

Zhejiang Huayou Cobalt Co., Ltd.

2024 Annual Report



April, 2025

Important Notes

I. The Board of Directors, Board of Supervisors, directors, supervisors and senior officers of the Company warrant that the information in this annual report is true, accurate and complete and that there is no false representation, misleading statement contained herein or material omission from the report, for which they will assume joint and several liabilities.

II. All directors have attended the Board meeting.

III. Pan-China Certified Public Accountants LLP issued a standard unmodified audit report for the Company.

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) declare that the financial statements in this annual report are true, accurate and complete.

V. Proposals for profit distribution or converting reserve fund to share capital for the reporting period adopted by the Board of Directors

Proposal for profit distribution in 2024: based on the total share capital registered on the equity registration date for the implementation of the equity distribution deducting the repurchased shares in the Company's special securities account for repurchase, a cash dividend of RMB 5.00 (tax included) per 10 shares will be paid to all shareholders, and no distribution of bonus share and conversion of capital reserve fund into share capital will be implemented. Shares held by the Company through special securities account for repurchase will not participate in this profit distribution, and the specific number will be disclosed in the announcement on implementation of equity distribution. Where there is any change in the Company's total share capital during the period from the date of disclosure of this announcement to the equity registration date for the implementation of the equity distribution, the Company intends to maintain the distribution ratio for each share unchanged and adjust the total distribution amount accordingly, and the detailed adjustment shall be announced separately.

VI. Risk related to forward-looking statements

Applicable Not applicable

Forward-looking statements herein concerning the Company's future development strategies, such as its operation 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. Statement on whether there is a situation that the controlling shareholder or other related parties occupy funds for any non-operation purpose

None

VIII. Statement on whether there are any external guarantees provided in violation of the required decision-making procedures

None

IX. Statement on whether there are more than half of the directors who are unable to warrant the truthfulness, accuracy, and completeness of this annual report disclosed by the Company

None

X. Major risks warning

The Company has provided a detailed description of the existing risk factors in this report. Please refer to the possible risks in the Company's discussion and analysis of its future development in "Section III Management Discussion and Analysis" for details.

XI. Others

Applicable Not applicable

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Directory of reference documents	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 copy of the audit report with the seal of the accounting firm and the signatures and seals of the certified public accountants
	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

I. Definitions

Unless the context otherwise requires, these terms shall have the following meanings when used in this report:

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 Mining 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 International Cobalt	mean(s)	Huayou International Cobalt (Hong Kong) Company Limited
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.
Shanghai Feicheng	mean(s)	Shanghai Feicheng Metal Materials Co., 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 Science and Technology Co., Ltd.
Guangxi Huayou New Materials	mean(s)	Guangxi Huayou New Materials Co., Ltd.
Guangxi Lithium Industry	mean(s)	Guangxi Huayou Lithium Industry Co., Ltd.
GDR	mean(s)	GLOBAL DEPOSITARY RECEIPTS

Section II Company Overview and Major Financial Indicators

I. Company name

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

II. Contact persons and their contact details

	Secretary of the Board of Directors	Representative of Securities Affairs
Name	Li Rui	He Qing
Contact 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
Fax	0573-88585810	0573-88585810
E-mail	lirui@huayou.com	heqing@huayou.com

III. Company basics

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 office address	314500
Website	www.huayou.com
E-mail	information@huayou.com

IV. Information disclosure and storage locations

The name and website of the media where the Company discloses its annual report	China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily
The website of the stock exchange where the Company discloses its annual report	www.sse.com.cn
The place where the Company makes its annual report available for inspection	Office of the Securities Management Department of the Company

V. Company stock profile

Company Stock Profile				
Stock type	Stock exchange	Stock abbreviation	Stock code	Stock abbreviation before change
A-share	Shanghai Stock Exchange	华友钴业 (Huayou Cobalt)	603799	None
GDR	SIX Swiss Exchange	Zhejiang Huayou Cobalt Co., Ltd.	HUAYO	None

VI. Other relevant information

The accounting firm engaged by the Company	Name	Pan-China Certified Public Accountants LLP
	Office address	Office Building T2, Run'ao Business Center, Yingfeng Street, Xiaoshan District, Hangzhou, Zhejiang

(Domestic)	Signatory accountant name	Zhang Jingjing, Lu Yanli
Sponsor performing continuous supervision duties during the reporting period	Name	CITIC Securities Company Limited
	Office address	CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing
	Signatory sponsor representative name	Wang Jiaji, Meng Xia
	Period of continuous supervision	From February 9, 2021 through the date when the funds raised are used up

VII. Major accounting data and financial indicators in the last three years

(I) Major accounting data

Monetary unit: Yuan Currency: RMB

Major accounting data	2024	2023	YoY (%)	2022
Operating income	60,945,563,720.14	66,304,047,529.81	-8.08	63,033,785,499.49
Net profit attributable to shareholders of the listed company	4,154,825,193.75	3,350,891,340.06	23.99	3,907,615,568.23
Net profit attributable to shareholders of the listed company after deducting non-recurring gains/losses	3,795,092,102.46	3,092,830,789.90	22.71	3,978,101,753.60
Net cash flow from operating activities	12,431,110,882.70	3,485,888,093.33	256.61	2,913,806,375.38
	As of the end of 2024	As of the end of 2023	YoY (%)	As of the end of 2022
Net assets attributable to the shareholders of the listed company	36,945,607,483.36	34,277,801,337.40	7.78	25,889,700,966.05
Total assets	136,591,394,324.44	125,520,277,340.78	8.82	110,592,418,711.85

(II) Major financial indicators

Major financial indicators	2024	2023	YoY(%)	2022
Basic earnings per share (RMB/share)	2.50	2.05	21.95	2.48
Diluted earnings per share (RMB/share)	2.39	2.05	16.59	2.48
Basic earnings per share after deducting non-recurring gains/losses (RMB/share)	2.28	1.89	20.64	2.52
Weighted average return on net assets (%)	11.69	11.14	0.55	17.15
Weighted average return on net assets after deducting non-recurring gains/losses (%)	10.68	10.29	0.39	17.45

Description of the Company's major accounting data and financial indicators of the last three years at the end of the reporting period

Applicable Not applicable

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

(I) Difference in net profit and net assets attributable to shareholders of the listed company in financial reports disclosed under both International Accounting Standards (IAS) and Chinese Accounting Standards (CAS)

Applicable Not applicable

(II) Difference in net profit and net assets attributable to shareholders of the listed company in financial reports disclosed under both foreign accounting standards (FAS) and Chinese Accounting

Standard (CAS)
Applicable Not applicable
(III) Description of differences between Chinese and foreign accounting standards:
Applicable Not applicable
IX. Major financial data by quarter in 2024

Monetary unit: Yuan Currency: RMB

	Q1 (January-March)	Q2 (April-June)	Q3 (July-September)	Q4 (October-December)
Operating income	14,962,649,257.31	15,087,665,307.10	15,437,871,842.91	15,457,377,312.82
Net profit attributable to shareholders of the listed company	522,415,394.16	1,148,316,737.01	1,349,638,540.94	1,134,454,521.64
Net profit attributable to shareholders of the listed company after deducting non-recurring gains/losses	567,830,428.67	1,184,102,037.94	1,289,495,234.39	753,664,401.46
Net cash flow from operating activities	929,046,306.48	1,834,535,024.01	1,076,115,144.92	8,591,414,407.29

Description of differences between the quarterly data and the data disclosed in the periodic reports

Applicable Not applicable
X. Non-recurring gains/losses items and amounts
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Non-recurring gains/losses	Amount in 2024	Note(s) (if applicable)	Amount in 2023	Amount in 2022
Gains/losses from disposal of non-current assets, including write-offs of provision for impairment losses on assets	-43,760,048.37		-2,696,370.19	-36,819,394.06
Government subsidies included in current profit or loss except for those that are closely related to the Company's normal business, granted in line with national policies and in accordance with defined criteria, and having a continuing impact on the Company's profit or loss	129,113,062.48		209,617,859.71	195,077,544.38
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 business operations	606,285,421.45		186,336,202.62	-290,225,260.27
Fund occupancy fees charged to non-financial enterprises included in the current profit or loss	23,394,065.08			13,744,035.66
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 impairment of accounts	4,195,844.62		1,525,213.78	

receivable subject to separate 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 the same 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	-150,647,576.80			
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 using the fair value model				
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	-35,183,843.93		-5,885,216.94	-11,782,650.22
Other gain/loss items that meet the definition of non-recurring gains/losses				
Less: impact amount of income tax	67,599,153.04		86,873,014.89	13,385,122.11
Impact amount of minority equity (after-tax)	106,064,680.20		43,964,123.93	-72,904,661.25
Total	359,733,091.29		258,060,550.16	-70,486,185.37

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

XI. Items measured at fair value

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Items	Opening balance	Closing balance	Changes in current period	Amount of impact on current profit
Held-for-trading financial assets	373,221,093.05	381,711,806.17	8,490,713.12	12,786,813.17
Derivative financial assets	1,395,343,385.26	1,001,393,320.42	-393,950,064.84	266,033,154.91
Financing funds receivables	2,425,306,902.49	1,428,306,241.20	-997,000,661.29	-57,860,596.79

Other equity instrument investments	42,647,182.81	176,379,882.81	133,732,700.00	
Other non-current financial assets	6,573,600.00	6,573,600.00	-	
Total	4,243,092,163.61	2,994,364,850.60	-1,248,727,313.01	220,959,371.29

XII. Others

Applicable Not applicable

Section III Management Discussion and Analysis

I. Discussion and analysis of business conditions

In 2024, in the face of challenges such as the deep adjustment of the new energy industry pattern, the accelerated restructuring of the global supply chain, and the complex and changing market environment, the Company always maintained strategic focus, adhered to the business nature of “customer-centric, creating value for customers”, strengthened overall planning, optimized industrial structure, strengthened scientific and technological support, promoted cost reduction and efficiency improvement, and strove to promote the transformation of the business pattern from overseas resources, domestic manufacturing and global market to overseas resources, international manufacturing and global market to integrate into the global new energy industry supply system with a more open attitude. During the reporting period, the Company adhered to seeking progress in stability and winning in progress, achieved steady improvement in operation quality, created the best performance in history, and successfully ranked China’s Top 500 enterprises and Fortune China’s Top 500 Enterprises for a consecutive year with high-quality development performance.

In 2024, the Company mainly completed the following tasks based on its established business plan:

1. Sought improvement in stability, and hit a record high in operating performance

During the reporting period, the Company strengthened the overall coordination of overseas resources, domestic manufacturing and global market, systematically improved operation efficiency and steadily improved operation quality by adjusting the structure, expanding the market, increasing orders, increasing loads, and reducing costs, and achieved operating income of RMB 60.946 billion and net profit attributable to the parent company of RMB 4.155 billion, a year-on-year growth of 23.99%, creating the best operating performance since the establishment of the Company. The shipment of lithium battery cathode precursors exceeded 120,000 tons (including ternary precursors and tricobalt tetroxide, and including those supplied internally), and the shipment of cathode materials exceeded 90,000 tons (including those supplied internally and equity in the joint stock company). Due to the Company’s initiative to reduce shipments of some low-profit products and optimize product structure, shipments of lithium battery materials decreased from the same period last year. The shipment of sodium battery precursors exceeded 300 tons, making the Company the first tonnage enterprise in the industry to go to sea. The shipment of cobalt products was about 46,800 metal tons (including those supplied internally), a year-on-year growth of about 13%, consolidating the Company’s leading position in the industry. The shipment of nickel products was 184,300 metal tons (including those supplied internally), a year-on-year growth of 46%, providing important support for the Company’s performance growth. During the reporting period, the upstream laterite nickel ore HPAL capacity was gradually released, and the shipment of nickel intermediates reached nearly 230,000 metal tons, an increase of nearly 50% over the same period last year, providing a competitive raw material guarantee for downstream nickel-based products. At the downstream material end, the Company reached deep coordination with the global power battery leading enterprise LG New Energy, broke through the supply chain system of Samsung

SDI, Panasonic and other international well-known customers, established a strategic partnership within the industrial supply chain of EVE Energy and BMW, as well as within the supply chain of Envision AESC in collaboration with Renault, Nissan, and Jaguar Land Rover, and launched deep cooperation with Volkswagen PowerCo in the upstream and downstream industry chain, further consolidating the Company's industry position in the mainstream market, and continuously releasing its advantages of industrial integration.

2. Strengthened product R&D, and significantly improved the technological innovation capacity

During the reporting period, the Company vigorously implemented the science and innovation strategy of “supporting the industry and leading the future”, continued to promote the 330 scientific research plan, accelerated technological progress, strengthened product R&D, and significantly improved its technological innovation capability. The Company made breakthroughs in national technical achievements. The Company won the Second Prize of the National Science and Technology Progress Award for its two scientific and technological achievements “Development of new equipment for lithium battery precursor reactive crystallization and intelligent manufacturing of high-end cathode materials” and “Whole-process optimized lithium battery solid waste efficient and low-carbon treatment technology and application”, won the First Prize of the China Nonferrous Metals Industry Science and Technology for “Integrated Key Technologies and Applications for Green Nickel Smelting and High-Quality Product Preparation”, and won Patent Excellence Award for “A preparation method of nickel, cobalt and manganese ternary precursor with low sulfur and high tap density” and “A multi-dense coated high-nickel cathode material for power use and a preparation method thereof”. During the reporting period, the Company further strengthened the R&D of new products and new processes based on the integrated industry chain and achieved a series of results. In terms of resource development, more than 10 R&D results have been industrialized in the development project of laterite nickel ore in Indonesia, effectively reducing production costs. In terms of precursors, the Company focused on the development of medium-nickel high-voltage and high-nickel new products, and engaged in the independent design and development of high-nickel large particle structures, as well as efficient preparation processes. These advancements have led to a substantial enhancement in DCR growth and improved performance during high-temperature cycling. A number of Ni90-95 products have received certification from prominent international clients. The Company developed and introduced more than 30 new products. The Company adhered to the parallel development of polyanion and high-performance layer oxygen routes in sodium battery precursor products, and achieved 100-ton breakthroughs. In terms of ternary cathode materials, the Company had a precise understanding of the trends associated with the 46 series large cylinders and has successfully developed several products within the 9 series that are now in mass production. The Company completed the R&D of a number of new products of medium nickel, high nickel and ultra-high nickel cathode materials, meeting the urgent needs of customers for long battery life, high safety, fast charging, and lightweight design. The Company successfully developed a number of medium-nickel high-voltage/(ultra-) high nickel ternary cathode materials suitable for

semi/all-solid state batteries, where the cathode materials for semi-solid state batteries have been applied to end customers' ultra-long life models, and cathode materials for all-solid state batteries are being developed and certified by leading enterprises, making the Company fully recognized by customers. In terms of lithium cobaltate, the Company broke through core technologies such as severe thermal runaway induced by high temperature and irreversible active phase transformation induced by high voltage, and a number of 4.53V high-voltage lithium cobaltate products passed customer certification and were put into stable mass production. The R&D of new products and breakthroughs in new technology have further enhanced the Company's competitive advantage of "product leadership and cost leadership" and provided solid scientific and technological support for its high-quality development.

3. Deepened global layout, and further enhanced the driving force for high-quality development

During the reporting period, the Company actively adjusted industrial planning, accelerated the layout of overseas projects, and promoted the continuous optimization of industrial structure and spatial structure, so that the industrial layout of overseas resources, international manufacturing and global market initially took shape, and the driving force for high-quality development was further enhanced. At the upstream resource end, in Indonesia, the Company invested in AJB, WKM and TMS mines, further enriching its nickel ore reserves. For the Huafei's HPAL project with an output of 120,000t mixed hydroxide precipitate, it reached the target output by the end of the first quarter in 2024, the production capacity was gradually improved to achieve stable and over production; for the Huayue's HPAL project with an output of 60,000t mixed hydroxide precipitat, it continuously exceeded the target output, and pulp pipeline connecting the SCM mine and Huayue project ran through the whole line, further reducing the production cost; Huake's nickel matte project with an output of 45,000t nickel matte was operated stably; the shipment of nickel intermediates was nearly 230,000t, an increase of 50% over the same period last year. The Pomalaa HPAL project with a nameplate annual production capacity of 120,000t of mixed hydroxide precipitate in cooperation with Vale Indonesia and Ford Motor was advanced in an orderly manner, and construction was launched in the first quarter of 2024; the preliminary work for the Sorowako HPAL project with a nameplate annual production capacity of 60,000t of mixed hydroxide precipitate in cooperation with Vale Indonesia was carried out steadily, and the preparatory work for the construction of the Pomalaa Industrial Park was implemented in an orderly manner. In Zimbabwe, the Arcadia lithium ore project was in good order, achieving lithium concentrate shipment of about 400,000 tons, a year-on-year increase of 41%, and a significant increase in production capacity. The construction of the 50,000 tons lithium sulfate project began in January 2024, and after the completion of the project, the integration of mining and metallurgy from lithium concentrate to lithium salt will be achieved, greatly reducing the production cost of lithium salt. At the downstream lithium battery material end, in Indonesia, Huaxiang's nickel sulfate project with an output of 50,000 tons was completed and put into trial production, Huaneng ternary precursor phase I project with an output of 50,000 tons was basically completed in November, and batch supply was achieved in the first quarter of 2024, marking the Company's implementation of integrated layout of new energy lithium battery materials in Indonesia; in

South Korea, Gumi cathode material project with an output of 66,000 tons in cooperation with LG reached the target output, achieving 10,000-ton shipment; in Europe, the Hungary cathode material phase I project with an output of 25,000 tons was advanced in an orderly manner, creating favorable conditions for entering the European and American markets.

4. Promoted management reform, and further consolidated the foundation for high-quality development

During the reporting period, the Company took management empowerment and quality and efficiency improvement as the main line, strengthened business analysis, functional guarantee and resource coordination, continued to promote management innovation, and steadily improved management capabilities, further consolidating the management foundation for high-quality development. The Company built a business-oriented and finance-centered fine management system, and subdivided the accounting units from a business perspective to improve accounting accuracy, so that its management penetration was significantly enhanced; promoted extreme manufacturing, and built a number of benchmarking demonstration production lines covering the fields of non-ferrous metallurgy, precursor and cathode materials, significantly improving its quality management and cost control capabilities; completed the currency conversion of the Indonesian Huayue syndicate, further reducing financing costs, and the Company's average financing interest rate decreased by 0.88% compared with the previous year; built an information-based and international safety and environmental management system, and implemented a safety and environmental audit mechanism to ensure the effective and reliable management of safety and environment; strengthened the incorporation and market-oriented reform, and promoted the pilot operation of 3C business incorporation, enhancing the business units' management awareness and management ability; innovated the logistics support model, and carried out market-oriented reform of logistics services, gradually improving the efficiency of logistics services. The Company strengthened cash flow management, gave priority to supporting businesses with high profit margin contribution and fast cash return, improved projects' hematopoietic capacity, and achieved net operating cash flow of RMB 12.431 billion during the reporting period, a year-on-year increase of 256.61%.

5. Improved ESG management and led green development of the industry

During the reporting period, the Company accelerated the construction of a high standard and full coverage ESG management system, continued to improve ESG management performance, and made ESG an important part of the Company's competitiveness. It carried out three major projects of "carbon drop, carbon reduction and low carbon", achieved remarkable result in carbon reduction, and won the title of "Leading" enterprise in 2024 China's industrial carbon peak. The Company launched "Huayou Smart Carbon" integrated digital intelligence management platform to build a digital energy efficiency central system and reshape energy management, developed and constructed green power projects, and its clean power usage ratio in the whole industry chain increased to 40%, far exceeding the expected target. Huafei project completed the carbon footprint verification and certification of products, while the Huayue project exceeded the target output, with carbon emissions further reduced, and Huajin Company

won the “Carbon Management System Assessment Certificate”, making it the first enterprise in the battery material industry that passes the SGS carbon management system certification. The Company promoted low carbon practices of suppliers and fulfilled due diligence management responsibilities in mineral supply chain. Indonesia Huayue was certified by the Responsible Mineral Initiative, and Quzhou Huayou and Guangxi Huayou were awarded the A-level Certificate of Mineral Supply Chain Due Diligence Management Evaluation for battery nickel products. The Company participated in the drafting of the Guidelines on Environmental, Social and Governance (ESG) Information Disclosure for Non-Ferrous Metals Enterprises, making positive contributions to the ESG practice of the industry. Its environmental protection investment exceeds RMB 400 million, and CDP rating is higher than the global industry average. The Company actively shouldered social responsibilities, and through foreign donations, performance of overseas territorial responsibilities and multi-field public welfare practices, invested RMB 69.25 mn to promote the coordinated development of education, medical care, infrastructure and environment in the investment place, achieving deep integration of enterprise development and social value.

6. Focused on shareholder return, and shared the development results

During the reporting period, the Company adhered to value creation, actively returned to shareholders, deeply stimulated the enthusiasm of employees, and shared the development results with shareholders, employees and other relevant parties. The Company implemented the fourth and 2024 restricted stock incentive plan, 1,161 participants have subscribed for 9,349,300 restricted shares, which effectively encouraged cadres and employees to grow together with the Company, and further consolidated the human resource foundation for high-quality development of the Company. The Company actively paid cash dividends, completed the 2023 profit distribution, and paid cash dividends of RMB 10 per 10 shares to all shareholders, with a total cash dividend of RMB 1.675 billion (including tax). It also orderly promoted share repurchase, with the amount of repurchase totaling about RMB 750 million as of the end of the reporting period. To enhance shareholder rewards and communicate the outcomes of its development efforts, the Company establishes the annual profit distribution plan for 2024. This plan has been developed with careful consideration of profitability, cash flow conditions, and future growth requirements. It proposes a cash dividend of 5 yuan (tax-inclusive) for every 10 shares held by shareholders, amounting to a total cash dividend of 840 million yuan. This distribution represents 20.20% of the net profit attributable to the parent company for the fiscal year 2024, thereby ensuring ongoing returns to shareholders.

II. Situation of the Company’s industry during the reporting period

In recent years, under the development trend of “green energy and electric vehicle” led by “carbon peak, carbon neutral” strategy, the development of electric, intelligent and green vehicles has become a common choice for countries around the world to cope with climate change and achieve low-carbon development. Under this general trend, the global new energy automobile industry continues to develop, and the pace of industrial transformation and change has accelerated. According to the data of EVTank,

the global sales volume of new energy vehicles in 2024 reached 18,236,000, a year-on-year increase of 24.4%, and the penetration rate reached 23.2%.

During the reporting period, China has successively introduced relevant policies to support the development of the industry, covering many aspects such as consumption to replace old with new, layout of charging and replacing facilities, intelligent network technology, etc., to support and guide the healthy development of the new energy automobile industry. Under the combined effect of multiple factors such as favorable policies, abundant supply and continuous improvement of infrastructure, the sales and penetration rate of new energy vehicles have reached a new high. According to the data of the CPCA, in 2024, the retail sales of domestic new energy passenger vehicles reached 10.899 million, a year-on-year increase of 40.7%, and the penetration rate reached 49.4%, ushering in a new stage of high-quality development.

Thanks to the development of the new energy automobile industry, the shipment of lithium battery cathode materials grew rapidly, but under the comprehensive influence of many factors such as subsidy decline, price fluctuations of cobalt and nickel materials, and technological innovation of lithium iron phosphate batteries, the development of ternary materials slowed down. According to the data of EVTank, in 2024, the domestic shipment of lithium battery cathode materials was 3.292 million tons, where the shipment of ternary cathode materials was 643,000 tons, down 3.2% year-on-year. In the future, as the price of core metal raw materials such as nickel, cobalt and lithium falls to a stable level, the price difference between ternary batteries and lithium iron phosphate batteries will gradually narrow. Coupled with the development of solid-state batteries, high-voltage fast charging and other technologies, and the development of new energy vehicles, energy storage systems and eVTOL low-altitude aircraft and other industrial technologies towards high energy density, the market share of ternary materials is expected to rebound.

During the reporting period, the global nickel market continued to experience an overall condition of excess capacity; however, the surplus has notably diminished. Nickel prices exhibited a pattern of fluctuation, characterized by periods of increase followed by declines. Regarding demand, according to statistics of Rongzhi Nonferrous Metals, the global nickel demand in 2024 was 3.64 million tons, a year-on-year increase of 8.02%. Among them, the demand for alloy plate was supported by military orders, and the overall growth rate remained high, a year-on-year increase of 15.5%; stainless steel production remained high, a year-on-year increase of 7.87%; nickel for batteries grew moderately, a year-on-year increase of 5.07%; electroplating and other demand was basically flat. In terms of the supply, according to data from Rongzhi Nonferrous, global nickel supply is expected to reach 3.74 million tons in 2024, an increase of 2.75% year-on-year, with a slowing growth rate. In the future, with the development of solid-state battery technology, the demands for high-end equipment manufacturing and special alloy, and the rise of low-altitude aircraft, intelligent robots, robot dogs and other emerging industries, it will bring new application growth points for high-nickel ternary batteries and nickel-based alloys, the nickel market is expected to usher in new development opportunities.

During the reporting period, the global cobalt market was witnessing a consistent increase in demand; however, supply continued to surpass this demand. According to the data released by the Cobalt Institute, the global demand for cobalt in 2024 was 251,000 tons, a year-on-year increase of 17.84%, with the battery field still being the main source of increment. According to statistics of Canalys, the global shipment of smartphone in 2024 reached 1.22 billion units, a year-on-year increase of 7%; the global shipment of PC reached 147.6 million units, a year-on-year increase of 9.2%. The recovery of the consumer electronics market has led to continued growth in demand for lithium cobaltate. According to statistics of SPIR, in 2024, the global shipment of lithium cobaltate cathode was 101,000 tons, a year-on-year increase of 13.5%. Nevertheless, the substantial increase in production capacity from major cobalt-copper projects in Africa resulted in a growth rate of cobalt supply that significantly surpassed the growth rate of demand, thereby intensifying the existing supply-demand imbalance. During the reporting period, cobalt prices experienced a continued decline, with the Metal Bulletin (MB) cobalt price approaching a nearly decade-low level. The average annual MB price was approximately \$12.21 per pound, reflecting a year-on-year decrease of 22.53%. In the future, with the continuous development of new energy vehicles and the consumer electronics sector, and the continuous deepened changes in technologies such as 5G, 6G, AI, the Internet of Things, and satellite communications, it is expected to drive the consumer electronics market to enter a new round of growth cycle, and the continuous commercial application of various new technologies will further drive the battery performance to iterate and upgrade towards a higher energy density, thereby driving the cobalt market into a new cycle of simultaneous increase in both volume and price.

In summary, under the background of the rapid development of the new energy lithium battery industry and intelligent terminal industry, the new energy lithium battery material industry and cobalt-nickel new material industry engaged in by the Company are emerging industries supported by the national development strategy and industrial policy. The industry prospects of the Company are very bright, and the management is very confident about it. At present, the Company is committed to further consolidating its leading position in the cobalt and nickel industry, while comprehensively deepening the business pattern of overseas resources, international manufacturing and global market, acting as the “vanguard” in developing new quality productivity and promoting high-quality development, constantly shaping the development of new advantages and new driving forces, and striving to become a global leader in the new energy lithium battery industry to contribute to the high-quality development of the new energy industry.

