48
Quzhou Hangyang	70,282,751.48									70,282,751.48
Sub-total	4,255,904,187.80	32,409,600.00	0.00	73,248,843.39	-36,027.61	0.00	0.00			4,361,526,603.58
Total	4,255,904,187.80	32,409,600.00	0.00	73,248,843.39	-36,027.61	0.00	0.00			4,361,526,603.58

(3) Impairment test of long-term equity investments
Applicable Not applicable

Other remarks:

Applicable Not applicable

4. Operating income and operating cost
(1) Details of operating income and operating cost
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Primary business	3,226,452,564.15	2,893,738,107.88	2,088,341,380.39	1,758,055,212.78
Other businesses	142,853,150.14	137,563,989.59	56,824,958.85	43,503,063.57
Total	3,369,305,714.29	3,031,302,097.47	2,145,166,339.24	1,801,558,276.35

(2) Breakdown of operating income and operating cost
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Classification of contracts	Division 1		Total	
	Operating income	Operating cost	Operating income	Operating cost
By commodity type				
Cobalt products	1,004,460,630.85	733,134,254.89	1,004,460,630.85	733,134,254.89
Copper products	3,915,844.17	4,510,202.10	3,915,844.17	4,510,202.10
Nickel products	1,603,143,051.50	1,613,522,523.32	1,603,143,051.50	1,613,522,523.32
Nickel intermediates	137,165,520.93	140,935,582.79	137,165,520.93	140,935,582.79
Trade and others	620,620,666.84	539,199,534.37	620,620,666.84	539,199,534.37
By business area				
Domestic	3,098,459,349.90	2,874,585,433.91	3,098,459,349.90	2,874,585,433.91
Overseas	270,846,364.39	156,716,663.56	270,846,364.39	156,716,663.56
By market or customer type				
By contract type				
By time of commodity transfer				
Recognized at a point in time	3,369,305,714.29	3,031,302,097.47	3,369,305,714.29	3,031,302,097.47
By contract term				
By sales channel				
Total	3,369,305,714.29	3,031,302,097.47	3,369,305,714.29	3,031,302,097.47

Other remarks

Applicable Not applicable

(3) Information related to performance obligations:
Applicable Not applicable

(4) Information related to transaction prices apportioned to the remaining performance obligations:
Applicable Not applicable

(5) Major contract changes or major transaction price adjustments
Applicable Not applicable

Other remarks:

None

5. Investment income
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income accounted by cost method	467,028,308.81	385,615,050.00
Long-term equity investment income accounted by equity method	73,248,843.39	-33,479,789.86
Income from disposal of long-term equity investments		
Investment income from available-for-sale financial assets during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from creditor's right investments during the holding period		
Interest income from other creditor's right investments during the holding period	73,666,986.82	102,921,704.66
Income from disposal of financial assets held for trading	17,317,472.14	514,894.95
Income from disposal of other equity instruments		
Income from disposal of creditor's right investments		
Income from disposal of other creditor's right investments		
Income from debt restructuring		
Losses on discounting of receivables financing	-304,796.11	-1,256,208.33
Total	630,956,815.05	454,315,651.42

Other remarks:

None

6. Others
Applicable Not applicable

XX. Supplementary information
1. Breakdown of non-recurring profit or loss in the current period
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount	Remark
Gains/losses from disposal of non-current assets, including the write-offs of provision for assets impairment	-3,755,887.75	
Government subsidies included in current gains/losses except for those that are closely related to the Company's normal operation, granted in line with national policies and in accordance with defined criteria, and have a continuing impact on the Company's profits/losses	44,766,492.92	
Gains/losses from changes in the fair value of financial assets and	61,901,099.12	

liabilities held by non-financial enterprises and gains/losses from the disposal of financial assets and liabilities, except for effective hedging business related to the Company's normal operation		
Fund occupancy fees charged to non-financial enterprises included in the current profit or loss	2,010,208.29	
Gains/losses from entrusting others to invest or manage assets	0.00	
Gains/losses from external entrusted loans	0.00	
Various asset losses arising from force majeure events, such as natural disasters	0.00	
Reversal of provision for accounts receivable impairment subject to individual impairment test	0.00	
Gains arising from the excess of the enterprise's share of the fair value of the identifiable net assets of the subsidiaries, associates and joint ventures as at the time of acquisition over its investment costs of acquiring such investees	0.00	
Current net profit and loss of subsidiaries arising from business combination under common control from the beginning of the period to the combination date	0.00	
Gains/losses from exchange of non-monetary assets	0.00	
Gains/losses from debt restructuring	0.00	
One-time expenses incurred due to the cessation of the relevant business activities, such as expenses for the placement of employees	0.00	
Impact amount of one-time adjustment to current profit or loss in accordance with requirements of tax, accounting, and other laws and regulations on current profit or loss	0.00	
One-time share-based payment expense recognized due to cancellation or modification of equity incentive plans	-133,985,994.90	
For share-based payments settled in cash, gains/losses arising from changes in the fair value of employee compensation payable after the vesting date	0.00	
Gains/losses arising from changes in the fair value of investment real estate that are subsequently measured at fair value	0.00	
Gains/losses arising from transactions where the transaction price is obviously unfair	0.00	
Gains/losses arising from contingent events unrelated to the normal operation of the Company	0.00	
Custody fee income from entrusted operations	0.00	
Other non-operating income and expenses except for the abovementioned items	-25,341,249.26	
Other gain/loss items that meet the definition of non-recurring gains/losses	0.00	
Less: impact amount of income tax	9,427,006.47	
Impact amount of minority equity (after-tax)	17,367,997.39	
Total	-81,200,335.44	

Please explain the reason for the Company to identify the items not listed in the *Explanatory Announcement for Information Disclosure by Companies that Issue Securities to the Public No.1 - Non-recurring Profits and Losses* as non-recurring profit and loss items with significant amount, and to identify the non-recurring profit and loss items listed in the *Explanatory Announcement for Information Disclosure by Companies that Issue Securities to the Public No.1 - Non-recurring Profits and Losses* as recurring profit and loss items.

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Item	Related amount	Reason
Amortization of government	37,345,965.17	As the government grants related to assets received by the Company were closely related to its operating activities, which

grants related to assets		complied with national policies and regulations, enjoyed based on certain standards, and had continuous impacts on the Company's profit and loss, its amortization included into other income in the current period was identified as a recurring profit or loss item.
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Other remarks:

Applicable Not applicable

2. Return on equity and earnings per share

Applicable Not applicable

Profit during the Reporting Period	Weighted average return on equity	Earnings per share	
		Basic EPS (RMB/share)	Diluted EPS (RMB/share)
Net profit attributable to ordinary shareholders of the Company	4.74	1.00	1.00
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profits and losses	4.97	1.04	1.04

3. Differences in accounting data under domestic and foreign accounting standards

Applicable Not applicable

4. Others

Applicable Not applicable

Chairman: Chen Xuehua

Date of approval by the Board of Directors: August 19, 2024

Information of revisions

Applicable Not applicable