III. Situation of the Company’s business during the reporting period

I. Overview of Main Business Activities

The Company is primarily engaged in the research, development, manufacturing, and sales of new energy lithium battery materials and cobalt-based new material products. As a high-tech enterprise, it boasts an integrated industrial chain ranging from nickel, cobalt, and lithium resource development to lithium battery material manufacturing, with a focus on advancing low-carbon and environmentally friendly new energy solutions.

After more than twenty years of development, the Company has established a synergistic industrial framework that integrates three core business areas: resources, new materials, and new energy. These three sectors form a vertically integrated industrial chain within the Company. Additionally, the Company is actively developing a recycling business, striving to create a comprehensive ecosystem for the new energy lithium battery industry that spans from nickel, cobalt, and lithium resource extraction to green refining, processing, and the production of ternary precursors and cathode materials, as well as resource recycling. The Company is committed to building an operational structure centered on overseas resources, international manufacturing, and global markets, striving to become a global leader in the new energy lithium battery materials industry.

II. Business Model

1. New Energy Business

The new energy business serves as the cornerstone of the Company's integrated industrial strategy and is a key driver for the sustained growth of upstream resources and new materials businesses. This segment focuses on the research, development, production, and sales of lithium battery cathode materials, including ternary cathode materials and lithium cobalt oxide. These products are primarily used in electric vehicles, energy storage systems, and consumer electronics. Cathode materials are manufactured through processes such as mixing, grinding, high-temperature sintering, and crushing. The raw materials required for the production of cathode materials are primarily sourced from the Company's subsidiaries and through market procurement. The Company's cathode materials are sold directly to lithium battery manufacturers. Pricing is determined by referencing the market prices of nickel, cobalt, manganese, and lithium metals, while also considering the product's technological value and overall market supply and demand dynamics. The Company's lithium battery cathode materials have been extensively adopted within the international high-end automotive supply chain, the global energy storage market, and mainstream consumer electronics sectors.

2. New Materials Business

The new materials business serves as a crucial support for the Company's industrial integration, representing the core process of transforming upstream nickel, cobalt, and lithium resources into new energy materials. This segment focuses on the research, development, production, and sales of ternary precursors and nickel, cobalt, and lithium-based new material products. The products are primarily used in cathode materials for electric vehicle batteries, consumer electronics, and alloy materials. Ternary precursors are manufactured through processes such as synthesis, washing, and drying. The raw materials required for the production are mainly self-supplied, with external purchases supplementing shortages. Customers for ternary precursors are primarily lithium battery cathode material manufacturers, and sales are conducted through a direct model. Pricing is based on the market prices of nickel, cobalt, and manganese metals, while also considering the product's technological value and market supply and demand dynamics. For nickel and cobalt raw materials, procurement pricing is determined at a discount to prevailing metal market prices. Cobalt products are mainly sold through direct sales, with some

markets utilizing a distribution model, while nickel products predominantly follow a direct sales approach. Lithium raw materials are largely self-supplied, and lithium products are sold directly, with pricing determined by referencing international and domestic market prices for nickel, cobalt, and lithium, alongside specific supply-demand conditions. The ternary precursor products are extensively applied in high-end electric vehicles from manufacturers such as Tesla, Volkswagen, BMW, Hyundai, Stellantis, General Motors, and Ford. The Company has also entered into a supply framework agreement with Tesla, securing its place in Tesla's core supply chain.

3. Resource Business

The resource business acts as the foundation of the Company's industrial integration, providing a stable and reliable raw material guarantee that supports the Company's leading position in the new energy materials sector. This segment primarily involves the mining, beneficiation, and initial processing of non-ferrous metals such as nickel, cobalt, lithium, and copper. Nickel-cobalt resource development in Indonesia is central to securing upstream resources. Key products include crude nickel hydroxide and high-grade nickel matte. Nickel ore supplies are secured through equity stakes in mines and long-term supply agreements, supplemented by market purchases. Pricing for nickel intermediates, used as raw materials in domestic new materials production, is tied to international and domestic market prices. Cobalt and copper resource development in Africa represents another critical area for securing upstream resources. Primary products include crude cobalt hydroxide and electroplated copper. Cobalt and copper ores are sourced from company-owned mines and local mining companies, with cobalt raw material pricing set at a discount to Metal Bulletin (MB) prices, and copper ore pricing linked to international copper metal prices. Crude cobalt hydroxide is mainly used for manufacturing cobalt-based new materials domestically, while electroplated copper is typically sold to international commodity traders, priced according to the London Metal Exchange (LME) copper price. Lithium operations focus on mining and beneficiation of company-owned mines, producing spodumene concentrate and petalite concentrate. Lithium concentrates serve as raw materials for domestic lithium salt production. The Company's low-cost, large-scale, high ESG standards, and reliable resource supply ensure a robust foundation for its leadership in the new energy lithium battery materials industry.

Additionally, the Company actively develops lithium battery recycling operations. Subsidiaries such as Huayou Quzhou, Resource Regeneration, and Jiangsu Huayou have been listed in different batches of enterprises meeting the Conditions for the Comprehensive Utilization of Used Power Batteries from New Energy Vehicles issued by the Ministry of Industry and Information Technology. Through innovative business models such as the establishment of a recycling network, tiered utilization development, resource recovery, waste-to-material exchanges, and battery maintenance and remanufacturing, the Company collaborates extensively with leading domestic and international automotive manufacturers and battery enterprises, including BMW, Volkswagen, Toyota, LG Energy Solution, FAW, Changan, GAC, SAIC, NIO, and Li Auto, to provide global, non-harmful, and sustainable solutions for waste battery management.

IV. Core competence analysis during the reporting period

√Applicable □Not applicable

(I) Efficient Industrial Synergy

As a leading enterprise in the new energy lithium battery materials sector, the Company has established an integrated industrial chain covering nickel, cobalt, and lithium resource development, green smelting and processing, new energy material R&D and manufacturing, as well as recycling of used batteries for energy metals. This tightly connected and efficiently coordinated chain continually highlights the Company's advantages in integrated industrial synergy. Stable resource assurance is the foundation of the Company's competitive edge. By leveraging robust resource development capabilities and an efficient mine-to-metal business model, the Company enhance its competitive edge from the ground up. The Company's low-cost, large-scale operations, adherence to high ESG standards, and reliable resource supply lay a solid foundation for maintaining its leadership in the new energy lithium battery materials industry. The manufacturing capability of precursors and nickel, cobalt, and lithium-based new materials is crucial for sustaining the Company's industry leadership. Through continuous improvements in technological innovation, product development, smart manufacturing, and cost control, the new materials segment has become a benchmark for advanced, green, and profitable manufacturing within the industry. The new energy business serves as the driving force behind the Company's "industrial integration," propelling sustained growth in upstream resources and new materials operations. With upstream resource development and raw material manufacturing as its backbone and supported by technological innovation, this segment focuses on mainstream markets, achieving full coverage of major products and customers. The Company's products are extensively applied in international premium automotive chains and mainstreaming consumer electronics sectors. Concurrently, the Company is actively developing its circular economy initiatives, establishing deep collaborative relationships with several renowned domestic and international automotive manufacturers to jointly pursue projects focused on the secondary utilization of power batteries and the recycling of retired batteries, thereby achieving efficient resource recycling. The integrated industrial chain has successfully facilitated the organic integration of upstream and downstream resource elements, resulting in high levels of industrial synergy and a significant competitive advantage.

(II) Leading Technological Innovation

The Company is recognized as a national high-tech enterprise and has established a comprehensive technological innovation system. It boasts several high-level research and development centers, including a "National Enterprise Technology Center," a "National Postdoctoral Research Station," a "Provincial Key Research Institute for New Energy Battery Materials," and a "Provincial Research Institute for Green Cobalt Smelting Technology and New Material Development." Additionally, the Company has collaborated with institutions such as the State Key Laboratory of Powder Metallurgy of Central South University and the National Engineering Research Center to create joint research bases. These platforms focus on cutting-edge research in new lithium battery cathode materials and precursor products, advanced manufacturing technologies, innovative processes for nickel, cobalt, and lithium

mining and smelting, and green manufacturing technologies, establishing competitive development, evaluation, and application research platforms of the highest caliber. The Company is home to top-tier technical talent within the domestic industry. The R&D team, led by key personnel from the Company's research institute, has been recognized as a provincial key innovation team. During the reporting period, the Company was granted 157 new patents, two of which received the China Patent Excellence Award, bringing the total number of authorized patents to 565. Furthermore, two technology projects in which the Company participated were awarded the second prize in the National Award for Science and Technology Progress for 2023. Throughout the reporting period, the Company has intensified its research and development of new processes and products within the integrated industrial chain, achieving a series of results. Over ten research outcomes have been industrially applied in the Indonesian nickel ore resource development project. The Company has focused on the development of medium-nickel high-voltage and high-nickel new products, successfully developing and introducing over 30 new precursor products. It has also completed the research and development of several new cathode materials, including medium-nickel, high-nickel, and ultra-high-nickel materials suitable for semi-solid and all-solid-state batteries. Notably, the semi-solid battery cathode materials have been applied in ultra-long-range models for end customers, while the all-solid-state battery cathode materials are undergoing development and certification with leading enterprises, receiving substantial recognition from customers. Additionally, multiple 4.53V high-voltage lithium cobalt oxide products have passed customer certification and achieved stable mass production. The breakthroughs in the development of new products and processes have further enhanced the Company's technological innovation capabilities, providing robust scientific support for its high-quality development.

(III) Open Global Layout

The Company vigorously implements an open strategy of “cooperation for mutual benefit and shared future,” actively participating in overseas resource allocation, integrating into international division of labor, and engaging in global market competition, driving a high-quality development with internationalization. In the upstream resource sector, the Company has established several projects in Indonesia, including the Huayue 60,000t HPAL project, the Huake 45,000t nickel matte project, and the Huafei 120,000t HPAL project, along with the acquisition of the Qingtian RKEF project, collectively achieving nearly 245,000t of nickel intermediates. Furthermore, the Pomalaa HPAL project, in collaboration with Vale Indonesia and Ford Motor Company, with a nameplate annual production capacity of 120,000t mixed hydroxide precipitate, has commenced construction. The Sorowako HPAL project, also in partnership with Vale Indonesia, is progressing smoothly with a nameplate annual production capacity of 60,000t mixed hydroxide precipitate, which will further solidify the Company's advantages in nickel-cobalt resource development. The Company has strategically invested in mining resources through equity stakes and long-term supply agreements. To date, it has acquired stakes in five mines: WBN, SCM, AJB, WKM, and TMS, and has established exclusive supply agreements for the Pomalaa and Sorowako projects with Vale, ensuring a solid raw material foundation for its nickel-cobalt smelting projects. In Africa, the Company has developed a cobalt-copper resource development system

that integrates mining, beneficiation, and cobalt-copper smelting in the Democratic Republic of the Congo's major mineral areas, and has invested in the Arcadia lithium mine project in Zimbabwe to address its lithium resource shortfall. In the downstream lithium battery materials sector, the Company has successfully launched the Huaxiang 50,000t nickel sulfate project in Indonesia, and the Huanneng 50,000t ternary precursor project has achieved bulk supply in the first quarter of this year, marking the establishment of the Company's integrated layout for new energy lithium battery materials in Indonesia. In South Korea, part of the Gumi 66,000t cathode material project, developed in partnership with LG, has reached production capacity. In Europe, the first phase of the Hungary 25,000t cathode material project is progressing as planned. As a core supplier in the new energy lithium battery materials industry, the Company's products have been widely adopted in the supply chains of international high-end automotive brands such as Tesla, Volkswagen, BMW, Hyundai, Stellantis, General Motors, and Ford. The Company consistently adheres to an open strategy, actively integrating upstream and downstream resource elements, continuously expanding collaborative and mutually beneficial development opportunities, and enhancing its global development capabilities and international competitiveness.

(IV) Advanced Management System

The Company has established a comprehensive operational mechanism and an advanced management system. It has developed an industry-leading strategic management framework, ensuring that its business development consistently aligns with its strategic objectives, while also implementing a mechanism for strategic optimization and adjustment to maintain competitive advantage in a constantly evolving business environment. The Company has built a management system centered on business operations, grounded in standard costs, and focused on achieving excellence in manufacturing. Moreover, the operational management system focuses on business performance, using standard costs as a baseline, extreme manufacturing as a lever, and financial management as the core. By breaking down accounting units and enhancing organizational performance evaluations, the Company ensures efficient operations. With a high-quality human resource management framework, the Company has cultivated a team of highly skilled, professional, international, and industry-leading talents, providing solid human capital for sustainable development. A comprehensive group-level financial management system has been developed, featuring diverse domestic and international financing channels and exceptional financing capabilities, which secure funding for the Company's production operations and developmental projects. The Company has implemented a stable and reliable safety and environmental management system that underpins its production activities. Additionally, it has established a centralized procurement center that adopts standardized procurement practices across the group, thereby maximizing the value of supply chain management. Its comprehensive compliance and risk control systems make us the world's first new energy lithium battery material company to obtain ISO37301 compliance management certification. Furthermore, the Company has developed an "extremely low cost, extreme efficiency, and extreme energy efficiency" manufacturing system, steadily improving product quality, effectively controlling production costs, and significantly enhancing manufacturing capabilities. Adhering to the philosophy of "shortened processes, large-scale equipment, automated production lines,

intelligent manufacturing, digital operations, and green industries”, the Company’s operational management and smart manufacturing are at the forefront of the industry.

(V) High Standards of ESG Practices

As one of the pioneers in the new energy lithium battery materials sector to adopt international ESG standards and management systems, the Company has established a high-standard ESG management system that covers the entire company. This system integrates ESG concepts and principles into all aspects of production, development, and risk management, creating a distinctive ESG practice reflective of the Company’s values. The Company actively implements a transformation strategy focused on “low-carbon, green, and sustainable” development, responding to the national “dual carbon” initiative through high-quality growth. It continuously increases technical input in energy conservation, green low-carbon technologies, and environmental protection, optimizes energy structures, enhances energy efficiency, and promotes a green industrial transformation. This includes the establishment of an integrated green low-carbon industrial chain that spans “from the development of nickel, cobalt, and lithium resources to non-ferrous refining, precursor products, ternary cathode products, and recycling”. In 2024, the Company carried out three major projects of “carbon drop, carbon reduction and low carbon”, achieved remarkable result in carbon reduction, with the proportion of clean electricity usage across the entire industrial chain rising to 40%, significantly exceeding expectations. The Company received a CDP rating above the global industry average, was recognized as a “2024 Leader in Carbon Peaking in China’s Industry”, and was included in “2024 Typical Cases of Green and Low-Carbon Development of Private Enterprises in China”. Moreover, the Company is committed to fulfilling its social responsibilities with utmost seriousness. In addition to engaging with global partners in business endeavors, it actively collaborates with various stakeholders to foster community development. By employing a "co-creation" strategy, the Company develops and publicly discloses policies such as the "ESG Policy," "Indigenous Protection Policy," and "Community Communication and Consultation Policy." These policies outline clear commitments and regulations related to community relations, community sustainability, the prevention of violent conflict, and the safeguarding of human rights. Consequently, they facilitate the integrated advancement of education, healthcare, infrastructure, and environmental initiatives in the regions where the Company operates, and achieved deep integration of corporate growth and social value. The in-depth practice in the Company’s ESG management was included in “Best Practices of Chinese Listed Companies in the Belt and Road Initiative” and “2024 Fortune China ESG Influence List”.

V. Main operation status during the reporting period

As of the end of the reporting period, the total assets of the Company were RMB 136.591 billion, a year-on-year increase of 8.82%, and the net assets were RMB 18.067 billion, a year-on-year decrease of 6.03%. During the reporting period, the Company realized operating income of RMB 60.946 billion and net profit attributable to the parent company of RMB 4.155 billion, a year-on-year increase of 23.99%, creating the best operating performance since the establishment of the Company.

(I) Analysis of primary business
1. Analysis of changes in relevant items of the Income Statement and the Statement of Cash Flows

Item	Monetary Unit: Yuan		Currency: RMB
	Amount in the current period	Amount in the same period of last year	Change ratio (%)
Operating income	60,945,563,720.14	66,304,047,529.81	-8.08
Operating costs	50,445,676,975.22	56,948,773,263.76	-11.42
General and administrative expenses	1,894,646,185.31	2,116,578,496.78	-10.49
Financial expenses	2,069,820,526.37	1,478,166,059.86	40.03
Net cash flow from operating activities	12,431,110,882.70	3,485,888,093.33	256.61
Net cash flow from investing activities	-7,668,452,150.84	-16,550,869,671.66	53.67
Net cash flow from financing activities	25,183,856.07	15,103,229,650.73	-99.83

Reasons for changes in operating income: Mainly due to the Company's initiative to reduce shipments of some low-profit products and optimize product structure, shipments of lithium battery material declined compared with a year earlier

Reasons for changes in operating costs: Mainly due to the Company's initiative to reduce shipments of some low-profit products and optimize product structure, shipments of lithium battery material declined compared with a year earlier

Reasons for changes in general and administrative expenses: Mainly due to the share payment is recognized respectively under administration expense, sales expense, research & development expense and operating cost depending on different beneficiaries for current period, as a consequence of which the share payment under administration expense dropped.

Reasons for changes in financial expenses: Mainly due to an increase in the interest expenses in the current period

Reasons for changes in net cash flow from operating activities: Mainly due to the receipt of large advance payment and recovery of operational receivables

Reasons for changes in net cash flow from investing activities: Mainly due to a year-on-year decrease in the scale of investment in projects under construction

Reasons for changes in net cash flow from financing activities: Mainly due to a great increase in the operational cash flow, sufficient working capital and a decrease in net debt financing in the current period

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

Applicable Not applicable

2. Analysis of income and costs

Applicable Not applicable

None

(1). Analysis of the primary business by industry, products, region, and sales mode

Monetary unit: Yuan Currency: RMB

Analysis of the primary business by industry						
By industry	Operating income	Operating costs	Gross profit margin	Increase/decrease in operating income compared	Increase/decrease in operating costs compared to that in	Increase/decrease in gross profit margin

			(%)	to that in the previous year (%)	the previous year (%)	compared to that in the previous year (%)
New Energy battery materials and raw materials	28,747,377,321.51	24,216,936,679.79	15.76	-31.71	-33.47	2.22
Nonferrous metal materials	20,324,086,060.17	14,900,835,262.69	26.68	72.24	66.43	2.56
Trade and others	10,606,855,937.69	10,488,547,317.89	1.12	-3.69	-0.72	-0.72

Analysis of the primary business by products

By products	Operating income	Operating costs	Gross profit margin (%)	Increase/decrease in operating income compared to that in the previous year (%)	Increase/decrease in operating costs compared to that in the previous year (%)	Increase/decrease in gross profit margin compared to that in the previous year (%)
Cobalt product	3,381,450,551.96	2,855,859,368.60	15.54	-19.20	-25.24	6.82
Copper Product	5,642,817,191.61	3,955,180,058.24	29.91	15.40	13.30	1.30
Nickel Product	14,267,345,269.82	10,400,749,102.45	27.10	59.93	43.22	8.51
Lithium Product	3,062,797,519.01	2,697,238,847.65	11.94	134.48	137.04	-0.95
Ternary precursor	6,739,831,647.49	5,485,688,048.91	18.61	-33.11	-33.40	0.35
Cathode material	8,607,462,971.90	7,934,248,182.62	7.82	-54.50	-54.51	0.02
Nickel intermediate	7,035,780,504.16	5,475,517,596.92	22.18	36.76	53.59	-8.53
Trade and others	10,940,833,663.42	10,801,838,054.98	1.27	-4.63	-1.46	-3.18

Analysis of the primary business by region

By region	Operating income	Operating costs	Gross profit margin (%)	Increase/decrease in operating income compared to that in the previous year (%)	Increase/decrease in operating costs compared to that in the previous year (%)	Increase/decrease in gross profit margin compared to that in the previous year (%)
Domestic	23,498,139,094.54	20,243,253,718.19	13.85	-15.31	-15.79	0.49
Overseas	36,180,180,224.83	29,363,065,542.19	18.84	-2.65	-7.89	4.61

Analysis of the primary business by sales mode

By sales mode	Operating income	Operating costs	Gross profit	Increase/decrease in operating	Increase/decrease in operating costs	Increase/decrease in gross
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			margin (%)	income compared to that in the previous year (%)	compared to that in the previous year (%)	profit margin compared to that in the previous year (%)
Self-sales	59,678,319,319.37	49,606,319,260.37	16.88	-8.06	-11.28	3.02

Description of the situation of the primary business analyzed by industry, products, region, and sales mode:
 None

(2). Analysis of production and sales volumes

Applicable Not applicable

Main products	Unit	Production volume	Sales volume	Inventory	Increase/decrease in production volume compared to that in the previous year (%)	Increase/decrease in sales volume compared to that in the previous year (%)	Increase/decrease in inventory compared to that in the previous year (%)
Cobalt product	Ton (metal quantity)	48,974.32	46,837.16	5,906.18	20.49	13.18	56.70
Copper Product	Ton (metal quantity)	89,041.35	90,233.30	3,255.19	-0.48	2.78	-26.80
Nickel Product	Ton (metal quantity)	192,556.23	184,314.74	12,818.86	50.07	45.78	180.05
Lithium Product	Ton (physical quantity)	41,391.11	39,246.32	5,438.00	260.66	376.56	65.13
Ternary precursor	Ton (physical quantity)	101,771.61	103,100.34	3,617.96	-17.67	-20.17	-26.86
Cathode material	Ton (physical quantity)	65,220.94	65,666.14	2,668.65	-27.71	-30.60	-14.30

Description of the production and sales volumes
 None

(3) Performance of major procurement contracts and major sales contracts

Applicable Not applicable

(4) Analysis of costs

单位：元

By Industry							
By industry	Cost component items	Amount in the current period	Proportion in the total cost(%)	Amount in the same period of last year	Proportion in the total cost (%)	Change ratio(%)	Note
New energy battery materials	Operating cost	24,216,936,679.79		36,398,125,668.85			
New energy battery materials	Raw material cost	17,947,954,827.75	74.11	31,048,226,517.68	85.30	-33.47	
New energy	Accessory	2,352,811,578.52	9.72	1,833,391,536.66	5.04	-42.19	

battery materials	cost						
New energy battery materials	Labor cost	806,191,192.86	3.33	707,337,972.98	1.94	28.33	
New energy battery materials	Energy cost	1,102,837,944.08	4.55	982,530,467.21	2.70	13.98	
New energy battery materials	Other costs	2,007,141,136.57	8.29	1,826,639,174.32	5.02	12.24	
Nonferrous metal materials	Operating cost	14,900,835,262.69		8,953,153,204.31		66.43	
Nonferrous metal materials	Raw material cost	12,091,023,794.02	81.14	6,892,238,152.72	76.98	75.43	
Nonferrous metal materials	Accessory cost	995,707,049.60	6.68	799,262,365.54	8.93	24.58	
Nonferrous metal materials	Labor cost	340,770,067.96	2.29	185,226,451.38	2.07	83.97	
Nonferrous metal materials	Energy cost	742,251,493.01	4.98	503,943,340.53	5.63	47.29	
Nonferrous metal materials	Other costs	731,082,858.09	4.91	572,482,894.15	6.39	27.70	
By product							
By product	Cost component items	Amount in the current period	Proportion in the total cost (%)	Amount in the same period of last year	Proportion in the total cost (%)	Change ratio (%)	Note
Cobalt product	Operating cost	2,855,859,368.60		3,820,208,139.90		-25.24	
Cobalt product	Raw material cost	2,304,913,382.71	80.71	3,418,850,827.09	89.49	-32.58	
Cobalt product	Accessory cost	235,050,520.93	8.23	151,969,863.39	3.98	54.67	
Cobalt product	Labor cost	46,407,845.59	1.63	41,722,819.47	1.09	11.23	
Cobalt product	Energy cost	70,617,248.78	2.47	85,278,668.00	2.23	-17.19	
Cobalt product	Other costs	198,870,370.59	6.96	122,385,961.96	3.20	62.49	
Nickel product	Operating cost	10,400,749,102.45		7,262,147,841.09		43.22	
Nickel product	Raw material cost	8,921,109,856.17	85.77	6,438,282,162.48	88.66	38.56	
Nickel product	Accessory cost	574,583,511.89	5.52	294,536,379.27	4.06	95.08	
Nickel product	Labor cost	220,150,993.94	2.12	87,583,129.54	1.21	151.36	
Nickel product	Energy cost	386,559,835.93	3.72	209,847,937.15	2.89	84.21	
Nickel product	Other costs	298,344,904.52	2.87	231,898,232.65	3.19	28.65	
Lithium product	Operating cost	2,697,238,847.65		1,137,877,913.04		137.04	
Lithium	Raw	1,816,305,760.82	67.34	976,733,354.06	85.84	85.96	

product	material cost						
Lithium product	Accessory cost	345,205,494.60	12.80	66,114,714.50	5.81	422.13	
Lithium product	Labor cost	160,038,765.84	5.93	33,478,462.78	2.94	378.03	
Lithium product	Energy cost	161,229,268.98	5.98	12,694,026.15	1.12	1,170.12	
Lithium product	Other costs	214,459,557.41	7.95	48,857,355.55	4.29	338.95	
Ternary precursor	Operating cost	5,485,688,048.91		8,236,370,381.62		-33.40	
Ternary precursor	Raw material cost	4,681,711,754.97	85.34	7,033,305,821.80	85.39	-33.44	
Ternary precursor	Accessory cost	243,698,271.80	4.44	319,463,195.07	3.88	-23.72	
Ternary precursor	Labor cost	54,672,485.69	1.00	108,635,658.61	1.32	-49.67	
Ternary precursor	Energy cost	115,353,107.60	2.10	267,851,605.01	3.25	-56.93	
Ternary precursor	Other costs	390,252,428.84	7.11	507,114,101.13	6.16	-23.04	
Cathode material	Operating cost	7,934,248,182.62		17,441,555,437.91		-54.51	
Cathode material	Raw material cost	6,801,111,471.62	85.72	16,275,052,100.88	93.31	-58.21	
Cathode material	Accessory cost	188,463,149.25	2.38	200,644,398.28	1.15	-6.07	
Cathode material	Labor cost	414,031,985.65	5.22	323,774,588.29	1.86	27.88	
Cathode material	Energy cost	198,552,114.04	2.50	214,015,490.87	1.23	-7.23	
Cathode material	Other costs	332,089,462.06	4.19	428,068,859.60	2.45	-22.42	
Copper product	Operating cost	3,955,180,058.24		3,490,943,384.68		13.30	
Copper product	Raw material cost	2,747,124,548.18	69.46	2,363,169,620.62	67.69	16.25	
Copper product	Accessory cost	363,961,113.33	9.20	458,165,217.59	13.12	-20.56	
Copper product	Labor cost	104,372,115.96	2.64	88,190,293.62	2.53	18.35	
Copper product	Energy cost	331,966,757.93	8.39	273,793,233.23	7.84	21.25	
Copper product	Other costs	407,755,522.83	10.31	307,625,019.62	8.81	32.55	
Nickel intermediate	Operating cost	5,475,517,596.92		3,564,987,683.59		53.59	
Nickel intermediate	Raw material cost	2,453,411,110.20	44.81	1,037,882,692.15	29.11	136.39	
Nickel intermediate	Accessory cost	1,397,556,566.33	25.52	1,141,760,134.11	32.03	22.40	

Nickel intermediate	Labor cost	366,521,735.37	6.69	292,449,313.27	8.20	25.33	
Nickel intermediate	Energy cost	361,576,436.61	6.60	339,723,006.09	9.53	6.43	
Nickel intermediate	Other costs	896,451,748.41	16.37	753,172,537.96	21.13	19.02	

Other description of cost analysis

None

(5) Changes in the consolidation scope caused by the equity changes of major subsidiaries during the reporting period

Applicable Not applicable

Please refer to “IX. Changes in Consolidation Scope” in Section X of this report for details.

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

Applicable Not applicable

(7) Major customers and suppliers

A. Major customers of the Company

Applicable Not applicable

The total sales amount achieved through the top 5 customers is RMB 23,975.63 mn, accounting for 39.34% of the total sales amount of the year. Among them, the total sales amount achieved through related parties is RMB 0, accounting for 0% of the total sales amount of the year.

Whether there is the situation during the reporting period that the amount of sales to a single customer exceeds 50% of the total sales amount of the year, or there are new customers among the top 5 customers, or the sales volume are heavily dependent on a few customers

Applicable Not applicable

B. Major suppliers of the Company

Applicable Not applicable

The total purchase amount achieved through the top 5 suppliers is RMB 6,470.16 mn, accounting for 14.08% of the total purchase amount of the year. Among them, the total purchase amount achieved through related parties is RMB 0, accounting for 0% of the total purchase amount of the year.

Whether there is the situation during the reporting period that the amount of purchase from a single supplier exceeds 50% of the total purchase amount of the year, or there is new supplier among the top 5 suppliers, or the purchase volume are heavily dependent on a few suppliers

Applicable Not applicable

Other description

None

3. Expenses

Applicable Not applicable

Items	Amount as at the end of the current period	Amount as at the end of the previous year	Change ratio (%)
Selling expenses	159,228,602.56	149,847,438.15	6.26
General and administrative expenses	1,894,646,185.31	2,116,578,496.78	-10.49
R&D expenses	1,300,157,406.08	1,440,592,932.96	-9.75
Finance expenses	2,069,820,526.37	1,478,166,059.86	40.03
Total	5,423,852,720.32	5,185,184,927.75	4.60

4. R&D input

(1) R&D investments

Applicable Not applicable

Monetary unit: Yuan

Expensed R&D investments in the current period	1,300,157,406.08
Capitalized R&D investments in the current period	
Total R&D investments	1,300,157,406.08
Proportion of total R&D investments in the operating income (%)	2.13%
Proportion of capitalized R&D investments (%)	

(2) R&D personnel

Applicable Not applicable

Number of R&D employees	1,559
Proportion of R&D employees in the total employees of the Company (%)	6.14
Classification of R&D employees by educational background	
Category	Number of employees
Doctorate	50
Master	376
Bachelor	473
College	208
High school and below	452
Classification of R&D employees by age	
Category	Number of employees
Under 30 (exclusive) years old	579
30 (inclusive) ~ 40 (exclusive) years old	651
40 (inclusive) ~ 50 (exclusive) years old	265
50 (inclusive) ~ 60 (exclusive) years old	61
60 years old or above	3

(3) Description of the situation

Applicable Not applicable

(4) Reason for major change in the composition of the R&D employees of the Company and its impact in the future development of the Company

Applicable Not applicable

5. Cash flow

Applicable Not applicable

Item	Amount as at the end of the current period	Amount as at the end of the previous year	Change ratio (%)
Net cash flows from operating activities	12,431,110,882.70	3,485,888,093.33	256.61
Net cash flows from investing activities	-7,668,452,150.84	-16,550,869,671.66	-53.67
Net cash flows from financing activities	25,183,856.07	15,103,229,650.73	-99.83

(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 (%)	Change ratio (%)	Detailed description
Receivables financing	1,428,306,241.20	1.05	2,425,306,902.49	1.93	-41.11	Mainly due to a decrease in bank acceptance
Prepayment	2,950,454,862.65	2.16	1,810,825,646.66	1.44	62.93	Mainly due to an increase in prepayment
Other receivable	274,707,951.55	0.20	392,878,676.92	0.31	-30.08	Mainly due to a decrease in dividend receivable
Other equity instrument investment	176,379,882.81	0.13	42,647,182.81	0.03	313.58	Mainly due to an additional investment in Shengxing Technology
Right-of-use assets	58,138,602.83	0.04	106,133,724.12	0.08	-45.22	Mainly due to the early surrender of some use-of-right assets
Goodwill	597,655,163.70	0.44	456,351,378.26	0.36	30.96	The main reason is the goodwill formed by the merger with Chongjing Holding Limited in this period, while Tianjin Bamo and Huahai New Energy have recognized impairment losses on goodwill.
Other non-current assets	2,259,180,048.30	1.65	3,851,581,151.15	3.07	-41.34	Mainly due to a decrease in prepayments for equity investment
Short-term borrowings	20,753,855,937.28	15.19	15,048,622,566.53	11.99	37.91	Mainly due to an increase in guaranteed borrowings
Notes payable	4,209,819,518.55	3.08	8,019,127,039.81	6.39	-47.50	Mainly due to a decrease in bank acceptance
Contract liabilities	867,721,977.01	0.64	431,037,852.87	0.34	101.31	Mainly due to an increase in payment for goods
Taxes payable	623,927,519.98	0.46	429,374,847.76	0.34	45.31	Mainly due to an increase in enterprise income tax and VAT
Other payables	1,805,454,346.03	1.32	2,698,990,402.87	2.15	-33.11	Mainly due to a decrease in obligation to repurchase restricted shares
Other current liabilities	2,338,401,435.83	1.71	1,433,223,782.84	1.14	63.16	Mainly due to an increase in short-term bonds payable
Lease liability	25,510,181.33	0.02	54,979,200.70	0.04	-53.60	Mainly due to the payment of lease liability
Other non-current liabilities	3,594,200,000.00	2.63			100.00	This represents the Company's advance payment for goods during this period, with the corresponding products scheduled for delivery in 2026 or 2027.

Less: Treasury stock	892,829,631.62	0.65	1,323,606,826.04	1.05	-32.55	The company repurchased restricted shares during this financial year
Other comprehensive income	1,461,436,658.05	1.07	1,042,018,898.84	0.83	40.25	Mainly due to an increase in foreign currency's accounting statement translation difference

Other information
None

2. Overseas assets

Applicable Not applicable

(1) Asset size

Including: overseas assets 71,221,532,950.80 (Monetary unit: Yuan Currency: RMB), accounting for 52.14% of the total assets.

(2) Explanation for relatively high proportion of overseas assets

Applicable Not applicable

		Monetary unit: Yuan Currency: RMB		
Name of overseas assets	Cause of formation	Operation mode	Operating income during the reporting period	Net profit during the reporting period
Huafei Company	New establishment	Self-operation	8,568,054,406.02	513,545,551.52
Huayou Hongkong	New establishment	Self-operation	30,900,178,025.72	2,039,122,221.32
Huayue Company	New establishment	Self-operation	6,949,262,432.48	1,463,761,835.28
Huake Company	New establishment	Self-operation	4,659,286,817.52	510,639,083.81

3. Restriction of major assets as of the end of the reporting period

Applicable Not applicable

Items	Ending book value	Reason for restriction
Cash and bank balances	3,934,560,811.62	The RMB 3,934,560,811.62 is other cash and bank balances, including the bank acceptance deposit of RMB 1,809,722,569.38, letter of credit deposit of RMB 308,780,174.06, letter of guarantee deposit of RMB 89,120,909.10, loan deposit of RMB 1,698,045,632.21, forward foreign exchange settlement and sales margin of RMB 21,500,910.75, environmental impact assessment deposit of RMB 7,154,291.63, frozen in the lawsuit totals of RMB 235,324.49, and other deposits of RMB 1,000.00.
Financial assets held for hedging	101,850,410.96	Being used as pledge guarantee for bank financing
Accounts receivable	123,499,598.14	Being used as pledge guarantee for bank financing
Inventories	1,239,159,636.85	Being used as pledge guarantees for bank financing
Fixed assets	20,508,740,063.46	Litigation seizure, being used as mortgage guarantees for bank financing, and the fixed assets for after-sales leaseback
Fixed assets	186,499,006.52	As a result of a dispute related to a construction contract,

Items	Ending book value	Reason for restriction
Intangible assets	32,390,952.50	the Xompany is a co-defendant and has had its assets safeguarded. The Company anticipates that there will be no losses arising from this dispute and therefore does not deem it necessary to establish any provisions for anticipated liabilities.
Construction in progress	4,284,940.81	Construction in progress for after-sales leaseback
Intangible assets	315,361,155.51	Litigation seizure, being used as mortgage guarantees for bank financing, and the intangible assets for after-sales leaseback
Long-term equity investment	187,941,366.05	Provide equity pledge guarantees for bank financing of Yongheng Nickel
Total	26,634,287,942.42	

4. Other information

Applicable Not applicable

(IV) Analysis of industry operational information

Applicable Not applicable

For more industry information, please refer to “(I) Industry structure and trend”, “VI. Discussion and analysis of the Company’s future development”, “II. Situation of the Company’s industry during the reporting period” in this section.

Analysis of operational information of the non-ferrous metal industry

1. Cost of ore raw materials

Applicable Not applicable

2. Basic information of self-owned mines (if any)

Applicable Not applicable

Mine name	Main varieties	Resource qty	Reserves	Grade	Annual output	Remaining exploitable years	Expiry date of license/mining rights
Arcadia mine in Zimbabwe	Spodumene and petalite	58.2968 million tons	40.9243 million tons	1.21%	4.5 million tons	9.09 years	Permanent
PE527 Mining Right Luiswishi Copper Cobalt Mine in D. R. Congo	Copper and cobalt	0.7577 million tons	0 tons of sulfide ore; 452,400 tons of oxidized ore	Copper 2.00%; cobalt 0.88%	1.1 million tons	0.41 years	The renewal of formalities for the mining rights is in a progress
PE527 Mining Right Lukuni Copper Mine in D. R. Congo	Copper	2.2433 million tons	1.3053 million tons of mixed ore and sulfide ore	Copper 1.10%	1.1 million tons	1.18	
PE527 Luiswishi existing surface stacked ore	Copper and cobalt	3.5614 million tons	0.5263 million tons of sulfide ore and 3.0351 million tons of oxidized ore	Copper 1.51%; cobalt 0.43%	/	/	Self-mining stacked ore

PE527 Lukuni existing surface stacked ore	Copper	0.7824 million tons	0.7824 million tons of oxidized ore	Copper 0.91%	/	/	Low-grade original existing surface stacked ore
MIKAS lower tailings	Copper and cobalt	1.0874 million tons	1.0874 million tons of tailings	Cooper: 0.82%; cobalt: 0.20%	/	/	/

(V) Analysis of investments
Overall analysis of equity investments

 ✓Applicable Not applicable

1. Major equity investments

√Applicable □Not applicable

Monetary unit: '0,000 Yuan Currency: RMB

Name of the investee	Main business	Whether the investee is mainly engaged in investment business	Investment method	Investment amount	Shareholding ratio	Whether the investee's financial data in consolidated with that of the Company	Statement account (if applicable)	Source of funds	Partner (if applicable)	Investment period (if any)	Progress as of the balance sheet date	Estimated income (if any)	Impact amount of current profit and loss	Whether any laws suit is involved	Disclosure date (if any)	Disclosure index (if any)
Hangzhou Haoyue Equity Investment Partnership (Limited Partnership)	Equity investment	Yes	Increase of capital contribution	20,300	99.9995 %			Self-owned funds	Zhuhai Junhan Private Fund Management Co., Ltd.					No	December 14, 2024	<i>Announcement of Huayou Cobalt on Participation in Subscription of Industrial Fund Shares and Signing of Partnership Agreement (Announcement No.: 2024-122)</i>

Total	/	/	/	20,300	99.9995 %	/	/	/	/	/	/	/	/	/	/	/
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2. Major non-equity investments

√Applicable □Not applicable

Project name	Estimated investment amount	Opening balance	Increase in the current period	Amount of conversion into fixed assets	Other decrease [note]	Closing balance	Source of funds
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	5,617,770,000.00	3,869,462,299.84	473,225,903.52	174,304,497.16		4,168,383,706.20	Raised funds, loans from financial institutions and other sources
The nickel cobalt hydroxide project with an annual output of 120,000 tons of nickel metal	13,808,524,376.00	1,578,930,401.58	739,225,506.53	1,476,823,412.85	841,332,495.26		Loans from financial institutions and other sources
The battery grade lithium salt project with an annual output of 50,000 tons	1,916,751,200.00	1,195,186,065.35	189,867,623.26	1,361,071,233.18		23,982,455.43	Raised funds, loans from financial institutions and other sources
The battery grade nickel sulfate project with an annual output of 50,000 tons (of nickel metal)	1,146,813,100.00	218,496,805.09	1,086,768,210.41	558,177,137.05		747,087,878.45	Raised funds, loans from financial institutions and other sources
The construction project of high-purity battery nickel prepared with crude nickel cobalt hydroxide raw	1,379,495,200.00		1,158,896,258.80	1,120,356,483.38		38,539,775.42	Raised funds, loans from financial institutions and

materials							other sources
The construction project of ternary precursor materials for power batteries with an annual output of 50,000 tons	1,341,269,300.00		855,108,917.59	187,969,582.56		667,139,335.03	Other sources
Subtotal	25,210,623,176.00	6,862,075,571.86	4,503,092,420.11	4,878,702,346.18	841,332,495.26	5,645,133,150.53	

3. Financial assets measured at fair value

Applicable Not applicable

Please refer to the contents of “XIII. Disclosure of Fair Value” in “Section X Financial Report” of this report for details.

Securities investments

Applicable Not applicable

Further information about securities investments

Applicable Not applicable

Private fund investments

Applicable Not applicable

Derivatives investments

Applicable Not applicable

4. Progress of major asset restructuring and consolidation during the reporting period
Applicable Not applicable

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

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

Name of subsidiary	Business nature	Main products or services	Registered capital	Total assets	Net assets	Net profit
Huayou Hongkong	Trade and wholesale industry	Trade of cobalt and copper raw materials and products	HKD 550.992 million	20,931,098,754.18	6,349,545,558.13	2,039,122,221.32
Huayou Quzhou	Manufacturing	R&D, production and sales of cobalt, copper and nickel products	RMB 2,401.2436million	21,517,567,341.91	6,153,797,167.66	57,813,512.83
Huayou Mining Hongkong	Business and service industries	African mining development and investment platform	HKD 10,000	21,727,514,684.10	13,296,238,672.17	78,140,059.84
Huayue Company	Manufacturing	MHP	USD 260 million	12,411,887,221.63	6,654,710,286.97	1,463,761,835.28
Indonesia Huafei	Manufacturing	MHP	USD 540 million	18,502,490,069.58	4,598,519,830.09	513,545,551.52
Guangxi Lithium	Manufacturing	Lithium carbonate	RMB 1,500 million	3,536,887,799.09	1,194,527,388.12	631,750,845.47

(VIII) Structural entities controlled by the Company
Applicable Not applicable

VI. Discussion and analysis of the Company's future development
(I) Industry structure and trend
Applicable Not applicable

1. The Global New Energy Vehicle (NEV) Industry Continues to Experience Rapid Growth

With the ongoing implementation of the “carbon peak, carbon neutral”, the overall growth of the global NEV sector remains robust. According to EVTank data, global NEV sales are projected to reach 18.236 million units in 2024, representing a year-on-year increase of 24.4%. Notably, China’s NEV sales are expected to account for 70.7% of global sales, up from 64.8% in 2023, with an annual electric vehicle penetration rate surpassing 40%. In Europe and the United States, NEV sales for 2024 are anticipated to be 2.89 million and 1.57 million units, respectively, reflecting year-on-year growth rates of -2.0% and 7.2%. In tandem with the high demand in the global NEV market, the demand for power battery installations is also on the rise. SNEResearch indicates that the total installation volume of global power battery market is 894.4 GWh, marking a year-on-year increase of 27.2%. Furthermore, data from the China Automotive Battery Innovation Alliance reveals that the cumulative installation volume of

power batteries in China is projected to reach 548.4 GWh in 2024, reflecting a year-on-year growth of 41.5%.

Looking ahead, as the NEV industry accelerates its transition towards electrification, intelligence, and globalization, the market potential for lithium battery materials remains substantial. According to predictions from research institutes, the global power battery installation volume is expected to reach 3,758 GWh by 2030.

2. The Cost-Effectiveness of Ternary Materials Is Becoming Increasingly Prominent, with High Nickel Content Emerging as a Development Trend

Lithium-ion ternary cathode materials exhibit significant advantages in energy density, lightweight design, and low-temperature performance compared to other technological pathways, thereby meeting the demands for long-range and high-performance capabilities in mid-to-high-end NEVs. However, due to price competition among major automotive manufacturers and the drive to reduce battery costs, lithium iron phosphate batteries have captured a portion of the mid-to-low-end market due to their cost advantages, while ternary batteries are predominantly used in high-end models, resulting in a decline in their installation share. In the future, as the prices of essential raw materials such as nickel, cobalt, and lithium stabilize and decline, the price differential between ternary batteries and lithium iron phosphate batteries is expected to gradually diminish. Furthermore, the maturation and application of high-voltage fast-charging technology, along with the favorable recycling value of nickel and cobalt metals, will further highlight the cost-effectiveness of ternary materials. According to predictions from ICCSINO.COM, the production of ternary materials in China and globally is expected to grow by 5.1% and 6.6%, respectively, by 2025.

Driven by the market's demand for long-range capabilities and intelligent features in NEVs, along with the rigid requirements for energy density in emerging applications such as low-altitude economy and intelligent robotics, the trend towards high nickel content in battery materials is becoming increasingly pronounced. ICCSINO.COM's statistics indicate that global production of ternary precursors is projected to reach 963,000 tons in 2024, with high nickel content accounting for 55%, an increase of 3% from the previous year. As a core production base for ternary precursors, China is expected to produce 851,000 tons, with high nickel content comprising 52%, also reflecting a 3% increase from the previous year. Additionally, with the continuous maturation of solid-state battery technology and its expanding application scope, high nickel ternary materials have emerged as a key technological pathway for matching solid-state battery cathode materials due to their high energy density and favorable cost-effectiveness. According to GGII forecasts, solid-state battery shipments are expected to reach 7 GWh in 2024, with projections exceeding 65 GWh by 2030 and further expanding to over 300 GWh by 2035, thereby further propelling the development of high nickel ternary materials.

3. The Demand for Nickel, Cobalt, and Lithium Metals Is Steadily Increasing, and Their Strategic Value Is Becoming Increasingly Prominent

As a new wave of technological revolution and industrial transformation unfolds, advanced battery technologies such as cylindrical batteries and solid-state batteries are rapidly overcoming commercialization challenges, while emerging industries such as low-altitude aircraft, intelligent robotics, and AI smart terminals are gaining traction. In this context, the market's rigid demand for lightweight, long-range, and high-strength materials continues to rise, presenting new development opportunities for core materials such as ternary cathodes, lithium cobalt oxide, nickel-based, and cobalt-based alloys. Combined with the demand for aerospace, high-end equipment manufacturing, and special alloys, the demand for nickel-based/cobalt-based alloys will continue to increase. Various factors are collectively influencing the steady growth of nickel, cobalt, and lithium metal demand. According to data from INSG, global nickel demand is projected to increase by 5% in 2025. The Cobalt Institute anticipates a year-on-year growth of 3% and 7% in global cobalt demand for 2025 and 2026, respectively. Additionally, SMM data indicates that the compound annual growth rate for global lithium demand is expected to reach 15% from 2023 to 2027. In recent years, the rapid depletion of easily exploitable nickel, cobalt, and lithium metal resources has raised concerns. As these critical strategic resources are widely utilized in high-tech industries, high-end equipments and special equipments, supporting industrial upgrading and energy transition, ensuring resources supply security has become a focal point of industrial competition among major global economies. The United States, European Union, and Japan have introduced a series of laws and policies aimed at developing critical minerals and supply chains, including updating lists, assessing supply chain conditions, enhancing intergovernmental strategic cooperation, and promoting the synergy of mining projects and infrastructure. These measures aim to localize the mineral resource development industry chain and ensure the sustainable development of mining, thereby securing a stable supply of critical minerals such as nickel, cobalt, and lithium. The major resource countries have also successively formulated and introduced policies and measures to standardize the export order of strategic metal mineral resources and improve the strategic position of nickel, cobalt and lithium resources.

4. The international expansion of enterprises within the new energy lithium battery industry chain is accelerating.

Leveraging its long-standing industrial scale and innovative capabilities, China's NEV industry has established a leading position in the global market. The internationalization of the NEV and lithium battery industry chain represents a crucial pathway for the industry to transition from scale expansion to quality enhancement. Currently, China's lithium battery industry chain is entering a period of strategic opportunity for international expansion driven by dual forces. On one hand, markets in Europe, America, and Southeast Asia are increasingly demanding localization of the new energy industry, necessitating the integration of China's mature lithium battery material technologies and efficient production capacities into their supply chain systems. On the other hand, the rapid growth and high profitability of overseas markets are prompting Chinese lithium battery enterprises to evolve from product output to the export of technological standards and industrial ecosystems. For lithium battery material companies, establishing

an international production capacity layout not only facilitates the efficient allocation of global resources but also enables deeper integration into international industry chains, thereby enhancing global competitiveness. Therefore, enterprises that are currently engaged in strategic planning for global expansion will secure a favorable competitive position in the future industrial landscape.

(II) Development strategy of the Company

Applicable Not applicable

Overall Development Strategy of the Company: Throughout the duration of the “15th Five-Year Plan,” the Company intends to capitalize on its integrated industrial strengths, extensive technological capabilities, international operational expertise, and superior ecological advantages. The focus will be on new energy lithium battery materials, underpinned by the security of nickel-cobalt-lithium resources. The Company is committed to a transformative and progressive trajectory characterized by the principles of “centralized resource management, market expansion, and capability enhancement.” We will maintain an integrated industrial framework that emphasizes resource development, sustainable metallurgy, lithium battery materials, and recycling initiatives. Our approach will remain customer-centric, aimed at delivering value to our clients while reinforcing our operational framework across international resource management, global manufacturing, and market engagement. We aspire to cultivate a technology-driven, environmentally sustainable, open, responsible, and progressive Huayou, with the objective of establishing a world-class enterprise distinguished by “superior products, a prominent brand, pioneering innovation, and contemporary governance.”

Technology-Driven Huayou: The Company will adhere to a science and innovation strategy that emphasizes “supporting industries and shaping the future.” This includes innovating our management mechanisms for research initiatives, concentrating on “product innovation, process innovation, equipment innovation, and integrated innovation,” thereby steering the Company’s high-quality development through advanced technology.

Environmentally Sustainable Huayou: The Company are committed to the principles of “low-carbon, green, and sustainable” development. Our goal is to establish a high-quality green manufacturing system and a low-carbon management framework for our supply chain, while also increasing the utilization of clean energy to ensure the sustainable advancement of the Company.

Open Huayou: The Company will embrace an open strategy centered on “collaboration and co-construction for a mutually beneficial future.” This involves actively engaging in the allocation of overseas resources, integrating into the international division of labor, and participating in global market competition to propel the Company’s high-quality development through internationalization.

Responsible Huayou: The Company are dedicated to fulfilling our corporate and social responsibilities, viewing Environmental, Social, and Governance (ESG) criteria as a core competitive advantage. We will harness our sense of responsibility to support the Company’s high-quality development.

Progressive Huayou: The Company will foster a culture of diligence and maintain a proactive mindset, unifying all employees under a shared spirit of determination. We aim to guide corporate development through a culture of progress, driving the Company's high-quality development with a philosophy of co-creating value, sharing risks, and collectively enjoying success.

(III) Business plan

Applicable Not applicable

In 2025, the Company will closely align with the characteristics of the industry stage, upholding a customer-centric approach that emphasizes value creation. The Company will adhere to seeking progress in stability and winning in progress, implementing a market-driven, efficiency-oriented, structurally optimized, and robust operational strategy. The Company will enhance the three key elements of quality, cost, and efficiency, advancing its high-quality development. In 2025, the Company will concentrate on five key areas of work:

1. Accelerating Technological Advancement and Enhancing Innovation Capabilities

The Company will continue to implement its science and technology innovation strategy, which "supports the industry, leads the future, fosters open collaboration, and promotes synergistic innovation". It will focus on breakthroughs in cutting-edge technologies and core processes to accelerate technological progress and significantly enhance its innovation capabilities. The Company will strengthen research project management, continuously implement the 330 scientific research plan, and establish a comprehensive mechanism for project approval, process monitoring, and evaluation to improve the success rate of research projects. Additionally, it will focus on building a high-level team of scientific and technological talent. The objective is to achieve comprehensive coverage of leading talents across all segments of the industrial chain. This includes establishing a tripartite mechanism that integrates technological research, patent strategy, and standard formulation, thereby actively participating in the development of national and industry standards for lithium battery materials. Additionally, a comprehensive intellectual property lifecycle management system will be developed to create a key technology patent portfolio that covers the entire integrated industrial chain, significantly enhancing the capacity to undertake major national and provincial scientific research projects. The Company will also advance the Integrated Product Development (IPD) process, utilizing product development to support market expansion and enhance competitive capabilities, thereby improving responsiveness to market demands and customer needs. The focus will be on green and low-carbon initiatives, quality enhancement, and digital empowerment, with efforts directed towards technological breakthroughs in safety and environmental protection, energy conservation, short-process manufacturing, intelligent production, and advanced equipment. This will facilitate the mastery of cutting-edge industry technologies and critical core technologies, driving comprehensive technological advancement across the integrated industrial chain and establishing a solid technical foundation for the Company's high-quality development.

2. Upholding Operational Essence and Striving for Performance Growth

The Company will vigorously implement a “top-tier” business strategy and a competitive strategy centered on “product leadership and cost leadership,” maintaining a customer-centric approach that creates value for clients. This will involve the coordinated allocation of global resources, strengthening upstream and downstream industrial collaboration, and actively expanding both international and domestic markets to enhance operational quality and profitability. Emphasizing the three key elements of “quality, cost, and efficiency,” the Company will adhere to lean production principles, improve capacity utilization, and establish a benchmark for exceptional manufacturing, achieving optimal product quality, minimal manufacturing costs, and superior economic benefits. The Company will further consolidate and amplify its advantageous business segments, maintaining its industry-leading position in cobalt and its related products. By leveraging its integrated industrial advantages, the Company will optimize the customer and market structure for lithium battery materials, promoting the simultaneous development of domestic and international markets. Focusing on major strategic clients, the Company will deepen mutual trust and strengthen strategic partnerships, seizing opportunities for incremental orders while solidifying existing contracts to stabilize and expand market share among mainstream clients.

3. Adhering to Open Development and Continuously Enhancing High-Quality Development Momentum

The Company will advance its open strategy of collaborative construction and mutual benefit, deepening the dual integration development model to establish a new framework for overseas resources, international manufacturing, and global markets, thereby continuously enhancing the momentum for high-quality development. In the Indonesia region, the Company aims to expedite the production and compliance of the 50,000-ton precursor project. It will accelerate the construction of the Pomalaa leaching project in collaboration with Vale and Ford, and ensure the preparatory work for the Sorowako leaching project is completed. The orderly development of the Pomalaa Industrial Park will be prioritized, alongside preparations for the Huayi and North Konawe Industrial Parks, while continuing to advance nickel ore resource development and cooperation to enhance resource reserves and supply security. In Europe, the Hungarian cathode material project will progress steadily while strictly controlling investment costs. In Africa, the lithium sulfate project in Zimbabwe will be implemented as planned. Domestically, the Quzhou and Guangxi bases will coordinate resources, adjust structures, and optimize assets to further enhance operational efficiency. The Company will adhere to the principles of value creation and shared benefits, further deepening upstream and downstream cooperation, innovating collaborative mechanisms, and integrating global resources to promote high-quality development through a high level of openness.

4. Focusing on Value Creation and Further Enhancing Operational Quality

The Company will implement a philosophy of specialization, refinement, and optimized

management, advancing precise management based on business essence, financial focus, and data reliance, with an emphasis on value creation to further enhance operational quality. Comprehensive budget management will be strengthened, enhancing the rigidity of budget constraints and leveraging the guiding role of budgets. Management reforms will be deepened, focusing on the characteristics of each business segment, ensuring business independence, clear accounting, and defined responsibilities, while innovating institutional mechanisms and solidifying operational accountability to create new development models. The Company will enhance its organizational structure based on operational essence and developmental needs, streamlining organizational levels and reducing institutional complexity to improve organizational efficiency. A strong emphasis will be placed on value creation, supported by technological innovation, standard cost benchmarks, exceptional manufacturing practices, and the segmentation of accounting units to drive efficiency improvements. The Company will further optimize its financial structure, strengthen cash flow management, broaden financing channels, and enhance its capacity for operational risk prevention and control.

5. Committing to Green Development and Further Enhancing ESG Management Standards

The Company will adhere to a transformation strategy centered on “low-carbon, green, and sustainable” principles, deepening the integration of ESG governance with core business operations. By prioritizing responsible coexistence and green leadership, the Company will systematically advance global ESG governance practices, continuously reinforcing its capacity for sustainable value creation in the field of new energy materials. Efforts will be directed towards establishing an environmental governance mechanism that spans the entire value chain, focusing on process innovation, optimizing production workflows, enhancing the substitution of clean energy and resource recycling, and strengthening precise management of the carbon footprint across the industrial chain. A multi-tiered responsible management system for mineral resources such as nickel, cobalt, and lithium will be established, promoting tailings ecological restoration and biodiversity protection, thereby creating a collaborative model for resource development and ecological balance to ensure the sustainability of mineral resource exploitation. The Company will also deepen its localization strategy, implementing community co-construction plans at overseas bases and enhancing support for education and other initiatives. The foundational initiatives in healthcare assistance and other essential livelihood projects facilitate a profound integration of corporate growth with social value. Furthermore, the promotion of green technology research and the certification of low-carbon products contribute to the systematic development of a benchmark for sustainable practices within the new energy materials sector, thereby enhancing the competitive responsibility of global operations.

(IV) 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 maintained at a low level, the prices of nickel products rose and fell, the prices of lithium products continued the downward trend after a brief rebound, while the prices of copper products fluctuated at high levels. The increase in prices to some extent would improve the Company's profitability, while the decrease in prices would weaken the Company's profitability. 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. If the exchange rate of the US dollar against the RMB drops sharply, it may lead to exchange losses or increase operating costs, which in turn will have a 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 precursor ternary, cathode materials. 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 new energy vehicle 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, and its products were launched in global markets such as in China, Japan, South Korea, Europe and America. 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. With the slowdown in the growth rate of new energy vehicles and the gradual release of production capacity in various links of the industry chain, the supply

and demand of power batteries and lithium 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.

(V) Others

Applicable Not applicable

VII. Situation and reasons for the Company's failure to disclose information as required due to non-application of standards or special reasons such as national secrets and trade secrets

Applicable Not applicable

Section IV Corporate Governance

I. Description of corporate governance-related information of the Company

√Applicable □Not applicable

During the reporting period, the Company has operated in a standardized manner according to the requirements of the *Company Law*, the *Securities Law* and the *Rules Governing the Listing of Stocks* and other laws and regulations, in which it has followed the corresponding decision-making procedures for all major matters such as major investments, external guarantees and related-party transactions in accordance with the applicable requirements and managed the disclosure of relevant information in strict compliance with its *Information Disclosure Management Policy*. The General Meeting of Shareholders, the Board of Directors, the Board of Supervisors and the special committees of the Board of Directors of the Company have performed their duties in accordance with the law and operated in a standardized manner. During the reporting period, the Company has not engaged in any material violations of laws and regulations, nor has any of its funds been occupied by the actual controller and other enterprises under its control, nor has it entered into any guarantees in violation of laws and regulations for the actual controller and other enterprises under its control.

1. Shareholders and the General Meeting of Shareholders

During the reporting period, the Company convened and held the general meetings in strict compliance with the *Company Law*, the *Articles of Association* and the *Rules of Procedure of General Meeting of Shareholders* and other relevant regulations. The general meetings are conducted in strict accordance with the requirements of relevant laws and regulations in terms of meeting preparation, meeting proposals, deliberation procedures, voting and resolutions at the meetings, implementation of the resolutions and disclosure of information, such that the shareholders are fully guaranteed to exercise their legitimate rights in accordance with the law. All general meetings of the Company were attended and witnessed by lawyers, who issued legal opinions on the compliance and legality of the meetings. During the reporting period, the Company held a total of 5 general meetings of shareholders.

2. Directors and the Board of Directors

The Board of Directors of the Company has operated in accordance with laws and regulations such as the *Company Law*, the *Articles of Association* and the *Rules of Procedure of Board of Directors*. The Board of Directors currently consists of 7 members, including 3 independent directors. Both the number and composition of the Board of Directors are in compliance with the requirements of laws, regulations and the *Articles of Association*. There are 4 special committees under the Board of Directors, including the Nomination Committee, the Audit Committee, the Remuneration and Appraisal Committee and the Strategy Committee. When the Board of Directors deliberates on major matters, the relevant special committees shall provide professional opinions and recommendations to make sure that the Board of Directors makes decisions in a scientific and reasonable manner. The Company held a total of 12 meetings of the Board of Directors during the reporting period.

3. Supervisors and the Board of Supervisors

The Board of Supervisors of the Company has performed its duties in accordance with the *Articles of Association*, the *Rules of Procedure of the Board of Supervisors* and other requirements. It has supervised the Company's operations and its financial position, as well as the legality and compliance in respect of the performance of duties by the directors and other senior officers of the Company, thus effectively safeguarding the rights and interests of the Company and its shareholders. The Board of Supervisors is currently composed of 3 members, including 2 employee representative supervisors. Both the number and composition of the Board of Supervisors are in compliance with the requirements of the relevant laws and regulations. During the reporting period, the Company held a total of 8 meetings of the Board of Supervisors.

4. Information Disclosure and Transparency

During the reporting period, the Company has disclosed relevant information in a truthful, accurate, timely and complete manner in strict accordance with applicable laws and regulations as well as the *Articles of Association*, the *Information Disclosure Management Policy* and other requirements. The Company has assigned the Secretary of the Board of Directors to be in charge of the disclosure of

information and handled the incoming calls and inquiries from shareholders and investors seriously, so as to ensure that all shareholders and investors have fair and timely access to the information required to be disclosed.

Whether there are significant differences between the corporate governance of the Company and that required by the laws, administrative regulations and CSRC's regulations on governance of listed companies; if there are significant differences, the reasons should be stated

Applicable Not applicable

II. Specific measures taken by the Company's controlling shareholder and actual controller to ensure the Company's independence in assets, personnel, finances, organization, business and other aspects, as well as the solutions adopted, work progress and follow-up plans that affect the Company's independence

Applicable Not applicable

The Company is completely separate from its controlling shareholder and actual controller in terms of business, personnel, assets, organization, finance, and other aspects, and they each operate independently and bear responsibilities and risks independently. The Company is equipped with complete business and independent operation capabilities.

Controlling shareholder, actual controller and other entities under their control engaging in the same or similar business as the Company, as well as the impact of horizontal competition or significant changes thereto on the Company, the measures taken to resolve the issue, the progress of the resolution, and the subsequent resolution plans

Applicable Not applicable

III. Summary of the general meeting of shareholders of the Company

Session	Date of the meeting	Query index of the designated website on which the resolutions are disclosed	Date on which the resolutions are disclosed	Resolutions of the meeting
The First Extraordinary General Meeting of Shareholders in 2024	January 29, 2024	Website of the Shanghai Stock Exchange http://www.sse.com.cn	January 30, 2024	Announcement of Huayou Cobalt on Resolutions of the First Extraordinary General Meeting of Shareholders in 2024
2023 Annual General Meeting of Shareholders	May 10, 2024	Website of the Shanghai Stock Exchange http://www.sse.com.cn	May 11, 2024	Announcement of Huayou Cobalt on Resolutions of 2023 Annual General Meeting of Shareholders
The Second Extraordinary General Meeting of Shareholders in 2024	October 10, 2024	Website of the Shanghai Stock Exchange http://www.sse.com.cn	October 11, 2024	Announcement of Huayou Cobalt on Resolutions of the Second Extraordinary General Meeting of Shareholders in 2024
The Third Extraordinary General Meeting of Shareholders in 2024	November 7, 2024	Website of the Shanghai Stock Exchange http://www.sse.com.cn	November 8, 2024	Announcement of Huayou Cobalt on Resolutions of the Third Extraordinary General Meeting of Shareholders in 2024
The Fourth Extraordinary General Meeting of Shareholders in 2024	December 16, 2024	Website of the Shanghai Stock Exchange http://www.sse.com.cn	December 17, 2024	Announcement of Huayou Cobalt on Resolutions of the Fourth Extraordinary General Meeting of Shareholders in 2024

The extraordinary general meeting of shareholders convened at the request of preferred shareholders with resumed voting rights

Applicable Not applicable

Description of the general meeting of shareholders

Applicable Not applicable

IV. Changes in directors, supervisors, and senior officers

(I) Changes in shareholding and compensation of current and departing directors, supervisors and senior officers during the reporting period

√Applicable □Not applicable

Unit: Share

Name	Position	Gender	Age	Term start	Term end	Shares held at the beginning of the year	Shares held at the end of the year	Change in shares during the year	Reason for the change	Total pre-tax compensation received from the Company during the reporting period (RMB'0,000)	Whether or not received compensation from a related party of the Company
Chen Xuehua	Chairman	Male	64	2008-03-24	2026-05-17	110,006,461	82,504,946	-27,501,515	Transfer by internal agreement between the actual controller and its person acting in concert	972.9398	No
Chen Hongliang	Director, President	Male	52	2008-03-24	2026-05-17	670,000	423,000	-247,000	Cancellation of shares repurchased under equity incentive plan	756.4541	No
Fang Qixue	Vice Chairman, Vice President	Male	63	2020-01-06	2026-05-17	425,000	269,000	-156,000	Cancellation of shares repurchased under equity incentive plan	608.5608	No
Wang Jun	Director, Vice President, Chief Financial Officer	Male	55	2023-02-22	2026-05-17	100,000	100,000	0		558.1119	No
Li Hailong	Independent Director	Male	45	2024-12-16	2026-05-17	0	0	0		0.00	No
Dong Xiuliang	Independent Director	Male	59	2022-05-13	2026-05-17	0	0	0		18.0000	No
Qian	Independent	Male	65	2022-04-17	2026-05-17	0	0	0		18.0000	No

Bolin	Director										
Zhang Jiangbo	Chairman Supervisor	Male	43	2023-05-18	2026-05-17	8,580	8,580	0		128.0630	No
Xi Hong	Supervisor	Female	56	2023-05-18	2026-05-17	6,345	6,345	0		75.4258	No
Tao Yiwen	Supervisor	Female	47	2014-04-24	2026-05-17	0	0	0		43.2983	No
Chen Yaozhong	Vice President	Male	55	2015-04-17	2026-05-17	262,500	184,500	-78,000	Cancellation of shares repurchased under equity incentive plan	613.1273	No
Xu Wei	Vice President	Male	42	2016-07-12	2026-05-17	262,500	184,500	-78,000	Cancellation of shares repurchased under equity incentive plan	605.5690	No
Gao Baojun	Vice President	Male	56	2021-01-20	2026-05-17	97,500	58,500	-39,000	Cancellation of shares repurchased under equity incentive plan	835.4911	No
Qian Xiaoping	Vice President	Male	53	2018-09-30	2026-05-17	0	0	0		437.3585	No
Fang Yuan	Vice President	Male	53	2017-01-09	2026-05-17	180,000	117,600	-62,400	Cancellation of shares repurchased under equity incentive plan	278.5151	No
Wu Mengtao	Vice President	Male	62	2022-01-19	2026-05-17	180,000	94,200	-85,800	Cancellation of shares repurchased under equity incentive plan	488.1315	No
Lu Feng	Vice President	Male	42	2021-01-20	2026-05-17	78,000	46,800	-31,200	Cancellation of shares repurchased under equity incentive plan	324.0034	No
Zhang Bing	Vice President	Male	51	2024-10-18	2026-05-17	800	800	0		91.6581	No
Li Rui	Secretary of the Board of Directors	Male	43	2017-01-09	2026-05-17	102,600	64,640	-37,960	Cancellation of shares repurchased under equity incentive plan	126.5446	No
Zhu Guang	Independent Director (former)	Male	68	2020-04-17	2024-12-16	0	0	0		18.0000	No
Total	/	/	/	/	/	112,380,286	84,063,411	-28,316,875	/	/	/

Name	Main work experience
Chen Xuehua	Mr. Chen Xuehua, male, born in 1961, is of Chinese nationality, with no overseas permanent right of abode. He is a senior economist and an honorary doctor of the University of Lubumbashi. Mr. Chen Xuehua worked in a rural chemical factory operated by Xianghou Village of Lutou Township in Tongxiang City and Tongxiang Huaxin Chemical Factory. In 2002, Mr. Chen Xuehua founded Zhejiang Huayou Cobalt and Nickel Materials Company Limited (the predecessor of the Company) with others. He served as the Chairman and General Manager of the Company from June 2002 to July 2016 and the Chairman of the Company from July 2016 to date. Mr. Chen Xuehua is also currently serving as the Chairman of Huayou Holding Group Co., Ltd.
Chen Hongliang	Mr. Chen Hongliang, male, born in 1973, is of Chinese nationality. He holds a junior college degree. Mr. Chen Hongliang used to work in Agricultural Bank of China Tongxiang Sub-branch, Agricultural Bank of China Zhejiang Trust and Investment Company Tongxiang Securities Department, Shenyin Wanguo Securities Co., Ltd. Tongxiang Business Office, and Tongxiang Huaxin Chemical Factory. He has been working with the Company since May 2002, serving as a Director and Deputy General Manager of the Company. From July 2016 to the present, he has served as a Director and President of the Company.
Fang Qixue	Mr. Fang Qixue, male, was born in October 1962. Graduated from Wuhan University of Science and Technology, majoring in mineral processing, and obtained a PhD degree in engineering from Central South University, he is a professor-level senior engineer and holder of the license issued by the Securities and Futures Commission of Hong Kong to carry on relevant business. He had worked with Beijing General Research Institute of Mining and Metallurgy (BGRIMM) as a professor-level senior engineer and head of the Mineral Engineering Research Institute of BGRIMM. Then he served as Deputy General Manager of China United Copper Co., Ltd., Director and General Manager of Minmetals JCCL Mining Investment Co., Ltd., and the Chief Technology Officer of China Minmetals Non-ferrous Metals Co., Ltd. and General Manager of its Investment Department. Dr. Fang also served at Standard Bank (its Headquarters located in Johannesburg, South Africa) as the Head of Mining and Metals Coverage of China, Vice Chairman and Head of Mining and Metals Coverage Asia of Standard Bank Plc, Hong Kong Branch, and Vice Chairman and Head of Mining and Metals Coverage Asia of Standard Advisory Asia. From May 2015 to December 2019, Dr. Fang worked with Zijin Mining Group Co., Ltd. as its Director and Vice President. He joined the Company in January 2020 and is currently a Director, Deputy Chairman and Vice President of the Company.
Wang Jun	Mr. Wang Jun, male, was born in October 1970. With a MBA degree from Tsinghua University, he is now a senior accountant, a national leading high-end talent in accounting, a member of the China Enterprise Standard Advisory Committee, a member of the Chartered Institute of Management Accountants (CIMA), and a fellow member of the Hong Kong Chartered Governance Institute(HKCGI). Having worked in the non-ferrous metals industry for nearly 30 years, Mr. Wang has obtained extensive experience in financial management, capital operation and on-site management of large overseas mining companies. He had served as CFO and Board Secretary of Chalco International, Deputy Chief Accountant and Head of Finance and Capital Operation Department of Chalco Group, and CFO and Board Secretary of Chalco China. Mr. Wang Jun joined the Company in February 2023, and currently serves as Director, Vice President and Chief Financial Officer of the Company.
Li Hailong	Mr. Li Hailong, male, born in May 1980, is of Chinese nationality, with no overseas permanent right of abode. He is a Deputy Dean of Law School, Zhejiang University of Finance and Economics, professor, doctor of laws, director of China Securities Law Research Institute, executive director of Zhejiang Financial Law Research Institute, vice President of Zhejiang Commercial Law Research Association, and member of Hangzhou Compliance Expert Database. Currently, he serves as a part-time lawyer of Tiantai Law Firm (Hangzhou Office) and independent director of MaoGeping Cosmetics Co., Ltd. He has been an independent director of the Company since December 2024.
Dong Xiuliang	Mr. Dong Xiuliang, male, born in 1966, is of Chinese nationality, with no overseas permanent right of abode. He has a PhD in quantitative economics and a postdoctoral degree in business administration. Dr. Dong was formerly a faculty member of the Finance Department of the Business School of

	<p>Jilin University, and a professor and doctoral supervisor at the School of Management of Jilin University, serving successively as Deputy Director, Secretary and Director of Finance and Management Department. Currently, he is a professor and doctoral supervisor at the School of Business and Management of Jilin University. Dr. Dong has served as an independent director of the Company since May 2022. He was qualified as an independent director in October 2013.</p>
Qian Bolin	<p>Mr. Qian Bolin, male, born in November 1960, is a member of the CPC. With a bachelor's degree, Mr. Qian is a certified tax agent and senior accountant. From August 1981 to October 1997, Mr. Qian worked with Hangzhou Material Recycling Corporation, serving successively as Deputy Chief and Chief of Finance Section, Deputy General Manager and Chief of Finance Section of the Corporation; from November 1997 to December 2013, he worked with Zhonghui (Zhejiang) CTA Firm, serving successively as Deputy Director and Director, Manager of Finance Department and Chief Financial Officer; from December 2013 to present, he has been working with Zhonghui CPA LLP. Mr. Qian has served as an independent director of the Company since April 2020.</p>
Zhang Jiangbo	<p>Mr. Zhang Jiangbo, male, born in 1982, is of Chinese nationality, with no overseas permanent right of abode. He has a bachelor's degree. Mr. Zhang Jiangbo once served as the legal affairs supervisor of Taizhou Baiyun Economic Development Corporation and the manager of the contract department of ROHO Investment (Group) Co., Ltd. Mr. Zhang joined the Company in August 2011 and has served as the head of legal affairs, Deputy Director of the Investment and Legal Affairs Department and Director of the Legal Affairs Department of the Company. Mr. Zhang Jiangbo now serves as Chairman Supervisor and Chief Legal Officer of the Company.</p>
Xi Hong	<p>Ms. Xi Hong, female, born in 1969, is of Chinese nationality, with no overseas permanent right of abode. She has a bachelor's degree. Ms. Xi previously worked as a budgeter in Urumqi Second Iron and Steel Plant and Budget Office of Xinjiang Construction Engineering Group Fifth Construction Company. Joined the Company in July 2008, she has successively served as a senior auditor, deputy director and director of the Audit Department, director of the Inspection and Supervision Department, and director of Audit and Supervision Department. Mr. Xi is now the General Manager of Audit and Supervision Center.</p>
Tao Yiwen	<p>Ms. Tao Yiwen, female, born in 1978, is of Chinese nationality, with no overseas permanent right of abode. She holds a postgraduate degree. Ms. Tao joined the Company in March 2005, and has since served as Deputy Director of the Office of the President of the Group, Deputy Director of the Enterprise Management Department and Deputy General Manager of the Operation Center of the New Material Industry Group. She is currently the General Manager of the Operation Center of the New Material Industry Group.</p>
Chen Yaozhong	<p>Mr. Chen Yaozhong, male, born in 1970, is of Chinese nationality, with no overseas permanent right of abode. He has a master's degree. Mr. Chen once worked in the Futures Department of Liaoning Huaxi Group and the Securities Department of Tianjin Lantian Hi-Tech Co., Ltd. He also served as Assistant General Manager and Deputy General Manager of Tianjin B&M Science and Technology Co., Ltd. Joined in the Company in June 2013, Mr. Chen is now Vice President of the Company and Chairman of Tianjin B&M, Puhua Company and Leyou Company respectively.</p>
Xu Wei	<p>Mr. Xu Wei, male, born in 1983, is of Chinese nationality, with no overseas permanent right of abode. He has a bachelor's degree. Mr. Xu joined the Company in June 2007 and has since served as Deputy Director and Director of Manufacturing Department 3, Production Director, General Manager of Tongxiang Metallurgical Business Unit, Deputy General Manager of Quzhou Huayou Cobalt New Materials Co., Ltd., Plant Manager of Product Subplant, General Manager of Product Business Unit, General Manager and other positions. Mr. Xu currently is Vice President of the Company and General Manager of Huayou Quzhou.</p>
Gao Baojun	<p>Mr. Gao Baojun, male, born in December 1969, is of Chinese nationality, with no overseas permanent right of abode. He holds a bachelor's degree in nonferrous metal smelting, a master's degree in project management, and is a professor-level senior engineer. Mr. Gao started his career in 1992, working in design, R&D and engineering management of non-ferrous metal smelting projects. He previously served as an engineer in China General Research Institute for Nonferrous Metals, department head and Deputy General Manager of China ENFI Engineering Co., Ltd., and as Chairman and</p>

	General Manager of Tangshan Tenglong Regeneration Technology Co., Ltd. He joined the Company in May 2018 and currently serves as Vice President of the Company.
Qian Xiaoping	Mr. Qian Xiaoping, male, born in 1972, is of Chinese nationality, with no overseas permanent right of abode. He holds a master's degree. Mr. Qian had served in the People's Liberation Army (PLA) 53508 troop. Later, he worked with Bank of Communications as a clerk in the security section, account manager and deputy chief of a sub-branch, then with CITIC Bank as chief of a sub-branch, assistant president of a branch and deputy president of a branch. He also served as president of Jiaxing branch of China Merchants Bank. Mr. Qian Xiaoping joined the Company in October 2018 and now serves as the Vice President of the Company.
Fang Yuan	Mr. Fang Yuan, male, born in 1972, is of Chinese nationality, with no overseas permanent right of abode. He has a bachelor's degree. Mr. Fang started his first job in 1993 and engaged in environmental protection and secretarial work at Kecheng District Bureau of Urban Construction and Environmental Protection. Later, he became deputy chief and chief of Kecheng District Environmental Monitoring (Supervision) Station, deputy chief and chief of Development and Construction Management Division and director of Chengnan Sub-bureau of Quzhou Municipal Environmental Protection Bureau. He also once served as a member of the CPC Working Committee and deputy director of the management committee of Quzhou Green Industry Cluster. Mr. Fang joined the Company in January 2017 and is currently the Vice President of the Company.
Wu Mengtao	Mr. Wu Mengtao, male, born in August 1963, Chinese nationality, with no overseas permanent right of abode, is a professor-level senior engineer and expert with special government allowance of the State Council. Mr. Wu worked with the 18th Research Institute of Electronics of the Ministry of Information Industry from July 1985 to August 2002, serving as an engineer, senior engineer, director of the research laboratory (equivalent to division chief), etc. From August 2002 to present, he has served in Tianjin B&M Science and Technology Co., Ltd. as Deputy General Manager and Chief Engineer, General Manager, Managing Director and other positions. Mr. Wu currently also serves as vice president of China Industrial Association of Power Sources, expert of National Science and Technology Award Review Expert Pool, expert of Patent Examination Committee of the Patent Office of CNIPA, technical consultant of Tianjin High People's Court for IP trials, 2016 national leading talent of high-level innovation and entrepreneurship in Chengdu, expert of Technology Expert Committee of China Electronic Materials Industry Association, part-time professor of Nankai University, chair professor of Henan University, president of Tianjin New Materials Industry Alliance, and president of Chengdu Green Energy Industry Association.
Lu Feng	Mr. Lu Feng, male, born in 1983, is of Chinese nationality, with no overseas permanent right of abode. He has received a bachelor's degree. Mr. Lu joined the Company in March 2007. He has since served as the head of the Supply Department and director of the Logistics Department of the Group, General Manager of the import and export company, General Manager of the Procurement Center of the Group, and General Manager of the Construction Project Center of the Group. Currently, Mr. Lu is the Vice President of the Company, in charge of the Logistics Center, the Civil Engineering Center and the Construction Management Center. He is also the General Manager of the Procurement Center.
Zhang Bing	Mr. Zhang Bing, male, born in October 1974, graduated from Dalian University of Technology with a major in polymer chemistry. He received his master's degree from Institute of Chemistry, Chinese Academy of Sciences, and his doctor's degree in Chemistry from University of Missouri-Rolla, USA. He also holds a Six Sigma Black Belt certification in project management. He has served as Vice President of Technology of Smoore, Vice President of National Institute of Clean-and-Low-Carbon Energy, General Manager of GE Central Research Institute in China, Director of GE China High-tech and Director of Strategic Innovation and Cooperation Department. He joined the company in September 2024 and is currently Vice President of the Company.
Li Rui	Mr. Li Rui, male, born in 1982, is of Chinese nationality, with no overseas permanent right of abode. He holds a postgraduate degree. Mr. Li joined Zhejiang Huayou Cobalt Co., Ltd. in January 2007, and has since served as Commissioner of the Listing Office, Deputy Director of the Securities and Investment Department, Director of the Securities and Investment Department, and Representative of the Securities Affairs successively. Currently, Mr.

	Li serves as Secretary of the Board of Directors of the Company.
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Other relevant information
Applicable Not applicable

(II) Positions held by current and departing directors, supervisors and senior officers during the reporting period
1. Positions held in shareholder entities
Applicable Not applicable

Name	Entity	Position	Term start	Term end
Chen Xuehua	Huayou Holding	Chairman, Manager	December 2006	
Chen Hongliang	Huaxing Trading	Chairman, Executive Director, Manager	April 2007	
Notes on the positions held in shareholder entities	The directors, supervisors and senior officers of the Company do not hold any position other than that of director in the controlling shareholder entities.			

2. Positions held in other entities
Applicable Not applicable

Name	Entity	Position	Term start	Term end
Chen Xuehua	Zhejiang Huayou New Energy Technology Co., Ltd.	Executive Director	June 2020	
	Zhejiang Huayou Recycling Technology Co., Ltd.	Executive Director, Manager	March 2017	
	Quzhou Huayou Cobalt New Materials Co., Ltd.	Director	June 2016	
	HUAYOU RESOURCES PTE. LTD.	Director	September 2022	
	Tongxiang Huajin Construction Management Service Co., Ltd.	Executive Director, Manager	September 2020	
	HUAYOU HONGKONG HOLDING LIMITED	Executive Director	February 2019	
	RUBY MINING HONGKONG LIMITED	Executive Director		
	TMA HONGKONG CONSULTING COMPANY LIMITED	Executive Director	October 2020	
	TMA INTERNATIONAL PTE. LTD.	Director	August 2019	
	HUAYOU RESOURCES PTE. LTD.	Director		
Chen Hongliang	Zhejiang Youshan New Materials Technology Co., Ltd.	Executive Director, Manager	June 2018	
	Quzhou Huayou Cobalt New Materials Co., Ltd.	Chairman	December 2016	
	Shanghai Feicheng Metal Materials Co., Ltd.	Executive Director	November 2018	
	Huayou International Recycling Resources Co., Limited	Executive Director	April 2017	
	HUAYOU INTERNATIONAL MINING (HONGKONG) LIMITED	Director	October 2013	
	HUANENG ASIA INTERNATIONAL CO., LIMITED	Director	April 2021	
	HUAYOU RESOURCES PTE. LTD.	Director	April 2018	
	LA MINIERE DE KASOMBO SAS	Chairman	August 2014	
	CONGO DONGFANG INTERNATIONAL MINING SAS	Chairman	February 2008	
	FEZA MINING SAS	Chairman	December 2016	
	HUAYOU INTERNATIONAL MINING HOLDING LIMITED	Director	October 2013	
	Huayuan Copper Company Limited	Director	August	

			2019	
	ORIENT INTERNATIONAL MINERALS & RESOURCE (PROPRIETARY) LIMITED	Executive Director	September 2006	
	PEACEFRIEND INVESTMENT LIMITED	Director	October 2017	
	Huatuo Cobalt Company Limited	Director	October 2017	
	Huayou International Cobalt (Hong Kong) Company Limited	Director	November 2020	
	Huayou International Resources (Hong Kong) Limited	Director	July 2022	
	Hua Jin International (Hong Kong) Limited	Director	September 2022	
	Hua Ming (Hong Kong) Limited	Director	September 2022	
	Hua Qun (Hong Kong) Limited	Director	September 2022	
	Hua Bin (Hong Kong) Limited	Director	September 2022	
	Shanghai Huayou Jintian Enterprise Management Co., Ltd.	Executive Director	June 2023	
	Huayou New Energy Technology (Quzhou) Co., Ltd.	Director	March 2023	
	Hua Wu (Hong Kong) Limited	Director	September 2022	
	Hua Qi (Hong Kong) Limited	Director	August 2022	
	Huasheng Nickel (Hong Kong) Limited	Director	January 2022	
	Huaxing Nickel (Hong Kong) Limited	Director	January 2022	
	Huacai (Hong Kong) Limited	Director	September 2021	
	Huayong International (Hong Kong) Limited	Director	September 2021	
	Shanghai Huayou Xinsheng Metal Co., Ltd.	Executive Director	November 2022	
	Huaqi (Singapore) Pte. Ltd.	Director	November 2022	
	HUAZE INTERNATIONAL INVESTMENT PTE. LTD.	Director	December 2022	
	HUAYAO INTERNATIONAL INVESTMENT PTE. LTD.	Director	December 2022	
	HUAJUN INTERNATIONAL INVESTMENT PTE. LTD.	Director	December 2022	
	Huayou International Lithium (Hong Kong) Limited	Director	April 2022	
	Huayou Nickel Resources Holding Limited	Director	October 2022	
	Huayou International Investment Co., Ltd.	Director	March 2023	
	Zhejiang Huayou Supply Chain Co., Ltd.	Executive Director and General Manager	January 2024	
	Huajing Mining Investment (Hong Kong) Limited	Director		
	Huapo (Hong Kong) Limited	Director		
	Huayou International Resources (Hong	Director		

	Kong) Limited			
	HUAYOU INTERNATIONAL MINING (HONGKONG) LIMITED	Director	December 2020	
	Huatuo Cobalt Company Limited	Director	November 2020	
	Huayou International Cobalt (Hong Kong) Company Limited	Director	November 2020	
	HUATUO INTERNATIONAL DEVELOPMENT PTE. LTD.	Director	September 2021	
	Huasheng Nickel (Hong Kong) Limited	Director	January 2022	
	Huaxing Nickel (Hong Kong) Limited	Director	January 2022	
	Huacai (Hong Kong) Limited	Director	September 2021	
	Huayong International (Hong Kong) Limited	Director	September 2021	
	Hua Jin International (Hong Kong) Limited	Director	September 2022	
	Hua Ming (Hong Kong) Limited	Director	September 2022	
	Hua Qun (Hong Kong) Limited	Director	September 2022	
	Hua Bin (Hong Kong) Limited	Director	September 2022	
	Hua Wu (Hong Kong) Limited	Director	September 2022	
	Huaqi (Singapore) Pte. Ltd.	Director	November 2022	
	HUAZE INTERNATIONAL INVESTMENT PTE. LTD.	Director	December 2022	
	HUAYAO INTERNATIONAL INVESTMENT PTE. LTD.	Director	December 2022	
	HUAJUN INTERNATIONAL INVESTMENT PTE. LTD.	Director	December 2022	
	Huayou International Lithium (Hong Kong) Limited	Director	April 2022	
	Huayou International Resources (Hong Kong) Limited	Director	July 2022	
	PROSPECT LITHIUM ZIMBABWE (PVT) LTD	Chairman		
	Huashun Resources Pte. Ltd.	Director		
	PT. Sulawesi Manganese Recycle	Chief Supervisor		
	Huayou New Energy Lithium Material Co., Ltd.	Director	December 2022	
	Huayou Nickel Resources Holding Limited	Director	October 2022	
	Bevor Mining Pte. Ltd.	Director		
	KNI Company	Chief Supervisor		
	PT. Huali Nickel Indonesia	Director		
	PT. Huaxiang Refining Indonesia	Director		
	PT. Indonesia Dahuaxing Industry Park	Chairman		
	PT. Indonesia Hongda Industry Park	Chairman		
	PT. Indonesia Kerui Industry Park	Chairman		
	Huapo (Hong Kong) Limited	Director		
Zhu Guang (no longer employed)	Ningbo Meishan Free Trade Port Zone Guopuxing Investment Management Co., Ltd.	Director, Manager	June 2017	

	Xiamen Minglu Yuhui Investment Co., Ltd.	Supervisor	January 2021	
	Erlian Longming Railway Maintenance and Development Co., Ltd.	Director	April 2012	
	Yangzhou Longtou Houde Fund Management Co., Ltd.	Chairman	August 2019	
Li Hailong (newly appointed)	MaoGeping Cosmetics Co., Ltd.	Independent non-executive director	May 2022	
Zhang Jiangbo	Leyou New Energy Materials (Wuxi) Co., Ltd.	Supervisor	June 2018	
	Zhejiang Puhua New Energy Materials Co., Ltd.	Supervisor	January 2019	
	Zhejiang Huayou Puxiang New Energy Materials Co., Ltd.	Supervisor	April 2018	
	Zhejiang Huayou New Energy Technology Co., Ltd.	Supervisor	April 2018	
	Huajin New Energy Materials (Quzhou) Co., Ltd.	Supervisor	July 2018	
	Zhejiang Like Cobalt Nickel Co., Ltd.	Supervisor	June 2020	
	Zhejiang Huayou Recycling Lithium Technology Co., Ltd.	Supervisor	December 2023	
	Zhejiang Huayou Green Energy Technology Co., Ltd.	Supervisor	December 2023	
	Sichuan Haopurui New Energy Material Co., Ltd.	Supervisor	December 2018	
	Shanghai Huayou Xinsheng Metal Co., Ltd.	Supervisor	November 2022	
	Zhejiang Huayou Supply Chain Co., Ltd.	Supervisor	January 2024	
	Quzhou Minfu Woneng New Energy Vehicle Technology Co., Ltd.	Supervisor	August 2017	
	Shanghai Feicheng Metal Materials Co., Ltd.	Supervisor	November 2018	
	PT. HUAFEI NICKEL COBALT	Supervisor		
	KNI Company	Supervisor		
	PT. Huali Nickel Indonesia	Chief Supervisor		
	PT. Huaxiang Refining Indonesia	Supervisor		
	PT. Sulawesi Manganese Recycle	Supervisor		
	Qingtian Metal Co., Ltd.	Supervisor		
	PT. Weda Bay Industrial Park	Chief Supervisor		
	PT. HNNM Indonesia	Supervisor	February 2024	
	Bamo Technology Hungary Kft	Supervisor		
LG-HY BCM Co., Ltd.	Supervisor			
Huayou Green Energy Technology Singapore Limited	Director	February 2024		
Huayou Recycling Lithium Technology Singapore Limited	Director	February 2024		
Xi Hong	Guangxi B&M Technology Co., Ltd.	Supervisor	April 2021	
	Quzhou Huayou Cobalt New Materials Co., Ltd.	Supervisor	May 2011	
	Guangxi Huayou Lithium Industry Co., Ltd.	Supervisor	April 2022	
	Quzhou Huayou Resource Recycling Technology Company Limited	Supervisor	April 2017	
	Quzhou Huayou Environmental Protection	Supervisor	September	

	Technology Co., Ltd.		2022	
	Quzhou Hangyang Huayou Gas Co., Ltd.	Supervisor	July 2023	
	Guangxi Huayou New Energy Technology Co., Ltd.	Supervisor	April 2021	
	Guangxi Huayou New Materials Co., Ltd.	Supervisor	April 2021	
	Quzhou Huayou Resource Recycling Technology Company Limited	Supervisor	September 2023	
	Hualing Import & Export (Tongxiang) Co., Ltd.	Supervisor	May 2021	
	Huashan Import & Export (Wenzhou) Co., Ltd.	Supervisor	May 2021	
	Huawang Import & Export (Tongxiang) Co., Ltd.	Supervisor	May 2021	
	Guangxi Huayou Construction Project Management Co., Ltd.	Supervisor	February 2021	
	Huajian Import & Export (Wenzhou) Co., Ltd.	Supervisor	June 2022	
	Huazheng Import & Export (Tongxiang) Co., Ltd.	Supervisor	June 2022	
	Huashan Import & Export (Tongxiang) Co., Ltd.	Supervisor	March 2021	
	Tongxiang Huashi Import & Export Co., Ltd.	Supervisor	November 2020	
	Huake Import & Export (Wenzhou) Co., Ltd.	Supervisor	May 2021	
	Huaxun Import & Export (Tongxiang) Co., Ltd.	Supervisor	May 2021	
	Zhejiang Youqing Trading Co., Ltd.	Supervisor	May 2019	
	Beijing Youhong Yongsheng Technology Co., Ltd.	Supervisor	August 2020	
	Beijing Huashan Yongsheng Technology Co., Ltd.	Supervisor	May 2021	
	Tongxiang Hua'ang Trading Co., Ltd.	Supervisor	August 2020	
	PT. HUAFEI NICKEL COBALT	Supervisor		
	PT. HUASHAN NICKEL COBALT	Supervisor		
	PT. HUAKE NICKEL INDONESIA	Supervisor		
	PT. HUASHENG NICKEL COBALT	Supervisor		
	PT. Indonesia Pomalaa Industry Park	Chief Supervisor		
	PT. Indonesia Dahuaxing Industry Park	Chief Supervisor		
	PT. Indonesia Hongda Industry Park	Chief Supervisor		
	Zhejiang Huayou Catering Management Co., Ltd.	Supervisor	May 2024	
	Zhejiang Huayou Property Management Co., Ltd.	Supervisor	May 2024	
	PT. Indonesia Kerui Industry Park	Chief Supervisor		
	Everlasting Nickel Co., Ltd.	Supervisor		
	PT. Indonesia Huali Industry Park	Chief Supervisor		
Chen Yaozhong	Zhejiang Huayou New Energy Technology Co., Ltd.	Manager	April 2018	
	Guangxi B&M Technology Co., Ltd.	Executive Director	April 2021	
	Zhejiang Puhua New Energy Materials Co., Ltd.	Chairman	January 2019	
	Tianjin B&M Science Technology Co., Ltd.	Chairman	June 2018	
	Zhejiang B&M Science and Technology	Executive Director	November	

	Co., Ltd.		2021	
	Leyou New Energy Materials (Wuxi) Co., Ltd.	Chairman	June 2018	
	Bamo Technology Hungary Kft	Director	May 2024	
Xu Wei	Quzhou Huayou Cobalt New Materials Co., Ltd.	Director, General Manager	June 2016	
	Quzhou Huayou Resource Recycling Technology Company Limited	Executive Director	December 2016	
	Guangxi Huayou New Materials Co., Ltd.	Director	April 2021	
	Huayou New Energy Technology (Quzhou) Co., Ltd.	Chairman, Manager	March 2023	
	Huajin New Energy Materials (Quzhou) Co., Ltd.	Director	November 2022	
	Quzhou Huayou Environmental Protection Technology Co., Ltd.	Chairman	September 2022	
	Guangxi Huayou New Energy Technology Co., Ltd.	Executive Director and General Manager	December 2022	
	Quzhou Huayou Resource Recycling Technology Company Limited	Executive Director	September 2023	
	Zhejiang Huayou Puxiang New Energy Materials Co., Ltd.	Director	January 2023	
	Huayou Battery Material Technology Japan Corporation	Director	August 2024	
Gao Baojun	PT. HUAYUE NICKEL COBALT	Director	February 2021	
	Qingshan Lvshui Environmental Services and Treatment Co., Ltd.	Chairman	February 2021	
	PT. Huali Nickel Indonesia	Director		
	PT. Indonesia Pomalaa Industry Park	Chairman		
	PT. HUASHAN NICKEL COBALT	Director	February 2022	
Qian Xiaoping	Huayou (Hong Kong) Co., Limited	Director	June 2024	
Wu Mengtao	Chengdu B&M Technology Co., Ltd	Executive Director, General Manager		
	Tianjin B&M Science Technology Co., Ltd.	Director, General Manager	December 2011	
Lu Feng	Zhejiang Huayou Import & Export Co., Ltd.	Chairman	November 2013	
	Zhejiang Youqing Trading Co., Ltd.	Chairman, General Manager	May 2019	
	Tongxiang Hua'ang Trading Co., Ltd.	General Manager	August 2020	
	Huashan Import & Export (Tongxiang) Co., Ltd.	Chairman	August 2021	
	Tongxiang Huashi Import & Export Co., Ltd.	Executive Director, Manager	November 2020	
	Huaxun Import & Export (Tongxiang) Co., Ltd.	Chairman	May 2021	
	Huawang Import & Export (Tongxiang) Co., Ltd.	Chairman	May 2021	
	Hualing Import & Export (Tongxiang) Co., Ltd.	Chairman	May 2021	
	Beijing Youhong Yongsheng Technology Co., Ltd.	Manager	August 2020	
	Beijing Huashan Yongsheng Technology Co., Ltd.	Chairman	August 2021	
Huashan Import & Export (Wenzhou) Co.,	Chairman	May 2021		

	Ltd.			
	Huake Import & Export (Wenzhou) Co., Ltd.	Chairman	May 2021	
Notes on the positions held in other entities	None			

(III) Compensation of directors, supervisors and senior officers

Applicable Not applicable

Decision-making procedures for the compensation	Compensation of directors and supervisors is deliberated and approved at the general meeting of shareholders. And compensation of senior officers is deliberated and approved at the meeting of the Board of Directors.
Whether a director recuses himself/herself from the Board of Directors' discussion of his/her compensation	Yes
Details of the recommendations made by the Remuneration and Appraisal Committee or the special meeting of independent directors on the compensation matters	The compensation of directors, supervisors and senior officers for the year 2024 is in line with the current situation of the Company's operation and management as well as the Company's performance, and it does not harm the interests of the Company and its shareholders.
Determination basis for the compensation	The Company has implemented a base salary and performance appraisal system for its directors, supervisors and senior officers, whereby compensation is determined on the basis of the Company's production and operation and performance results and under the principle of compensation being tied to performance. The independent director is compensated by annual allowances.
Actual payment of the compensation	For details of actual payments, please refer to the contents of "(I) Changes in shareholding and compensation of current and departing directors, supervisors and senior officers during the reporting period" of "IV. Changes in directors, supervisors, and senior officers" of this section.
Total amount of compensation received as at the end of the reporting period	RMB 69,972,523.57

(IV) Changes of directors, supervisors and senior officers of the Company

Applicable Not applicable

Name	Position	Description of change	Reasons for change
Zhang Bing	Vice President	Appointment	Appointment by the Board of Directors
Zhu Guang	Independent Director	Departure	Resignation for personal reasons
Li Hailong	Independent Director	Election	Election at General Meeting of Shareholders

(V) Description of penalties imposed by securities regulatory authorities in the last three years

Applicable Not applicable

(VI) Other information

Applicable Not applicable

V. Meetings of the Board of Directors held during the reporting period

Session	Date of the meeting	Resolutions of the meeting
The 14th meeting of the Sixth Board of Directors	January 9, 2024	Announcement of Huayou Cobalt on Resolutions of the 14 meeting of the Sixth Board of Directors
The 15th meeting of the Sixth Board of Directors	January 29, 2024	Announcement of Huayou Cobalt on Resolutions of the 15th meeting of the Sixth Board of Directors
The 16th meeting of the Sixth Board of Directors	February 28, 2024	Announcement of Huayou Cobalt on Resolutions of the 16th meeting of the Sixth Board of Directors
The 17th meeting of the Sixth Board of Directors	March 18, 2024	Announcement of Huayou Cobalt on Resolutions of the 17th meeting of the Sixth Board of Directors
The 18th meeting of the Sixth Board of Directors	April 3, 2024	Announcement of Huayou Cobalt on Resolutions of the 18th meeting of the Sixth Board of Directors
The 19th meeting of the Sixth Board of Directors	April 18, 2024	Announcement of Huayou Cobalt on Resolutions of the 19th meeting of the Sixth Board of Directors
The 20th meeting of the Sixth Board of Directors	August 19, 2024	Announcement of Huayou Cobalt on Resolutions of the 20th meeting of the Sixth Board of Directors
The 21st meeting of the Sixth Board of Directors	September 20, 2024	Announcement of Huayou Cobalt on Resolutions of the 21st meeting of the Sixth Board of Directors
The 22nd meeting of the Sixth Board of Directors	October 10, 2024	Announcement of Huayou Cobalt on Resolutions of the 22nd meeting of the Sixth Board of Directors
The 23rd meeting of the Sixth Board of Directors	October 18, 2024	Announcement of Huayou Cobalt on Resolutions of the 23rd meeting of the Sixth Board of Directors
The 24th meeting of the Sixth Board of Directors	November 25, 2024	Announcement of Huayou Cobalt on Resolutions of the 24th meeting of the Sixth Board of Directors
The 25th meeting of the Sixth Board of Directors	December 30, 2024	Announcement of Huayou Cobalt on Resolutions of the 25th meeting of the Sixth Board of Directors

VI. Directors' performance of duties

(I) Attendance of directors at the meeting of the Board of Directors and the general meeting of shareholders

Name	Independent director or not	Attendance at the meeting of the Board of Directors						Attendance at the general meeting of shareholders
		Number of meetings required to attend during the year	Number of meetings attended in person	Number of meetings attended by way of telecommunication	Number of meetings attended by proxy	Number of meetings absent	Failure to attend in person two consecutive meetings or not	Number of general meetings attended
Chen Xuehua	No	12	12	10	0	0	No	1
Chen Hongliang	No	12	12	11	0	0	No	4
Fang Qixue	No	12	12	10	0	0	No	1
Wang Jun	No	12	12	10	0	0	No	5
Zhu	Yes	11	11	10	0	0	No	5

Guang								
Li Hailong	Yes	1	1	1	0	0	No	0
Dong Xiuliang	Yes	12	12	11	0	0	No	5
Quan Bulin	Yes	12	12	11	0	0	No	5

Explanation for failure to attend in person two consecutive meetings of the Board of Directors.

Applicable Not applicable

Number of meetings of the Board of Directors held during the year	12
Of which: Number of on-site meetings	1
Number of meetings held by means of telecommunication	10
Number of meetings held on-site with option of access via telecommunication	1

(II) Objections raised by directors on matters related to the Company

Applicable Not applicable

(III) Other information

Applicable Not applicable

VII. Special committees under the Board of Directors

Applicable Not applicable

(I) Member of the special committees under the Board of Directors

Special committees	Members
Audit Committee	Qian Bolin (convener), Chen Xuehua, Li Hailong
Nomination Committee	Li Hailong (convener), Chen Xuehua, Qian Bolin
Remuneration and Appraisal Committee	Dong Xiuliang (convener), Chen Hongliang, Qian Bolin
Strategy Committee	Chen Xuehua (convener), Chen Hongliang, Fang Qixue, Li Hailong, Dong Xiuliang

(II) The Audit Committee held 4 meetings during the reporting period

Date of the meeting	Contents of the meeting	Key opinions and recommendations	Other information about the performance of duties
March 12, 2024	1. Deliberated and approved the <i>Proposal on the 2023 Audit Communications</i>	Deliberated and approved	
April 18, 2024	1. Deliberated and approved the <i>Proposal on the 2023 Annual Report and Its Summary</i> 2. Deliberated and approved the <i>2023 Auditor's Report of the Company</i> 3. Deliberated and approved the <i>Proposal on the 2023 Final Account Report</i> 4. Deliberated and approved the <i>Proposal on the 2024 Budget Report</i> 5. Deliberated and approved the <i>Proposal on the Review of Related-party Transactions in 2023</i> 6. Deliberated and approved the <i>Proposal on Estimated Daily Related-party Transactions for Year 2024</i> 7. Deliberated and approved the <i>Proposal on the</i>	Deliberated and approved	

	<p>2023 Internal Control Evaluation Report</p> <p>8. Deliberated and approved the <i>Proposal on the 2023 Internal Control Audit Report of the Company</i></p> <p>9. Deliberated and approved the <i>Proposal on the Retaining the Audit Institution for Year 2023</i></p> <p>10. Deliberated and approved the <i>Proposal on the Provision for Asset Impairment and Credit Impairment</i></p> <p>11. Deliberated and approved the <i>Proposal on the First Quarter Report of 2024</i></p>		
August 19, 2024	1. Deliberated and approved the <i>Proposal on the 2024 Semi-annual Report and Its Summary</i>	Deliberated and approved	
October 18, 2024	1. Deliberated and approved the <i>Proposal on the Third Quarter Report of 2024</i>	Deliberated and approved	

(III) The Nomination Committee held 3 meetings during the reporting period

Date of the meeting	Contents of the meeting	Key opinions and recommendations	Other information about the performance of duties
April 18, 2024	1. Deliberated and approved the <i>2023 Work Report of the Nomination Committee under the Board of Directors</i>	Deliberated and approved	
October 10, 2024	1. Deliberated and approved the <i>Proposal on the Appointment of the Vice President</i>	Deliberated and approved	
November 25, 2024	1. Deliberated and approved the <i>Proposal on By-election of Independent Directors of the Sixth Board of Directors and Adjustment of Members of the Special Committees</i>	Deliberated and approved	

(IV) The Remuneration and Appraisal Committee held 4 meetings during the reporting period

Date of the meeting	Contents of the meeting	Key opinions and recommendations	Other information about the performance of duties
January 9, 2024	<p>1. Deliberated and approved the <i>Proposal on the Repurchase and Cancellation of Some Restricted Shares</i></p> <p>2. Deliberated and approved the <i>Proposal on the Termination of Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of the Restricted Shares</i></p>	Deliberated and approved	
April 18, 2024	1. Deliberated and approved the <i>Proposal on the Remuneration Assessment of Directors, Supervisors, and Senior Officers for Year 2023 and the Compensation Plan for Year 2024</i>	Deliberated and approved	
October 18, 2024	<p>1. Deliberated and approved the <i>Proposal on the Adjustment of the Repurchase Price of Restricted Shares First Granted under the 2023 Restricted Stock Incentive Plan</i></p> <p>2. Deliberated and approved the <i>Proposal on the Proposed Repurchase and Cancellation of Restricted Shares First Granted under the 2023 Restricted Stock Incentive Plan</i></p>	Deliberated and approved	
December 30, 2024	1. Deliberated and approved the <i>Proposal on the '2024 Restricted Stock Incentive Plan (Draft)' of the Company and Its Summary</i>	Deliberated and approved	

	2. Deliberated and approved the <i>Proposal on the 'Measures for the Implementation and Assessment Management of the 2024 Restricted Stock Incentive Plan' of the Company</i>		
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(V) The Strategy Committee held 1 meeting during the reporting period

Date of the meeting	Contents of the meeting	Key opinions and recommendations	Other information about the performance of duties
April 18, 2024	1. Deliberated and approved the <i>Proposal on the 2023 Annual Report and Its Summary</i> 2. Deliberated and approved the <i>Proposal on the 2023 Final Account Report</i> 3. Deliberated and approved the <i>Proposal on the 2024 Budget Report</i> 4. Deliberated and approved the <i>Proposal on the '2023 Environmental, Social and Governance (ESG) Report'</i>	Deliberated and approved	

(VI) Particulars of the matter on which objection is raised

Applicable Not applicable

VIII. Description of the risks to the Company identified by the Board of Supervisors

Applicable Not applicable

During the reporting period, the Board of Supervisors has no objections to the matters under supervision.

IX. Employees of the parent company and major subsidiaries at the end of the reporting period

(I) Employees

Number of in-service employees of the parent company	1,823
Number of in-service employees of the major subsidiaries	23,549
Total number of in-service employees	25,372
Number of retirees requiring costs to be borne by the parent company and major subsidiaries	31
Functions	
Function	Number of Employees
Production	18,461
Sales	253
Technical	4,116
Financial	369
Administrative	2,173
Total	25,372
Educational background	
Educational background	Number of Employees
PhD	70
Master	1,031
Bachelor's degree	5,801
Junior college	3,362
High school and below	15,108
Total	25,372

(II) Employee compensation policy

Applicable Not applicable

Compensation and benefits serve as material security for employees' right to existence and right to development. The Company adheres to the principle that the employee compensation is highly competitive in the industry and each region, and is committed to continuously improve the salary standard of its employees. Subject to the requirements of laws and regulations, the Company implements a comprehensive working hour system for primary level employees and a standard working hour system for managerial and technical staff. The Company controls overtime work strictly to protect the employees' right to have rest. Overtime pay is provided for working on holidays in accordance with the law, and compensatory leaves are prioritized for overtime on weekends. The Company has devised a reasonable salary structure, which includes job level salary, monthly performance salary, skill allowance, management allowance, overtime pay, post allowance, night shift allowance, annual performance salary/bonus, incentive bonus and other allowances and subsidies. Based on the value of "striver-oriented", the distribution system has materialized the distribution concepts of "results oriented performance heroes" and "favoring the strivers". This does not only present a reasonable reward to employees for their work, but also motivates them to keep improving their professional competence. The distribution system has reflected the cultural concept of "high performance, high income; enhanced performance of the enterprise, increased income of its employees". In 2024, the Company kept the bonus for instant incentive and enhanced the performance appraisal, with the aim of activating talents, driving strategies and guiding employees to pursue development and growth together with the Company. In 2024, the Company continued to implement a restricted stock incentive plan to further establish and improve the long-term incentive mechanism, with a view to attracting and retaining talents and fully mobilizing the enthusiasm of core management personnel and key personnel.

(III) Employee training plans

Applicable Not applicable

Adhering to the people-oriented principle, the Company implements the talent concept of "maximizing the skills of talents", creates conditions to accelerate the growth of talents, strives to cooperate in the business to solve practical problems, builds a multi-level and comprehensive talent development system framework and the development path of the whole life cycle of talents in the field, and cultivates organizational capabilities to cultivate and build a craftsman team, an engineer team and a management team who are loyal to the Company, forge ahead in unity and can win battles.

In 2024, the Company steadily promoted the construction of a learning organization, delivering 464,800 hours of internal training in the year, with a total of 264,198 trainees and a per capita training duration of 18.3 hours. It synchronously optimized the application of E-learning online learning platform, and accumulated organizational experience, with a total of 539 endogenous courses and 207 new courses, 5,770 course resources on the platform, 80,000 hours of online learning time in the year, 447,865 students, an average learning time of 5.3 hours, and a total investment of more than RMB 3 million.

For management talents, the Company has established a systematic management training project matrix to promote management' leadership training by layers and classifications, and embed management's leadership training from multiple management's life cycle management points such as new entry, reserve, turn-around and on-post.

For experts and skilled talents, the Company has configured a professional sequence oriented qualification development system which provides clear evaluation criteria and growth channels for the growth of professional talents, opened up internal and external title development channels, and completed the qualification promotion evaluation of 1,206 people throughout the year.

For skilled workers at the production line, the Company has promoted the implementation of skills implementation work at home and abroad and the empowerment of trainers at the production line, provided growth resources for the skills improvement in positions at the production line, provided development channels for the growth of employees at the production line, and completed skills implementation assessments of 7,452 people throughout the year.

For functional support employees, the Company has developed and implemented a series of different types of empowerment plans, including security skills improvement training, legal compliance training, news writing training, etc., to improve employees' professional quality and performance ability.

(IV) Outsourcing of labor services
Applicable Not applicable

X. Proposals for profit distribution or converting capital reserve to share capital
(I) Formation, implementation or adjustment of cash dividend policy
Applicable Not applicable

In accordance with the requirements of the Notice on Further Implementing Matters Relating to Cash Dividends of Listed Companies, the No. 3 Guidelines for the Supervision of Listed Companies - Cash Dividends of Listed Companies issued by the China Securities Regulatory Commission, other applicable laws, regulations and regulatory documents and the Articles of Association of the Company, with comprehensive consideration of such factors as enterprise profitability, business development plan, shareholders' return, cost of social capital and external financing environment, the Company formulated a dividend return plan for shareholders for the next three years (2022-2024), with a view to further enhancing the transparency of the profit distribution policy of the Company, improving the profit distribution decision and supervision mechanism, maintaining the continuity and stability of the profit distribution policy, protecting the legitimate rights and interests of investors and facilitating the investors to form stable expectations on returns: after drawing in full the legal reserves and the optional reserves in accordance with the Articles of Association, relevant laws and regulations and resolutions of the general meeting of shareholders, the Company shall distribute dividends to shareholders in cash or stock every three years and the profits distributed in cash shall not be less than 30% of the average annual distributable profits realized in the said three years.

Based on the total share capital registered on the equity registration date for the implementation of the equity distribution deducting the repurchased shares in the Company's special securities account for repurchase, a cash dividend of RMB 5.00 (tax included) per 10 shares will be paid to all shareholders, and no distribution of bonus share and conversion of capital reserve fund into share capital will be implemented. Shares held by the Company through special securities account for repurchase will not participate in this profit distribution, and the specific number will be disclosed in the announcement on implementation of equity distribution. Where there is any change in the Company's total share capital during the period from the date of disclosure of this announcement to the equity registration date for the implementation of the equity distribution, the Company intends to maintain the distribution ratio for each share unchanged and adjust the total distribution amount accordingly, and the detailed adjustment shall be announced separately.

(II) Special notes on cash dividend policy
Applicable Not applicable

Whether it complies with the requirements of the Company's Articles of Association or the resolutions of the general meeting of shareholders	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the criteria and proportion of cash dividends are definite and well defined	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent directors have duly performed their duties and played their due roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether minority shareholders have full opportunities to express their opinions and claims, and whether their legitimate rights and interests are adequately protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(III) If during the reporting period, the Company makes profit and the parent company's profit available for distribution to shareholders is positive, but no cash dividend distribution plan has been proposed, the Company shall disclose in detail the reasons for this, as well as the use purpose of and use plan for the undistributed profit

Applicable Not applicable

(IV) Proposals for profit distribution or converting capital reserve to share capital

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Bonus shares/10 shares (shares)	0
Dividends/10 shares (RMB) (incl. tax)	5.00
Capital conversion/10 shares (shares)	0
Cash dividend (incl. tax)	839,422,349.50
Net profit attributable to ordinary shareholders of the listed company in the consolidated statement	4,154,825,193.75
Ratio of cash dividend amount to net profit attributable to ordinary shareholders of the listed company in the consolidated statement (%)	20.20%
Amount for repurchase of shares in cash and included in cash dividends	112,414,613.15
Total dividend amount (incl. tax)	951,836,962.65
Ratio of total dividend amount to net profit attributable to ordinary shareholders of the listed company in the consolidated statement (%)	22.91%

(V) Cash dividend in the last three fiscal years

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Cumulative cash dividend amount in the last three fiscal years (incl. tax) (1)	2,834,676,096.10
Cumulative repurchase and cancellation amount in the last three fiscal years (2)	0
Cumulative amount of cash dividend and repurchase and cancellation in the last three fiscal years (3)=(1)+(2)	2,834,676,096.10
Average annual net profit for the last three fiscal years (4)	3,804,444,034.01
Cash dividend ratio for the last three fiscal years (%) (5)=(3)/(4)	74.51%
Net profit attributable to ordinary shareholders of the listed company in the consolidated statement for the most recent fiscal year	4,154,825,193.75
Undistributed profit at the end of the reporting year of the parent company for the most recent fiscal year	921,806,173.45

XI. Equity incentive plans, employee stock ownership plans or other employee incentives of the Company and their impacts

(I) Equity incentive matters that have been disclosed in ad hoc announcements and there is no progress or change in subsequent implementation thereof

Applicable Not applicable

Description of the matter	Query index
On January 9, 2024, the Company held the 14th meeting of the sixth Board of Directors, at which the <i>Proposal on the Repurchase and Cancellation of Some Restricted Shares</i> was	For more information, please refer to the <i>Announcement of Huayou Cobalt on Proposed Repurchase and</i>

<p>deliberated and approved according to the authorization of the first extraordinary general meeting of shareholders in 2021, the second extraordinary general meeting of shareholders in 2022 and the second extraordinary general meeting of shareholders in 2023. The 1,741,575 restricted shares held by the 242 departing incentive recipients were to be repurchased and cancelled;</p> <p>On January 9, 2024, the Company held the 14th meeting of the sixth Board of Directors, at which the <i>Proposal on the Termination of Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of the Restricted Shares</i> was deliberated and approved by the Company's first extraordinary general meeting of shareholders in 2024 on January 29, 2024;</p> <p>On May 7, 2024, 12,873,923 restricted shares related to the foregoing were cancelled.</p>	<p><i>Cancellation of Some Restricted Shares (2024-008)</i> and the <i>Announcement of Huayou Cobalt on the Termination of Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of the Restricted Shares (2024-009)</i> disclosed on January 10, 2024, and the <i>Announcement of Huayou Cobalt on the Repurchase and Cancellation of Restricted Shares under the Equity Incentive Plan (2024-053)</i> disclosed on April 30, 2024</p>
<p>On October 18, 2024, the Company held the 23rd meeting of the sixth Board of Directors, at which the <i>Proposal on the Adjustment of the Repurchase Price of Restricted Shares First Granted under the 2023 Restricted Stock Incentive Plan</i> and the <i>Proposal on the Proposed Repurchase and Cancellation of Restricted Shares First Granted under the 2023 Restricted Stock Incentive Plan</i> was deliberated and approved in accordance with the relevant provisions of the Company's 2023 Restricted Stock Incentive Plan (Draft) (hereinafter referred to as the "Incentive Plan") and the authorization of the second extraordinary general meeting of shareholders in 2023. The 1,139,800 restricted shares which were granted to 189 incentive recipients but not yet unlocked were to be repurchased and cancelled. At the same time, due to the failure of the Company to pass the performance assessment during the first unlocking period of the first grant under the Incentive Plan, the 3,894,040 restricted shares which were granted to the corresponding incentive recipients but not yet unlocked were to be repurchased and cancelled. In summary, the repurchase and cancellation involved 1,440 incentive recipients; the Company intended to repurchase and cancel a total of 5,033,840 restricted shares which were granted to them but not yet unlocked.</p> <p>On January 23, 2025, the 5,033,840 restricted shares related to the foregoing were cancelled.</p>	<p>For more information, please refer to the <i>Announcement of Huayou Cobalt on the Adjustment of the Repurchase Price of Restricted Shares First Granted under the 2023 Restricted Stock Incentive Plan (2024-097)</i> and the <i>Announcement of Huayou Cobalt on the Proposed Repurchase and Cancellation of Restricted Shares First Granted under the 2023 Restricted Stock Incentive Plan (2024-098)</i> disclosed on October 19, 2024, and the <i>Announcement of Huayou Cobalt on the Repurchase and Cancellation of Restricted Shares under the Equity Incentive Plan (2024-008)</i> disclosed on January 21, 2025</p>
<p>On September 20, 2024, the Company held the 21st meeting of the sixth Board of Directors, at which the <i>Proposal on the Extension of the Duration of the 2022 Employee Stock Ownership Plan</i> was deliberated and approved. The Company was approved to extend the duration of the 2022 Employee Stock Ownership Plan (hereinafter referred to as the "Stock Ownership Plan") by 24 months to November 8, 2026.</p>	<p>For more information, please refer to the <i>Announcement of Huayou Cobalt on the Extension of the Duration of the 2022 Employee Stock Ownership Plan (2024-086)</i> disclosed on September 21, 2024</p>
<p>On December 30, 2024, the Company held the 25th meeting of the sixth Board of Directors, at which the <i>Proposal on the '2024 Restricted Stock Incentive Plan (Draft)' of the Company and Its Summary</i>, the <i>Proposal on the 'Measures for the Implementation and Assessment Management of the 2024 Restricted Stock Incentive Plan' of the Company</i>, the <i>Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the 2024 Restricted Stock Incentive Plan</i> and other related matters were deliberated and approved. On January 20, 2025, the Company held the first extraordinary general meeting of shareholders, at which the foregoing related proposals were deliberated and approved.</p> <p>On January 23, 2025, the Company held the 26th meeting of the sixth Board of Directors and the 17th meeting of the sixth Board</p>	<p>For more information, please refer to the <i>Announcement of Huayou Cobalt on the 2024 Restricted Stock Incentive Plan (Draft) and Its Summary (2024-127)</i> disclosed on December 31, 2024, and the <i>Announcement of Huayou Cobalt on the Adjustment of Matters Related to the First Grant under the 2024 Restricted Stock Incentive Plan (2025-014)</i> and the <i>Announcement of Huayou Cobalt on the First Grant of Restricted Shares to Incentive Recipients (2025-015)</i> disclosed on January 24, 2025</p>

of Supervisors, at which the <i>Proposal on the Adjustment of Matters Related to the First Grant under the 2024 Restricted Stock Incentive Plan</i> and the <i>Proposal on the First Grant of Restricted Shares to Incentive Recipients</i> were deliberated and approved. The Board of Directors of the Company considered that the conditions for first grant of restricted shares under the Incentive Plan have been met and agreed to grant 10,419,300 restricted shares to 1,298 incentive recipients.	
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(II) Incentives matters which are not disclosed in ad hoc announcements or with subsequent progress

Equity incentives

Applicable Not applicable

Other information:

Applicable Not applicable

Employee stock ownership plan

Applicable Not applicable

Other incentive measures

Applicable Not applicable**(III) Equity incentives granted to directors and senior officers during the reporting period**Applicable Not applicable**(IV) Appraisal mechanism for senior officers and the establishment and implementation of incentive mechanisms during the reporting period**Applicable Not applicable

During the reporting period, the Remuneration and Appraisal Committee of the Board of Directors performed appraisals and formulated compensation plans for the senior officers based on indicators such as the performance results achieved during the reporting period. Following the Company's philosophy of "results oriented performance heroes", the compensation plan takes into account the average compensation standards of the industry and region in which the Company operates in light of the actual situation of the Company, and links the compensation of senior officers to the Company's profitability, results of the annual business objectives as well as the individual performance capacity of the senior officer. While focusing on the scientific nature and balancing the incentive effect of the appraisal, the plan further improves the Company's mechanism of performance appraisal of senior officers and enhances the enterprising spirit and sense of responsibility of the Company's senior officers constantly.

XII. Development and implementation of internal control systems during the reporting periodApplicable Not applicable

For more information, please refer to the *2024 Annual Internal Control Evaluation Report* disclosed by the Company on April 19, 2025 on the website of Shanghai Stock Exchange (<http://www.sse.com.cn>). The Company did not detect any significant defects in internal control during the year.

Description of significant defects in internal control during the reporting period

Applicable Not applicable**XIII. Management control of subsidiaries during the reporting period**Applicable Not applicable

During the reporting period, the Company has implemented management control over its subsidiaries in strict accordance with the *Company Law*, the *Articles of Association* and other applicable laws, regulations and rules. First, the Company has guided its subsidiaries to improve their corporate governance structure, and modern enterprise system, and revised and improved their articles of association and other relevant

systems in accordance with relevant laws and regulations; Second, the Company has supervised its subsidiaries to submit advance reports on major matters, such as related-party transactions, external guarantees, and external investments; Third, the Company has applied classified control to each subsidiary by business under the principle of combination of management, empowerment and goal orientation and aiming at the development objectives of improving quality, efficiency, transformation and upgrading.

XIV. Internal control audit reports

Applicable Not applicable

The Company prepared and disclosed the *2024 Annual Internal Control Evaluation Report*, and Pan-China Certified Public Accountants LLP audited the Company's internal control and issued a standard unmodified *Internal Control Audit Report*. The *Internal Control Audit Report* is available on the website of Shanghai Stock Exchange (<http://www.sse.com.cn>).

Whether internal control audit report is disclosed: Yes

Type of internal control audit report: Standard unmodified report

XV. Rectification of issues identified in the self-examination of the special action on governance of listed companies

To implement the spirit of *Opinions of the State Council on Further Improving the Quality of Listed Companies* (Guofa (2020) No. 14), the Company has made active efforts to conduct special self-examination of corporate governance strictly against the *Company Law*, *Securities Law*, *Standardized Operation of Listed Companies* and other relevant laws and regulations as well as its internal rules and policies in accordance with the requirements of the CSRC's special action on governance of listed companies. Based on the list of special self-examination on governance of listed companies, the Company made careful and thorough review to identify existing problems and summarize lessons learned in corporate governance and completed the special self-examination on time.

During the reporting period, the Company generally operated in a standardized and well-governed manner, and no major problems were identified during the self-examination. The Company will make continuous efforts to implement the spirit of further improving the quality of listed companies, to constantly enhance the level of corporate governance, and to promote high-quality development.

XVI. Others

Applicable Not applicable

Section V Environmental and Social Responsibility

I. Environmental information

Whether mechanisms related to environmental protection have been established	Yes
Investments in environmental protection during the reporting period (Monetary unit: RMB '0,000)	40,236.27

(I) Description of environmental protection of the Company and its subsidiaries that are key pollutant discharging units announced by the environmental protection authorities

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 environment, atmospheric environment, soil pollution and environmental risks; 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 Lithium Industry is a key unit under the supervision of water environment and atmospheric environment.

1. Information about pollution discharge

Applicable Not applicable

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	13.25t	32.535t	No
	Ammonia nitrogen				20mg/L	0.219t	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	0.370t	0.102t	No
	Particulate matter				10mg/m ³	0.013t	7.77t	No
Huayou Quzhou	COD	Intermittent discharge	2	Discharge outlet for wastewater in east and west factory areas	200mg/L	286.922t	337.709t	No
	Ammonia nitrogen				20mg/L	13.16t	33.59t	No

	Sulfur dioxide	Organized discharge	11	Waste gas generation points in each workshop	100mg/m ₃	4.05t	217.183t	No		
	Nitrogen oxide		6	Waste gas generation points in each workshop	100mg/m ₃	14.74t	259.116t	No		
			2		300mg/m ₃	Non-production		No		
	Non-methane hydrocarbon		7	Waste gas generation points in each workshop	120mg/m ₃	0.61t	80.688t	No		
			1		60mg/m ³	Non-production		No		
	Particulate matter		44	Waste gas generation points in each workshop	10mg/m ³	24.19t	93.536t	No		
			6		120mg/m ₃			No		
			2		30mg/m ³			Non-production	No	
	New Energy Quzhou		COD	Intermittent discharge	1	Main discharge outlet of the factory	200mg/L	23.292t	385.244t	No
			Ammonia nitrogen				35mg/L	0.707t	41.387t	No
Nitrogen oxide		Organized discharge	32	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	0.671t	14.733t	No		
Particulate matter				10mg/m ³	1.986t	19.012t	No			
Huayou Puxiang	COD	Intermittent discharge	1	Main discharge outlet of the factory	50mg/L	2.05t	39.268t	No		
	Ammonia nitrogen				10mg/L	0.033t	3.927t	No		
	Particulate matter	Organized discharge	7	Waste gas generation points in each workshop	10mg/m ³	0.141t	3.185t	No		
Resource Recycling	COD	Intermittent discharge	1	Main discharge outlet of the factory	200mg/L	41.626t	43.687t	No		
	Ammonia nitrogen				35mg/L	1.956t	4.04t	No		
	Nitrogen oxide	Organized discharge	24	Waste gas generation points in each workshop	100mg/m ₃	0.375t	5.94t	No		
	Sulfur dioxide				100mg/m ₃	0.367t	1.19t	No		
Huajin Company	COD	Intermittent discharge	1	Main discharge outlet of the factory	200mg/L	0.441t	9.22t	No		
	Ammonia nitrogen				35mg/L	0.024t	1.2t	No		

	Particulate matter	Organized discharge	5	Waste gas generation points in each workshop	10mg/m ³	1.279t	2t	No
Guangxi Lithium Industry	COD	Intermittent discharge	1	Main discharge outlet of the factory	200mg/L	4.03t	/	No
	Ammonia nitrogen				40mg/L	0.14t	/	No
	Nitrogen oxide	Organized discharge	3	Waste gas generation points in each workshop	200mg/m ³	5.55t	58.89t	No
	Sulfur dioxide				100mg/m ³	1.58t	45.41t	No
	Particulate matter				30mg/m ³	5.70t	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	200mg/L	25.133t	/	No
	Ammonia nitrogen				40mg/L	6.17t	/	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, except those associated with the shutdown of the production line.</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</i> (GB12348-2008).</p>

Huayou Quzhou	<p>Waste gas treatment facilities: All of the 129 sets of waste gas treatment facilities, including dust removal devices, acid alkali spray towers and RTO combustion treatment facilities, are in normal operation, except those associated with the shutdown of the production line.</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 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 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>
New Energy Quzhou	<p>Waste gas treatment facilities: All of the 40 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,</p>

	<p>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 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 33 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 18 sets of waste gas treatment facilities, which are related to alkali spray, are in normal operation.</p> <p>Wastewater treatment facilities: The sodium sulfate wastewater is to be treated by evaporation through MVR of Times Huineng. The 1 set of industrial 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 contaminants 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</p>

	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. 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).
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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. ⑥ The new capacity expansion and renovation project of nickel matte high-purity nickel with an annual output of 20,000 tons (metallometry) was approved by Quzhou Ecological Environment Bureau on July 2, 2024 (Qu Huan Zhi Zao Jian [2024] No. 42).
New Energy Quzhou	① The new spray ternary precursor industrialization project with an annual output of 100 tons × 2 was approved by Quzhou Ecological Environment Bureau (Qu Huan Zhi Zao Jian [2024] No. 58); ② The new sodium battery precursor modification project with an annual output of 5,000 tons was approved by Quzhou Ecological Environment Bureau (Qu Huan Zhi Zao Jian [2024] No. 79).
Huayou Puxiang	The re-application for pollution discharge license was approved by Quzhou Ecological Environment Bureau on September 18, 2024.
Resource Recycling	The re-application for pollution discharge license was approved by Quzhou Ecological Environment Bureau on March 25, 2024.
Huajin Company	The re-application for pollution discharge license was approved by Quzhou Ecological Environment Bureau on July 29, 2024.
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	①The 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); ③ The construction project of high-purity battery nickel prepared with crude nickel-cobalt hydroxide raw materials was approved by Guangxi Ecological Environment Bureau (Gui Huan Shen [2024] No. 531); ④ The construction project of high-purity battery cobalt with an annual output of 8,000 tons was approved by Guangxi Ecological Environment Bureau (Gui Huan Shen [2024] No. 593).
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; ② The project for improvement of nickel sulfate production line was approved by Yulin Ecological Environment Bureau (Yu Huan Xiang Guan [2024] No. 26).

4. Contingency plans 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 Jiaying Ecological Environment Bureau under the number 330483-2023-115-H.
Huayou Quzhou	According to the requirements of the <i>Emergency Management Measures for Environmental Emergencies</i> , Huayou Quzhou revised 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 330802-2024-100-H.
Huayou New Energy Quzhou	According to the requirements of the <i>Emergency Management Measures for Environmental Emergencies</i> , Huayou New Energy Quzhou revised 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 330802-2024-095-H.
Huayou Puxiang	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 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 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 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> , Huayou New Energy Quzhou revised 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 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 Yulin Ecological Environment Bureau under the number 450923-2023-006-M.
Guangxi Huayou	There was no need to revise contingency plan for environmental emergencies of

New Materials	Huayou Cobalt during the reporting period. The latest contingency plan for environmental emergencies of Huayou Cobalt is valid until 2025, 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 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 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 periodApplicable Not applicable**7. Other environmental information requiring disclosure**Applicable Not applicable**(II) Description of environmental protection situation of the companies other than the key pollutant discharging units**Applicable Not applicable**1. Administrative punishment received due to environmental issues**Applicable Not applicable**2. Disclosure of other environmental information by reference to the 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) Relevant information that is conducive to protecting ecology, preventing and controlling pollution, and fulfilling environmental responsibilities

Applicable Not applicable

Huayou Cobalt has always placed environmental protection at the core of its corporate development, strictly complied with the *Environmental Protection Law of the People's Republic of China* and other relevant laws and regulations at home and abroad, and is committed to building a green, low-carbon and sustainable operation model. The Company continues to improve the environmental management system, actively carries out biodiversity protection measures and tailings management innovation, while improving the efficient use of water resources and energy, fully fulfilling environmental responsibilities, and promoting ecological protection and pollution prevention.

Environmental management system and compliance system construction

Huayou Cobalt has established a three-level environmental management structure of “Group Headquarters Safety and Environmental Management Center - Industrial Group Safety and Environmental Department – Subsidiaries” to ensure the systematization, standardization and refinement of environmental management. The Company has formulated a number of management systems, including the *Environmental, Social and Governance (ESG) Policy*, the *Biodiversity Protection Policy* and the *Tailings Management Policy*, to clarify environmental management objectives and measures, and link management performance with the completion of environmental objectives to ensure the implementation of responsibilities. The Company attaches great importance to the emergency management of environmental emergencies, and each subsidiary has developed a detailed emergency

plan, which is regularly evaluated and revised to ensure the continuous improvement of emergency preparedness and response capabilities. During the reporting period, there were no major environmental incidents or environment-related administrative penalties.

Air and solid waste pollution control

Huayou Cobalt strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and the *Law on the Prevention and Control of Environmental Pollution by Solid Waste*, and implements more stringent emission standards than such regulations. The Company ensures emissions compliance through online monitoring systems, efficient waste gas treatment devices and targeted disposal measures. In terms of solid waste management, the Company has implemented waste reduction and resource utilization, and recycled 3,227 tons of waste ton bags and filter cloth during the reporting period, generating revenue of RMB 5,282,600. Hazardous waste management is monitored in real time through information technology to ensure 100% compliant disposal.

Tailings management and environmental risk prevention

For tailings management, Huayou Cobalt has formulated the *Tailings Management Policy* to implement high-standard management of the whole life cycle from site selection, design, construction to the later stage of closure. The Company ensures the safety and environmental friendliness of tailings facilities through scientific design, risk assessment and follow-up monitoring. During the reporting period, the Company further improved the management of tailings ponds such as Lukuni and Luiswishi, eliminated safety hazards, and continued to consolidate the safety capacity of tailings pond operation.

Biodiversity conservation and management of ecologically sensitive areas

Huayou Cobalt actively supports the “Kunming-Montreal Global Biodiversity Framework” to integrate biodiversity conservation into daily operations. The Company strictly follows the principle of “Avoid, reduce, regenerate, restore” and develops and implements the *Biodiversity Protection Policy* to ensure that the impact on biodiversity is minimized during the whole life cycle of the project. The Company is committed to not operating in world heritage sites, core areas of nature reserves and areas rich in biodiversity to avoid ecologically sensitive areas as much as possible.

Water resources management and water saving measures

Huayou Cobalt attaches great importance to water resources management, strictly abides by the *Water Law of the People's Republic of China* and relevant regulations of overseas operations, and develops and implements internal water resources management systems. The Company improves the efficiency of water resource utilization by optimizing process parameters, upgrading production technology and strengthening internal water circulation system. During the reporting period, the proportion of alternative water sources such as circulating water and rainwater increased significantly. In terms of wastewater management, the Company strictly implements the *Law of the People's Republic of*

China on Water Pollution Prevention and Control to ensure that the wastewater is discharged up to standard, and the third-party testing results are 100% conforming.

Environmental protection training

During the reporting period, the Company actively conducted training related to environmental protection to provide cultural support for the implementation of the Company's environmental protection management strategy. In 2024, the Company provided special training on environmental compliance management, standardized management of three wastes and other aspects, with an employee training coverage rate of 100%. Environmental protection-related knowledge and skills training was incorporated by the Company into the daily work of employees, and environmental protection awareness was further enhanced through environmental protection public welfare activities, which was to practice the concept of environmental protection.

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

Whether carbon reduction measures are adopted or not	Yes
Reduction of carbon dioxide equivalent emissions (Unit: tons)	1,175,706 (excl. renewable energy certificate (REC) offsets)
Type of carbon reduction measures (e.g., use of clean energy for power generation, use of carbon reduction technologies in production processes, development and production of new products that contribute to carbon reduction, etc.)	New rooftop PV/wind power projects will be established to continuously increase the total amount of clean electricity; ongoing efforts will be made to implement energy-saving and carbon-reduction technologies in production processes and equipment; and the promotion of a green low-carbon full-value supply chain for collaborative carbon reduction will be advanced.

Describe the specifics

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. For more details, please refer to the Huayou Cobalt Sustainability Report 2024.

II. Social responsibility

(I) Whether a social responsibility report, sustainability report or ESG report is disclosed separately

√Applicable Not applicable

During the reporting period, the Company has given high priority to the fulfillment of its corporate social responsibility and disclosed its annual environmental, social and governance report. For more information, please refer to the relevant announcements published by the Company on the website of the Shanghai Stock Exchange and the Company's official website.

(II) Specifics of social responsibility work

√Applicable Not applicable

External donations and public welfare projects	Amount/Description	Notes
Total input (RMB'0,000)	6,925.16	
Including: Funds (RMB'0,000)	6,914.56	
Materials converted into cash (RMB'0,000)	10.60	
Number of people benefited (persons)	190,963	

Describe the specifics

√Applicable Not applicable

The Company has always practiced the investment philosophy of “making contributions to the local economy and society wherever it invests”, and integrated community building into the strategic framework of sustainable development. The Company has systematically promoted the coordinated development of economy, education, health care, infrastructure and environment through donations, fulfillment of overseas territorial responsibilities and multi-field public welfare practices. During the reporting period, the Company invested a total of RMB 69,251,600 in public welfare donations and projects, benefiting many communities around the world and achieving deep integration of corporate development and social value. For details, please refer to the *Huayou Cobalt Sustainability Report 2024*.

III. Consolidating and expanding the achievements of poverty alleviation, rural revitalization and other specific efforts

√Applicable Not applicable

Poverty alleviation and rural revitalization projects	Amount/Description	Notes
Total input (RMB'0,000)	232.48	
Including: Funds (RMB'0,000)	232.48	
Materials converted into cash (RMB'0,000)	/	
Number of people benefited (persons)	1,500	
Forms of assistance (e.g. poverty alleviation through industry, employment, education, etc.)		Community building and poverty alleviation through education

Describe the specifics

√Applicable Not applicable

Community building

Taking an active role in responding to the national strategy of rural revitalization, the Company has practiced social responsibility with practical actions, and helped the high-quality development and the construction of common wealth demonstration zone. During the reporting period, the Company invested

a total of RMB 2,324,800 in poverty alleviation and rural revitalization projects. The establishment of Huayou Common Wealth Charitable Donation Fund is a powerful embodiment of Huayou people's investment concept of "making contributions to the local economy and society wherever it invests". During the reporting period, Huayou Quzhou donated RMB 1 million to Quzhou Charity Federation, committed to promoting social equality and development. In addition, the Company also actively carried out rural revitalization projects, such as community building, helping families with difficulties, visiting surrounding villages, etc., to effectively improve the production and living standards of people in the help area, and promote local economic development.

Education construction

Taking an active role in responding to the national strategy of rejuvenating the country through science and education, the Company has taken practical actions to join the cause of supporting education. From primary education to higher education, the Company comprehensively assisted the development of education through diversified forms of support, and contributed to the implementation of the strategy of rejuvenating the country through science and education. During the reporting period, "Huayou Building Dreams", a charitable program under Huayou Common Wealth Fund, and "Huayou Chongxue Award" continued to be granted, and scholarships of RMB 1,031,800 were awarded to outstanding primary and secondary school students in Gaoqiao Street and outstanding high school students who were admitted to key universities.

Section VI Major Matters

I. Performance of commitments

(I) Commitments made by the Company's actual controller, shareholder, related party, acquirer, the 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	Details of commitment	Date of commitment	Whether there is performance period	Period of commitment	Whether commitments are performed in a strict and timely manner	Reasons for failure to make timely performance	Next steps to be taken in case of failure to make timely performance
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		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>Letter of 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 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</p>						
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			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)	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.		Yes	Valid for a long term	Yes		
	About related-party transactions	Huayou Holding (the controlling shareholder of the	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		Yes	Valid for a long term	Yes		

	Company) and Chen Xuehua (the actual controller)	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.						
Others	Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller)	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 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.		Yes	Valid for a long term	Yes		
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		Yes	Valid for a long term	Yes		

		<p>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 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</p>						
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			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 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		Yes	Valid for a long term	Yes		

			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 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		Yes	Valid for a long term	Yes		

			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."						
Others	Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller)	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, 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		Yes	Valid for a long term	Yes			

			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."						
Commitment s related to equity incentives	Others	The Company	The Company undertakes not to provide loans or any other form of financial assistance, including guarantees for its loans, to the incentive recipients for the purpose of obtaining the restricted stock under the 2023 and 2024 incentive plan.		Yes	From the date on which the grant registration is completed to the date on which all restricted shares granted to the incentive recipients are unlocked or canceled	Yes		
	Others	All incentive recipients	The incentive recipients of the Company in 2023 and 2024 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 incentive recipients 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 incentive recipients are unlocked or canceled	Yes		

(II) Where earnings forecasts exist for the Company's assets or projects and the reporting period is still within the forecasting period, indicate whether the Company has met the original earnings forecasts for the assets or projects and the reasons therefor

Achieved Not Achieved Not Applicable

(III) Fulfillment of performance commitments and their impact on goodwill impairment testing

Applicable Not applicable

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. Granting guarantee in violation of laws and regulations

Applicable Not applicable

IV. Explanation given by the Board of Directors on "non-standard opinion audit report" from the accounting firm

Applicable Not applicable

V. The Company's analysis of the reasons for and impact of changes in accounting policies, accounting estimates or corrections of material accounting errors

(I) The Company's analysis of the reasons for and impact of changes in accounting policies and accounting estimates

Applicable Not applicable

1. From January 1, 2024, the Company has implemented the provisions of the Interpretation No. 17 of Accounting Standards for Business Enterprises issued by the Ministry of Finance on the "Classification of Current Liabilities and Non-current Liabilities", and this change in accounting policy has no impact on the Company's financial statements.

2. From January 1, 2024, the Company has implemented the provisions of the Interpretation No. 17 of Accounting Standards for Business Enterprises issued by the Ministry of Finance on "Disclosure of Supplier Financing Arrangements".

3. From January 1, 2024, the Company has implemented the provisions of the Interpretation No. 17 of Accounting Standards for Business Enterprises issued by the Ministry of Finance on the "Accounting for sale-leaseback transactions", and this change in accounting policy has no impact on the Company's financial statements.

4. From December 6, 2024, the Company has implemented the provisions of the Interpretation No. 18 of Accounting Standards for Business Enterprises issued by the Ministry of Finance on the "Accounting Treatment of Quality Assurance of Assurance Categories that Do Not Belong to Individual Performance Obligations", and the change in accounting policy has no impact on the Company's financial statements.

(II) The Company's analysis of the reasons for and impact of changes in corrections of material accounting errors

Applicable Not applicable

(III) Communication with the former accounting firm

Applicable Not applicable

(IV) Approval procedures and others

Applicable Not applicable

VI. Appointment and dismissal of accounting firms

Monetary unit: Yuan Currency: RMB

	Current appointment
Name of the domestic accounting firm	Pan-China Certified Public Accountants LLP
Compensation of the domestic accounting firm	3,600,000
Audit period of the domestic accounting firm	18 Years
Names of CPAs from the domestic accounting firm	Zhang Jingjing, Lu Yanli
Cumulative years of audit service provided by the CPAs from the domestic accounting firm	Zhang Jingjing (4 years), Lu Yanli (1 year)

	Name	Compensation
Accounting firm for internal control audits	Pan-China Certified Public Accountants LLP	680,000

Notes on the appointment and dismissal of accounting firms

Applicable Not applicable

Upon deliberation and approval at the 19th meeting of the Fifth Board of Directors and the 2023 Annual General Meeting of Shareholders of the Company, the Company agreed to continue to appoint Pan-China Certified Public Accountants LLP as the Company's auditor for the year 2024, with the term of appointment of one year.

Change of accounting firm during the audit period

Applicable Not applicable

Notes on reductions in audit fees by 20% or more (including 20%) from the previous year

Applicable Not applicable

VII. Exposure to the risk of delisting

(I) Reasons leading to the delisting risk warning

Applicable Not applicable

(II) Response actions proposed by the Company

Applicable Not applicable

(III) Circumstances and reasons for exposure to termination of listing

Applicable Not applicable

VIII. Matters relating to bankruptcy and reorganization

Applicable Not applicable

IX. Major litigation and arbitration

 The Company has major litigation and arbitration matters during the current year. The Company has no major litigation and arbitration matters during the current year.

X. Suspected violations of laws and regulations by the Company, its directors, supervisors, senior officers, controlling shareholders and actual controllers, punishments imposed and rectifications

Applicable Not applicable

XI. Credit status of the Company and its controlling shareholder and actual controller during the reporting period

Applicable Not applicable

XII. Major related-party transactions

(I) Related-party transactions related to daily operation

1. Matters that have been disclosed in ad hoc announcements and there is no progress or change in subsequent implementation thereof

Applicable Not applicable

Description of 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 2023 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.

2. Matters that have been disclosed in ad hoc announcements with progress or changes in subsequent implementation

Applicable Not applicable

3. Matters that have not been disclosed in ad hoc announcements

Applicable Not applicable

(II) Related-party transactions arising from the acquisition or sales of assets or equity

1. Matters that have been disclosed in ad hoc announcements and there is no progress or change in subsequent implementation thereof

Applicable Not applicable

2. Matters that have been disclosed in ad hoc announcements with progress or changes in subsequent implementation

Applicable Not applicable

3. Matters that have not been disclosed in ad hoc announcements

Applicable Not applicable

4. Where performance agreements are involved, performance results for the reporting period shall be disclosed.

Applicable Not applicable

(III) Major related-party transactions regarding joint investments to third parties

1. Matters that have been disclosed in ad hoc announcements and there is no progress or change in subsequent implementation thereof

Applicable Not applicable

2. Matters that have been disclosed in ad hoc announcements with progress or changes in subsequent implementation

Applicable Not applicable

3. Matters that have not been disclosed in ad hoc announcements

Applicable Not applicable

(IV) Debt and credit with related parties

1. Matters that have been disclosed in ad hoc announcements and there is no progress or change in subsequent implementation thereof

Applicable Not applicable

2. Matters that have been disclosed in ad hoc announcements with progress or changes in subsequent implementation
Applicable Not applicable

3. Matters that have not been disclosed in ad hoc announcements
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) Others
Applicable Not applicable

XIII. Major contracts and performance
(I) Entrustment, contracting and leases
1. Entrustment
Applicable Not applicable

Description of entrustment

2. Contracting
Applicable Not applicable

3. Leases
Applicable Not applicable

(II) Guarantees
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	Collateral (if any) Collateral (if any)	Fulfilled or not	Overdue or not	Overdue amount	Counter guarantee	Related party guarantee or not	Relationship
Total amount of guarantees incurred during the reporting period (excluding those provided for subsidiaries)														
Total balance of guarantee at the end of the reporting period (A) (excluding those provided for subsidiaries)														
Guarantees provided by the Company and its subsidiaries for subsidiaries														

Total amount of guarantee provided for subsidiaries during the reporting period	29,829,657,773.76
Total balance of guarantee provided for subsidiaries at the end of the reporting period (B)	42,021,821,098.47
Total amount of guarantees provided by the Company (including those provided for subsidiaries)	
Total amount of guarantee (A+B)	42,021,821,098.47
Proportion of the total amount of guarantee in the Company's net assets (%)	86.36
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)	24,789,295,497.87
Amount of the part where the total amount of guarantee exceeds 50% of net assets (E)	17,691,508,339.90
Total amount of the above three guarantees (C+D+E)	42,480,803,837.77
Description of any possible joint and several liabilities for repayment of unexpired guarantees	None
Notes on guarantees	None

(III) Entrusting others to manage cash assets
1. Entrusted wealth management
(1) Overall information about entrusted wealth management
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount
Financial products	Self-owned funds	1,705,900,000.00	300,000,000.00	

Other information

Applicable Not applicable

(2) Individual entrusted wealth management
Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Trustee	Type	Amount	Starting Date	Ending Date	Funding Resource	Investment Direction	Method for determining compensation	Method for determining compensation	Annual Yield	Expected returns (if any)	Actual Gains or losses	Undue Amount	Unrecovered overdue amount	Whether it has gone through statutory procedures	Whether there is any entrusted wealth management plan in the future	Amount of provision for impairment (if any)
Quzhou Branch, BCM	Bank financial products	100,000,000.00	2023/2/20	2024/2/21	Self-owned funds	Bank financial products fund pool		Through agreement	2.35%	2,389,166.67	2,356,438.36			Yes		
Quzhou Branch, BCM	Bank financial products	100,000,000.00	2023/12/22	2024/5/30	Self-owned funds	Bank financial products fund pool		Through agreement	2.30%	1,008,219.178	1,095,890.41			Yes		
Quzhou Branch, BCM	Bank financial products	100,000,000.00	2023/12/29	2024/6/6	Self-owned funds	Bank financial products fund pool		Through agreement	2.30%	1,008,219.18	1,095,890.41			Yes		

Quzhou Branch, BCM	Bank financial products	100,000,000.00	2024/2/28	2025/2/24	Self-owned funds	Bank financial products fund pool		Through agreement	2.20%	2,181,917.81		100,000,000.00		Yes		
Quzhou Branch, BCM	Bank financial products	100,000,000.00	2024/5/31	2024/11/7	Self-owned funds	Bank financial products fund pool		Through agreement	2.30%	1,022,222.22	1008219.18			Yes		
Quzhou Branch, BCM	Bank financial products	100,000,000.00	2024/6/20	2024/11/29	Self-owned funds	Bank financial products fund pool		Through agreement	2.30%	1,035,000.00	1,020,821.92			Yes		
Wenzhou Gaoxin District Branch, BCM	Bank financial products	200,000,000.00	2024/9/12	2024/10/8	Self-owned funds	Bank financial products fund pool		Floating yield	1.05%-1.90%	242,191.78	242,191.78			Yes		
Wenzhou Gaoxin District Branch, BCM	Bank financial products	200,000,000.00	2024/10/14	2024/11/4	Self-owned funds	Bank financial products fund pool		Floating yield	1.05%-1.85%	189,863.01	189,863.01			Yes		
Wenzhou Gaoxin District Branch, BCM	Bank financial products	200,000,000.00	2024/11/11	2024/12/2	Self-owned funds	Bank financial products fund pool		Floating yield	0.8%-1.85%	189,863.01	189,863.01			Yes		
Wenzhou Gaoxin District Branch, BCM	Bank financial products	200,000,000.00	2024/12/12	2025/1/2	Self-owned funds	Bank financial products fund pool		Floating yield	0.8%-1.85%	189,863.01		200,000,000.00		Yes		
Wenzhou Gaoxin District Branch, BCM	Bank financial products	200,000,000.00	2024/8/19	2024/9/9	Self-owned funds	Bank financial products fund pool		Floating yield	1.05%-1.90%	195,616.44	195,616.44			Yes		
Nanjing Branch, Suzhou Bank	Bank financial products	5,000,000.00	2023/12/25	2024/1/2	Self-owned funds	Bank financial products fund pool		Through agreement	2.33%	2,265.28	2,284.72			Yes		
Nanjing Branch, Suzhou Bank	Bank financial products	5,000,000.00	2024/1/2	2024/1/9	Self-owned funds	Bank financial products fund pool		Through agreement	2.33%	2,265.28	2,284.72			Yes		
Nanjing	Bank	5,000,000.00	2024/1/	2024/1/	Self-o	Bank		Throug	2.33%	2,265.28	2,284.72			Yes		

Branch, Suzhou Bank	financial products		9	16	wned funds	financial products fund pool		h agreement								
Nanjing Branch, Suzhou Bank	Bank financial products	10,000,000.00	2024/1/16	2024/1/23	Self-owned funds	Bank financial products fund pool		Through agreement	2.33%	4,530.56	5,875.00			Yes		
Nanjing Taishan Road Branch, Jiangsu Bank	Bank financial products	10,000,000.00	2024/2/22	2024/5/22	Self-owned funds	Bank financial products fund pool		Through agreement	2.95%	73,750.00	70,250.00			Yes		
Chengdu Economic and Technological Development Zone Branch, Pufa Bank	Bank financial products	70,900,000.00	2024/9/9	2024/10/9	Self-owned funds	Bank financial products fund pool		Through agreement	2.20%	129,983.33	129,983.33			Yes		

Other information

Applicable Not applicable

(3) Provision for impairment of entrusted wealth management

Applicable Not applicable

2. Entrusted loans

(1) Overall information about entrusted loans

Applicable Not applicable

Other information

Applicable Not applicable

(2) Individual entrusted loan

Applicable Not applicable

Other information

Applicable Not applicable

(3) Provision for impairment of entrusted loans
Applicable Not applicable

3. Others

Applicable Not applicable

(IV) Other major contracts
Applicable Not applicable

XIV. Progress in the use of funds raised
Applicable Not applicable

(I) Overall information about the use of funds raised
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 (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	0	539,776.67	0	90.64%	Not applicable	5,256.68	0.87%	0
Issuance of convertible	March 2, 2022	760,000.00	755,383.96	755,383.96	0	666,410.34	0	88.22%	Not applicable	114,152.91	15.12%	171,000.00

bonds												
Total	/	1,361,800.00	1,350,884.33	1,350,884.33	0	1,206,187.01	0	89.29%	Not applicable	119,409.58	8.84	171,000.00

Other information

Applicable Not applicable

(II) Details of the investment projects by the funds raised
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 prospectus 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	295,604.91	437.22	245,794.94	83.15%	Converted to be fixed assets in November 2022	No	Yes		52,436.37		No	49,809.97
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	128,095.46	4,819.46	122,067.64	95.29%	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		12,235.6		No	6,027.81
Offering shares to specified parties	Construction project of the Research Institute of Huayou Headquarters	R&D	Yes	No	30,000.00	0	30,114.08	100.38%	The project in Quzhou was converted into fixed assets from June to August 2022; the project	No	Yes		Not applicable		No	0

									in Tongxiang was converted into fixed assets from July to December 2022							
Offering shares to specified parties	Replenishment of working capital	Loan repayment	Yes	No	141,800.00	0	141,800.00	100.00%	Not applicable	No	Yes		Not Applicable		No	0
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	285,695.32	21,188.82	244,271.98	85.50%	The plant has been converted into fixed assets, with its production line for sulfate nickel sub-project being converted into fixed assets in March 2024	No	Yes		3,648.82		No	41,423.34
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	100,000.00		100,055.20	100.06%	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		7,290.26		No	-0
Issuing convertible bonds	Battery-grade nickel sulfate project with an annual output of 50,000 tons of nickel metal	Production	No	Yes, this project is a new one	113,369.95	72,388.75	101,507.82	89.54%	The plan has been converted into fixed assets in October 2024, with its production lines in the	No	Yes		None		No	11,862.123

									commissioning stage							
Issuing convertible bonds	Construction project of high-purity battery nickel prepared with crude nickel-cobalt hydroxide raw materials	Production	No	Yes, this project is a new one	56,318.69	20,575.34	20,575.34	36.53%	The plan has been converted into fixed assets in September to October 2024, with its production lines being converted into fixed assets in December 2024	No	Yes	None	No	35,743.35		
Issuing convertible bonds	Replenishment of working capital	Loan repayment	Yes	No	200,000.00	0.00	200,000.00	100.00%	Not applicable			Not applicable	No	0		
Total	/	/	/	/	1,350,884.33	119,409.59	1,206,187.10	89.29%	/	/	/	/	75611.05	/		

2. Detailed use of over-raised funds

 Applicable Not applicable

(III) Changes in or termination of investment projects during the reporting period
 Applicable Not applicable

Monetary unit: '0,000 Yuan

Project name before change	Change time (first announcement disclosure time)	Change type	Total amount of proceeds investment of the project before change/termination	Total amount of proceeds invested in the project before change/termination	Project name after change	Reason for change/termination	Amount of proceeds used to supplement working capital after change/termination	Decision-making procedures and information disclosure
Battery green high-value comprehensive cycle	October 19, 2024	Project cancellation	9,583.00	0	Construction project of high-purity battery nickel	In order to further optimize the Company's internal resource allocation and improve the efficiency of the use of raised funds, the	0	After deliberation and approval by the 23rd meeting of the sixth Board of Directors, the third extraordinary general meeting of shareholders in 2024 and the first bond holders meeting in 2024,

construction project with an annual processing of 15,000 tons		on			prepared with crude nickel-cobalt hydroxide raw materials of Guangxi Huayou New Materials Co., Ltd.	Company decided to change the “Battery green high-value comprehensive cycle construction project with an annual processing of 15,000 tons” and “Battery black powder high-value green recycling project with an annual processing of 12,000 tons” to be invested with its own capital, and subsequently, the Company will promote the construction of the project in a timely manner according to the market development		the Company agreed to adjust the total funds of RMB 563.1869 million raised for the “Battery green high-value comprehensive cycle construction project with an annual processing of 15,000 tons” and “Battery black powder high-value green recycling project with an annual processing of 12,000 tons” to be used for the “Construction project of high-purity battery nickel prepared with crude nickel-cobalt hydroxide raw materials of Guangxi Huayou New Materials Co., Ltd.”. The total investment in the new project is RMB 1,558.4807 million, and the raised funds of RMB 563.1869 million are to be invested. For more information, please refer to the Company’s announcements No. 2024-096 and 2024-100
Battery black powder high-value green recycling project with an annual processing of 12,000 tons	October 19, 2024	Project cancellation	46,735.69	0				

(IV) Other information about the use of proceeds during the reporting period
1. Upfront investment in and replacement of investment projects with funds raised
Applicable Not applicable

2. Temporary supplementation of working capital with idle proceeds
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 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 December 31, 2024, the Company still has RMB 572 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 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 December 31, 2024, the Company still has RMB 742 million of the temporary working capital to be repaid.

3. Cash management of idle proceeds and investment in related products
Applicable Not applicable

Monetary unit: '0,000 Yuan Currency: RMB

Date of deliberation at the meeting of the Board of Directors	Effective deliberation amount of proceeds for cash management	Starting date	Ending date	Cash management balance at the end of the reporting period	Whether the maximum balance exceeds the authorized amount during the period
November 25, 2024	40,000	November 25, 2024	November 25, 2025	0	No

Other information

None

4. Others
Applicable Not applicable

XV. Description of other significant matters that have a material impact on investors' value judgments and investment decisions
Applicable Not applicable

Section VII Change in Shares and Information about 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 (%)	New issues	Bonus shares	Shares converted from capital reserve	Others	Subtotal	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									
Including: shares held by									

overseas legal persons									
Shares held by overseas natural persons									
II. Unrestricted shares	1,686,334,697	98.61				2,331	2,331	1,686,337,028	99.36
1. RMB ordinary shares	1,686,334,697	98.61				2,331	2,331	1,686,337,028	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				-12,871,592	-12,871,592	1,697,214,928	100.00

2. Description of changes in shares

Applicable Not applicable

1. It is agreed upon approval at the 14th meeting of the sixth Board of Directors of the Company that, given that some incentive recipients 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 the *Announcement of Huayou Cobalt on Proposed Repurchase and Cancellation of Some Restricted Shares* (Announcement No. 2024-008).

2. 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. Upon termination of the Company's 2022 Incentive Plan, 7,030,520 restricted shares granted to 1,318 incentive recipients but not unlocked were repurchased or cancelled by the Company. For more details, please see the *Announcement of Huayou Cobalt on the Termination of Implementation of the 2021 and 2022 Restricted Stock Incentive Plans and the Repurchase and Cancellation of the Restricted Shares* (Announcements No. 2024-009) and the *Announcement of Huayou Cobalt on Resolutions of the First Extraordinary General Meeting of Shareholders in 2024* (Announcements No. 2024-014).

3. 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 the *Announcement of Huayou Cobalt on the Result of Conversion of Convertible Bonds into Shares and Share Change* (Announcement No. 2024-031).

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 the *Announcement of Huayou Cobalt on the Result of Conversion of Convertible Bonds into Shares and Share Change* (Announcement No. 2024-064).

5. The cumulative number of shares converted from convertible bonds by Huayou from July 1, 2024 to September 30, 2024 was 133. For more details, please see the *Announcement of Huayou Cobalt on the Result of Conversion of Convertible Bonds into Shares and Share Change* (Announcement No. 2024-088).

6. The cumulative number of shares converted from convertible bonds by Huayou from October 1, 2024 to December 31, 2024 was 1,876. For more details, please see the *Announcement of Huayou Cobalt on the*

Result of Conversion of Convertible Bonds into Shares and Share Change (Announcement No. 2025-001).

3. Impact of the change in shares on financial indicators (if any), such as earnings per share and net assets per share, for the last year and the last period

Applicable Not applicable

During the reporting period, the Company repurchased and cancelled 12,873,923 restricted shares;

The cumulative number of shares converted from convertible bonds by Huayou from January 1, 2024 to December 31, 2024 was 2,331;

The total number of shares (paid-up capital) of the Company decreased from 1,710,086,520 shares at the beginning of the period to 1,697,214,928 shares at the end of the period. If the total share capital before the change is 1,710,086,520 shares, the basic earnings per share and net asset value per share for 2024 are RMB 2.43 and RMB 21.60 respectively. If the total share capital after the change is 1,697,214,928 shares, the weighted basic earnings per share and net asset value per share for 2024 are RMB 2.45 and RMB 21.77 respectively.

4. Other information deemed necessary by the Company or required by the securities regulatory authorities to be disclosed

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 year	Number of restricted shares unlocked during the year	Number of restricted shares added during the year	Number of restricted shares at the end of the year	Reason for sales restriction	Date of unlocking
Incentive recipients of the first grant of the restricted shares in 2021	3,215,212	0	-3,215,212	0	Restricted shares incentive plan	/
Incentive recipients 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	/
Incentive recipients of the second grant of the reserved part of the restricted shares in 2021	109,564	0	-109,564	0	Restricted shares incentive plan	/
Incentive recipients of the first grant of the restricted shares in 2022	5,997,060	0	-5,997,060	0	Restricted shares incentive plan	/
Incentive recipients 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	/
Incentive recipients 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 notes

Total	23,751,823	0	-12,873,923	10,877,900	/	/
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Note 1: For more information of the unlocking time of the restricted shares for the first grant in 2023, please refer to the *Announcement of Huayou Cobalt on the Results of the First Grant of Restricted Shares to the Incentive recipients* (Announcement No.: 2023-142) published by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) on September 29, 2023.

2. On March 7, 2025, the Company completed the registration of the first grant of 9,349,300 restricted shares under the 2024 Restricted Stock Incentive Plan, as detailed in the *Announcement of Huayou Cobalt on the Results of the First Grant of Restricted Shares to Incentive Recipients* (Announcement No.: 2025-028) disclosed by the Company on March 11, 2025 on the website of Shanghai Stock Exchange (<http://www.sse.com.cn>).

II. Issuance and listing of securities

(I) Issuance of securities as of the reporting period

Applicable Not applicable

Notes on the issuance of securities as of the reporting period (for bonds with different interest rates during the term to maturity, please indicate separately):

Applicable Not applicable

(II) Changes in the total number of shares, shareholder structure and structure of assets and liabilities

Applicable Not applicable

1. During the reporting period, the Company had such matters affecting the total number of shares of the Company as repurchase of restricted shares that did not meet the incentive conditions, conversion of convertible bonds into shares, etc. The total number of shares of the Company changed from 1,710,086,520 shares at the beginning of the period to 1,697,214,928 shares at the end of the period.

2. At the end of 2023, the total assets of the Company were RMB 125,520,277,340.78, the total liabilities were RMB 80,786,921,353.39, and the asset-liability ratio was 64.36%. At the end of the reporting period, the total assets of the Company were RMB 136,591,394,324.44, the total liabilities were RMB87,930,768,807.29, and the asset-liability ratio was 64.38%.

(III) Existing employee stocks

Applicable Not applicable

III. Shareholders and actual controller

(I) Total number of shareholders

Total number of ordinary shareholders at the end of the reporting period	236,107
Total number of ordinary shareholders at the end of the previous month before the annual report disclosure date	210,768
Total number of preferred shareholders with resumed voting rights at the end of the reporting period	0
Total number of preferred shareholders with resumed voting rights at the end of the previous month before the annual report disclosure date	0

(II) Shareholdings of top 10 shareholders and top 10 holders of marketable shares (or shareholders without trading restrictions) at the end of the reporting period

Unit: Share

Shareholding status of top 10 shareholders (excl. shares lent out via refinancing business)						
Full name of shareholder	Increase / decrease of	Number of shares held	Proportion (%)	Number of shares	Pledge, mark or freezing	Nature of shareholder

	shares during the reporting period	at the end of the period		with trading restrictions held	Share status	Number of shares	
Huayou Holding Group Co., Ltd.	27,501,515	287,815,482	16.96	0	Pledge	182,119,994	Domestic non-state-owned legal person
Chen Xuehua	-27,501,515	82,504,946	4.86	0	Pledge	76,770,000	Domestic natural person
Hangzhou Youyou Enterprise Management Partnership (Limited Partnership)	-835,000	73,996,293	4.36	0	None	0	Other
Hong Kong Securities Clearing Co., Ltd.	-6,950,418	64,043,827	3.77	0	None	0	Other
Industrial and Commercial Bank of China Limited – Huatai-PineBridge HS300 Exchange-Traded Open-End Index Securities Investment Fund	13,508,244	23,496,281	1.38	0	None	0	Unknown
China Construction Bank Corporation – E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund	12,434,085	16,178,958	0.95	0	None	0	Unknown
CITIC Securities Company Limited	2,054,984	12,658,396	0.75	0	None	0	State-owned legal person
Industrial and Commercial Bank of China Limited – Huaxia HS300 Exchange-Traded Open-End Index Securities Investment Fund	7,953,283	10,743,270	0.63	0	None	0	Unknown
Citibank, National Association	-14,290,400	10,448,456	0.62	0	None	0	Overseas legal person
Bank of China Limited – Jiashi HS300 Exchange-Traded Open-End Index Securities Investment Fund	6,953,230	10,183,787	0.60	0	None	0	Unknown
Shareholding of top 10 shareholders without trading restrictions (excluding shares lent through refinancing or shares locked in by senior officers)							
Name of shareholder	Number of shares without trading restrictions held			Class and number of shares			
				Class	Number		
Huayou Holding Group Co., Ltd.	287,815,482			RMB ordinary shares	287,815,482		
Chen Xuehua	82,504,946			RMB ordinary shares	82,504,946		
Hangzhou Youyou Enterprise Management Partnership (Limited Partnership)	73,996,293			RMB ordinary shares	73,996,293		

Hong Kong Securities Clearing Co., Ltd.	64,043,827	RMB ordinary shares	64,043,827
Industrial and Commercial Bank of China Limited – Huatai-PineBridge HS300 Exchange-Traded Open-End Index Securities Investment Fund	23,496,281	RMB ordinary shares	23,496,281
China Construction Bank Corporation – E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund	16,178,958	RMB ordinary shares	16,178,958
CITIC Securities Company Limited	12,658,396	RMB ordinary shares	12,658,396
Industrial and Commercial Bank of China Limited – Huaxia HS300 Exchange-Traded Open-End Index Securities Investment Fund	10,743,270	RMB ordinary shares	10,743,270
Citibank, National Association	10,448,456	RMB ordinary shares	10,448,456
Bank of China Limited – Jiashi HS300 Exchange-Traded Open-End Index Securities Investment Fund	10,183,787	RMB ordinary shares	10,183,787
Special repurchase account among the top 10 shareholders	At the end of the reporting period, the Company's special securities account for repurchase held 22,703,060 shares of the Company, with a shareholding ratio of 1.34%.		
The above shareholders' entrustment of voting rights, being entrusted with voting rights, or waiver of voting rights	None		
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	None		

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	23,496,281	1.38	0	0
China Construction Bank Corporation –	3,744,873	0.22	109,100	0.0064	16,178,958	0.95	0	0

E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund								
Industrial and Commercial Bank of China Limited – Huaxia HS300 Exchange-Traded Open-End Index Securities Investment Fund	2,789,987	0.16	185,100	0.0108	10,743,270	0.63	0	0

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		It is unknown whether the above shareholders are related to each other or whether they are acting in concert.			

(III) Top 10 shareholders of strategic investors or general legal persons as a result of placement of new shares

Applicable Not applicable

IV. Controlling shareholder and actual controller

(I) Information about controlling shareholder

1. Legal persons

Applicable Not applicable

Name	Huayou Holding Group Co., Ltd.
Person in charge or legal representative	Chen Xuehua
Date of incorporation	December 19, 2006
Primary business	Investment in industry, asset management of controlling subsidiaries, M&A of companies
Equity in other domestic and overseas listed companies controlled and participated in during the reporting period	As of December 31, 2024, Huayou Holding holds 26,594,000 shares of Morimatsu International (02155.HK); 12,500,000 shares of REPT (00666.HK); 810,356 shares of COSMX (688772.SH); 4,199,579 shares of Sunwoda (300207.SZ); 54,700 shares of Easpring (300073.SZ).
Other information	None

2. Natural persons

Applicable Not applicable

3. Special explanation for the absence of controlling shareholder of the Company

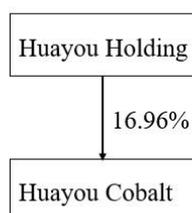
Applicable Not applicable

4. Description of changes in controlling shareholders during the reporting period

Applicable Not applicable

5. Diagram of ownership and control relationship between the Company and its controlling shareholder

Applicable Not applicable



(II) Information about actual controller

1. Legal person

Applicable Not applicable

2. Natural person

Applicable Not applicable

Name	Chen Xuehua
Nationality	Chinese
Right of abode in other countries or regions	No
Major occupation and position	June 2002 - present Chairman
Listed companies (domestic or overseas) in which the actual controller had a controlling interest in the past 10 years	Had no controlling interest in any domestic or overseas listed companies in the past 10 years, except for the Company.

3. There exists no special notes on actual controller of the Company

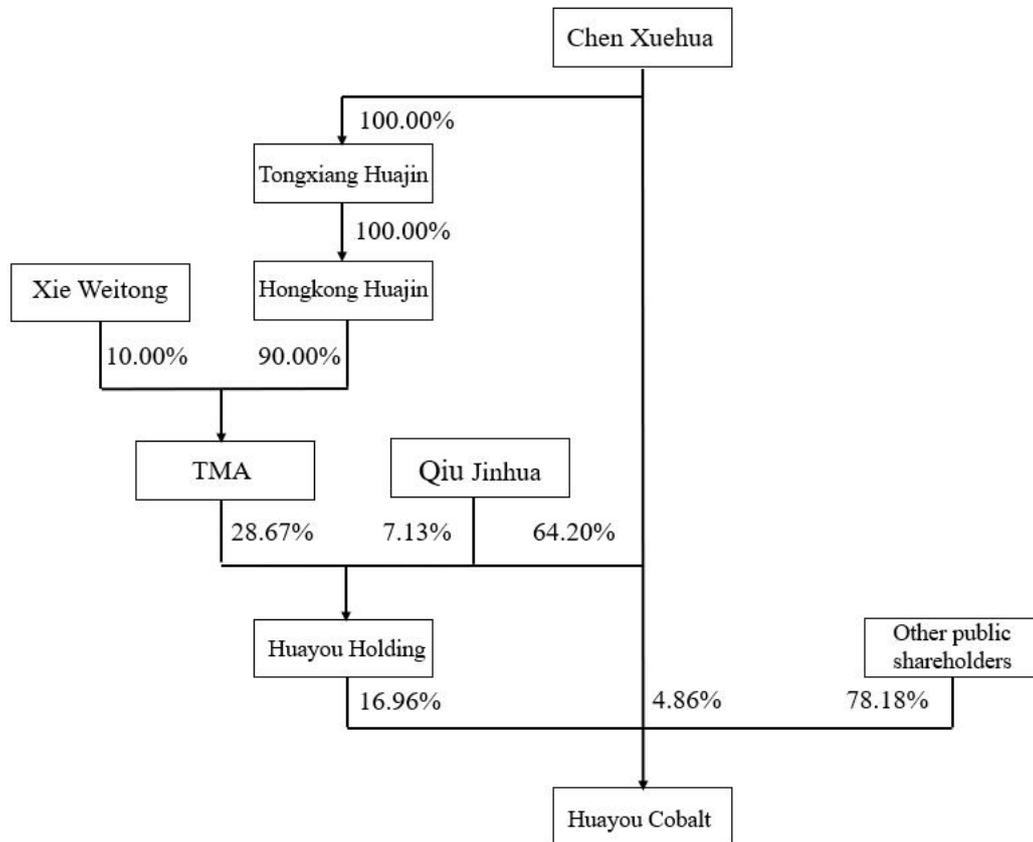
Applicable Not applicable

4. Description of changes in control of changes of the Company during the reporting period

Applicable Not applicable

5. Diagram of ownership and control relationship between the Company and its actual controller

Applicable Not applicable



6. Control of the Company by the actual controller through trust or other asset management methods

Applicable Not applicable

(III) Other information about controlling shareholder and actual controller

Applicable Not applicable

V. The cumulative number of shares pledged by the controlling shareholder or the first largest shareholder of the Company and its concert parties accounted for more than 80% of the number of shares held by them

Applicable Not applicable

VI. Other legal person shareholders holding more than 10% of shares

Applicable Not applicable

VII. Description of restrictions on the reduction of shareholdings

Applicable Not applicable

VIII. Specific implementation of share repurchases during the reporting period

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Share repurchase plan	Plan for repurchase of the Company's shares by means of centralized bidding transactions
Time of disclosure of share repurchase plan	September 1, 2023
Proposed number of shares to be repurchased and percentage in total share capital (%)	Based on the maximum repurchase amount of RMB 1,000 million (inclusive) and the maximum repurchase price of RMB 60.00/share (inclusive), it is expected that the number of shares to be repurchased will be approximately 16,666,666 shares, accounting for approximately 0.98% of the total share capital on the disclosure date
Proposed repurchase amount	Not less than RMB 600 million (inclusive) and not more than RMB 1,000 million (inclusive)
Proposed repurchase period	Within 12 months from the date on which the share repurchase plan is deliberated and approved by the Board of Directors of the Company (August 31, 2023)
Purpose of repurchase	For conversion of convertible corporate bonds issued by the Company
Number of shares already repurchased (shares)	22,703,060
Proportion (%) of the number of shares already repurchased to the target shares covered by the Share Incentive Plan (if any)	Not applicable
Progress of the Company's reduction of repurchased shares by way of centralized bidding transactions	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) Funds raised with corporate bonds

Corporate bonds of the Company are involved in the use of raised funds or rectification during the reporting period

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

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

Applicable Not applicable

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

Applicable Not applicable

(V) 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
Ultra-short Term Financing Bonds (Phase III) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 Huayou Cobalt SCP003 (Science and Technology Innovation Notes)	012481760.IB	2024/6/5	2024/6/6	2025/2/28	500,000,000	2.84	Repayment of principal and interest in one lump sum at maturity	Interbank market	Institutional investors in the interbank market	Dialogue quotation, anonymous quotation, inquiry	No
Ultra-short Term Financing Bonds	24 Huayou Cobalt	012482400.IB	2024/8/8	2024/8/9	2025/4/22	600,000,000	2.45	Repayment of principal and	Interbank market	Institutional investors in the	Dialogue quotation,	No

(Phase IV) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	SCP004 (Science and Technology Innovation Notes)							interest in one lump sum at maturity		interbank market	anonymous quotation, inquiry	
Ultra-short Term Financing Bonds (Phase VI) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 Huayu Cobalt SCP006 (Science and Technology Innovation Notes)	012483022.IB	2024/9/10	2024/9/11	2025/6/6	700,000,000	3.00	Repayment of principal and interest in one lump sum at maturity	Interbank market	Institutional investors in the interbank market	Dialogue quotation, anonymous quotation, inquiry	No
Ultra-short Term Financing Bonds (Phase V) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 Huayu Cobalt SCP005 (Science and Technology Innovation Notes)	012483924.IB	45638	2024/12/13	2025/9/9	500,000,000	3.66	Repayment of principal and interest in one lump sum at maturity	Interbank market	Institutional investors in the interbank market	Dialogue quotation, anonymous quotation, inquiry	No

Countermeasures to the risk of termination of trading

Applicable Not applicable

Overdue bonds

Applicable Not applicable

Bond interest payment and encashment during the reporting period

Applicable Not applicable

Bond name	Interest payment and encashment
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Ultra-short Term Financing Bonds (Phase II) of Zhejiang Huayou Cobalt Co., Ltd. in 2023 (Science and Technology Innovation Notes)	Normal interest payment and encashment upon maturity
Ultra-short Term Financing Bonds (Phase III) of Zhejiang Huayou Cobalt Co., Ltd. in 2023 (Science and Technology Innovation Notes)	Normal interest payment and encashment upon maturity
Ultra-short Term Financing Bonds (Phase I) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	Normal interest payment and encashment upon maturity
Ultra-short Term Financing Bonds (Phase II) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	Normal interest payment and encashment upon maturity

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

Applicable Not applicable

3. Intermediaries providing services for bond issuance and the business during the duration thereof

Name of intermediary	Office address	Signing accountant	Contact person	Contact number
China CITIC Bank Co., Ltd	Building 1, No. 10 Guanghua Road, Chaoyang District, Beijing	-	Xie Jianming and Zhang Tianyi	010-66635902, 010-66635908
Ping An Bank Co., Ltd	No. 5047 Shennan East Road, Luohu District, Shenzhen	-	Zhang Xue	0755-81945281
Shanghai Pudong Development Bank Co., Ltd.	No. 12 Zhongshan East First Road, Shanghai	-	Yang Yun	021-31882823
Grandall Law Firm (Hangzhou)	Building 15 (Grandall Building), Block B, Baita Park, Laofuxing Road, Shangcheng District, Hangzhou City	-	Qian Xiaobo	0571-85775888
China Lianhe Credit Rating Co., Ltd	17/F, PICC Building, No. 2 Jianguomenwai Street, Chaoyang District, Beijing (100022)	-	Fan Si and Zhou Ting	010-85679696

Change in the intermediaries listed above

Applicable Not applicable

4. Use of raised funds as at the end of the reporting period

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Bond name	Total amount of raised funds	Amount used	Amount unused	Operation of the special account for raised funds (if any)	Rectification of illegal use of raised funds (if any)	Consistent with the purpose, use plan, and other provisions of the prospectus or not
Ultra-short Term Financing Bonds (Phase III) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	500,000,000	500,000,000	0	None	None	Yes

Ultra-short Term Financing Bonds (Phase IV) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	600,000,000	600,000,000	0	None	None	Yes
Ultra-short Term Financing Bonds (Phase VI) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	700,000,000	700,000,000	0	None	None	Yes
Ultra-short Term Financing Bonds (Phase V) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	500,000,000	500,000,000	0	None	None	Yes

Progress and operational benefits of the construction projects invested by the raised funds
Applicable Not applicable

Change in the use of the raised funds during the reporting period
Applicable Not applicable

Other information
Applicable Not applicable

5. Adjustment of credit rating result

Applicable Not applicable

Other information
Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

(VI) Situation 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) Overdue interest-bearing debts other than bonds as at the end of the reporting period

Applicable Not applicable

(VIII) Impact of any violation of laws and regulations, articles of association, information disclosure management regulations, and agreements or commitments in the bond prospectus during the reporting period on the rights and interests of bond investors

Applicable Not applicable

(IX) Accounting data and financial indicators of the Company for the recent two years as of the end of the reporting period

Applicable Not applicable

Monetary unit: Yuan Currency: RMB

Key indicators	Year 2024	Year 2023	Increase/decrease compared with the same period last year (%)	Reason for the change
Net profit attributable to shareholders of the Company after deducting non-recurring profit and loss	3,795,092,102.46	3,092,830,789.90	22.71	
Current ratio	1.03	1.01	19.68	
Quick ratio	0.70	0.68	2.80	
Asset-liability ratio (%)	64.38%	64.36%	2.97	
EBITDA to total debt ratio	0.21	0.20	0.02	
Interest coverage ratio	2.91	2.69	5.56	
Cash interest coverage ratio	4.26	1.24	8.20	
EBITDA interest coverage ratio	4.48	3.88	244.60	
Loan repayment rate (%)	100.00	100.00		
Interest coverage ratio (%)	100.00	100.00		

II. Convertible corporate bonds

√Applicable □Not applicable

(I) Issuance of convertible bonds

√Applicable □Not applicable

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

√Applicable □Not applicable

Name of convertible corporate bonds	Huayou Convertible Bonds	
Number of holders of convertible bond as at the end of the period	24,438	
Guarantor of the Company’s convertible bonds	None	
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 (%)
China Merchants Bank Co., Ltd. – Bosera CSI Convertible Bonds and Exchangeable Bonds Exchange-Traded Open-End Index Securities Investment Fund	333,689,000	4.39
Guosen Securities Co., Ltd	320,855,000	4.22
Bank of China Limited – Guangfa Juxin Bond Securities Investment Fund	234,069,000	3.08
China Securities Co., Ltd.	194,177,000	2.56
Li Yiming	151,570,000	1.99
China Merchants Bank Co., Ltd. – Hua’an Convertible Bonds Securities Investment Fund	150,608,000	1.98
Shanghai Pudong Development Bank Co., Ltd. - E Fund Yufeng Return Bond	139,270,000	1.83

Securities Investment Fund		
E Fund Secured Income Fixed Income Pension Product – Industrial and Commercial Bank of China Limited	119,524,000	1.57
MERRILL LYNCH INTERNATIONAL	110,000,000	1.45
Bank of China Limited - E Fund Stable Income Bonds Securities Investment Fund	108,844,000	1.43

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

 ✓Applicable Not applicable

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	88,000		1,000	7,598,486,000

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

 ✓Applicable Not applicable

Name of convertible corporate bonds	Huayou Convertible Bonds
Amount of convertible corporate bonds converted into shares during the reporting period (Yuan)	88,000
Number of shares converted from convertible corporate bonds during the reporting period	2,331
Cumulative number of shares converted from convertible corporate bonds	19,115
Proportion of the cumulative number of shares converted in the total number of issued shares of the Company before the conversion (%)	0.00120
Amount of convertible corporate bonds that are not converted into shares (Yuan)	7,598,486,000
Proportion of convertible corporate bonds that are not converted into shares in the total issued convertible bonds (%)	99.98008

(IV) Previous adjustments in conversion prices

 ✓Applicable Not applicable

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
January 31, 2024	81.18	January 30, 2024	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times,	In view of the satisfaction of the Company's share price with conditions for downward correction of the conversion price specified in the Prospectus, the conversion price of the Huayou Convertible Bonds

			Securities Daily	was adjusted to RMB 81.18 per share in accordance with relevant provisions of the Prospectus. For more information, please refer to the <i>Announcement on Correction of the Conversion Price of “Huayou Convertible Bonds” and Suspension and Resumption of Trading (2024-015)</i> .
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 (2024-056)</i> .
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 on the Adjustment of Conversion Price of the Convertible Bonds in 2023 Equity Allocation (2024-061)</i> published by the Company.
October 14, 2024	35.00	October 11, 2024	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	In view of the satisfaction of the Company's share price with conditions for downward correction of the conversion price specified in the Prospectus, the conversion price of the Huayou Convertible Bonds was adjusted to RMB 35.00 per share in accordance with relevant provisions of the Prospectus. For more information, please refer to the <i>Announcement on Correction of the Conversion Price of “Huayou Convertible Bonds” and Suspension and Resumption of Trading (2024-089)</i> .
Latest conversion price as of the end of the reporting period				35.00

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

Applicable Not applicable

1. Liabilities: As of December 31, 2024, the Company's total liabilities were RMB 87,930,768,807.29, including current liabilities of RMB 52,342,679,453.44 and non-current liabilities of RMB 35,588,089,353.85.

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. 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.

(VI) Other information of convertible bonds

Applicable Not applicable

Section X Financial Report

I. Auditor's Report

Applicable Not Applicable

Auditor's Report

PCCPAAR [2025] No. 5957

To the Shareholders of Zhejiang Huayou Cobalt Co., Ltd.:

I. Audit Opinion

We have audited the financial statements of Zhejiang Huayou Cobalt Co., Ltd. (the "Company"), which comprise the consolidated and parent company balance sheets as at December 31, 2024, the consolidated and parent company income statements, consolidated and parent company cash flow statements, and consolidated and parent company statements of changes in equity for the year then ended, as well as notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises.

II. Basis for Audit Opinion

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

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters.

(I) Revenue recognition

1. Key audit matters

Please refer to item III 24 and V 2 (1) of this section for details.

The Company is mainly engaged in sales of cobalt products, copper products, nickel products, lithium products, ternary precursors, cathode materials and nickel intermediates. The operating revenue in 2024 amounted to 6,094,556.37 yuan.

As operating revenue is one of the key performance indicators of the Company, there might be inherent risks that the Company's management (the "Management") adopts inappropriate revenue recognition to achieve specific goals or expectations, we have identified revenue recognition as a key audit matter.

2. Responsive audit procedures

Our main audit procedures for revenue recognition are as follows:

- (1) We obtained understandings of key internal controls related to revenue recognition, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We checked main sales contracts, identified terms related to transfer of control over goods, and assessed whether the revenue recognition policies were in compliance with regulations of China Accounting Standards for Business Enterprises;
- (3) We performed analysis procedure on operating revenue and gross margin by month, product, etc., so as to identify whether there are significant or abnormal fluctuations and find out the reason;
- (4) For revenue from domestic sales, we checked supporting documents related to revenue recognition by sampling method, including sales contracts, sales invoices, client acceptance receipts, etc.; for revenue from overseas sales, we obtained information from Electron Port and checked it with accounting records, and checked supporting documents including sales contracts, bills of clearance, waybills, sales invoices, etc. by sampling method;
- (5) We performed confirmation procedures on current sales amount of major customers by sampling method in combination with confirmation procedure of accounts receivable;
- (6) We checked the operating revenue recognized around the balance sheet date with supporting documents including client acceptance receipts, waybills, etc. by sampling method, and assessed whether the operating revenue was recognized in the appropriate period; and
- (7) We checked whether information related to operating revenue had been presented appropriately in the financial statements.

(II) Net realizable value of inventories

1. Key audit matters

Please refer to item III 13 and V 1 (8) of this section for details.

As of December 31, 2024, the book balance of inventories amounted to RMB 17,613.9719 mn, with provision for inventory write-down of 317.2006 mn, and the carrying amount amounted to 17,296.77.13mn.

At the balance sheet date, inventories are measured at the lower of cost and net realizable value, with provisions for inventory write-down made on the excess of its cost over the net realizable value on an individual basis. Based on the Management's consideration over purposes that the inventories were held for, the estimated selling price is determined based on actual selling price, contractual selling price, etc., and the net realizable value of these inventories is determined based on the amount of the estimated selling price less the cost to be incurred upon completion, estimated selling expenses and relevant taxes and surcharges.

As the amount of inventories is significant and determination of net realizable value involves significant judgment of the Management, we have identified net realizable value of inventories as a key audit matter.

2. Responsive audit procedures

Our main audit procedures for net realizable value of inventories are as follows:

- (1) We obtained understandings of key internal controls related to net realizable value of inventories, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We reviewed the net realizable value estimated by the Management in previous years and the actual operating results, and assessed the accuracy of the Management's historical estimations;
- (3) We assessed the reasonableness of estimation on cost to be incurred upon completion, selling expenses and relevant taxes and surcharges made by the Management;
- (4) We tested whether the calculation of net realizable value of inventories made by the Management was accurate;
- (5) We checked whether there existed situations such as inventories with long stock age, fluctuation of production cost or selling price, and assessed whether the net realizable value of inventories was reasonably estimated by the Management; and
- (6) We checked whether information related to net realizable value of inventories had been presented appropriately in the financial statements.

IV. Other Information

The Management is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

VI. Certified Public Accountant's Responsibilities for the Audit of the Financial Statements

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

We exercise professional judgment and maintain professional skepticism throughout the audit performed in accordance with China Standards on Auditing. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(IV) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible

for the direction, supervision and performance of the group audit. We remain sole responsibility for our audit opinion.

We communicate with those charged with governance regarding the planned audit scope, time schedule and significant audit findings, including any deficiencies in internal control of concern that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Pan-China Certified Public Accountants LLP

Hangzhou · China

Chinese Certified Public Accountant: Zhang Jingjing
(Engagement Partner)

Chinese Certified Public Accountant: Lu Yanli

Date of Report: April 18, 2025

II. Financial Statements

Consolidated balance sheet

As at December 31, 2024

Prepared by: Zhejiang Huayou Cobalt Co., Ltd.

Monetary unit: Yuan Currency: RMB

Items	Note No.	December 31, 2024	December 31, 2023
Current assets:			
Cash and bank balances		19,451,501,604.66	15,259,921,078.81
Settlement funds			
Loans to other banks			
Held-for-trading financial assets		381,711,806.17	373,221,093.05
Derivative financial assets		1,001,393,320.42	1,395,343,385.26
Notes receivable			
Accounts receivable		6,802,217,530.22	7,977,267,961.62
Receivables financing		1,428,306,241.20	2,425,306,902.49
Advances paid		2,950,454,862.65	1,810,825,646.66
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance reserve receivable			
Other receivables		274,707,951.55	392,878,676.92
Including: Interest receivable			
Dividend receivable		2,587,982.40	18,789,426.30
Financial assets under reverse repo			
Inventories		17,296,771,331.50	15,763,401,257.63
Including: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		4,512,122,865.97	3,733,610,807.82
Total current assets		54,099,187,514.34	49,131,776,810.26
Non-current assets:			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables		454,704,734.21	504,371,588.93
Long-term equity investments		12,357,864,730.75	9,712,766,665.74
Other equity instrument investments		176,379,882.81	42,647,182.81
Other non-current financial assets		6,573,600.00	6,573,600.00
Investment property			
Fixed assets		51,098,211,511.40	46,339,084,007.03
Construction in progress		9,902,246,502.50	10,819,557,175.49
Productive biological assets			
Oil & gas assets			
Right-of-use assets		58,138,602.83	106,133,724.12
Intangible assets		4,918,247,132.08	3,914,395,969.88
Including: Data resources			
Development expenditures			
Including: Data resources			
Goodwill		597,655,163.70	456,351,378.26
Long-term prepayments		58,106,612.25	69,864,652.46

Items	Note No.	December 31, 2024	December 31, 2023
Deferred tax assets		604,898,289.27	565,173,434.65
Other non-current assets		2,259,180,048.30	3,851,581,151.15
Total non-current assets		82,492,206,810.10	76,388,500,530.52
Total assets		136,591,394,324.44	125,520,277,340.78
Current liabilities:			
Short-term borrowings		20,753,855,937.28	15,048,622,566.53
Central bank loans			
Loans from other banks			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable		4,209,819,518.55	8,019,127,039.81
Accounts payable		12,041,543,179.65	12,002,517,679.00
Advances received			
Contract liabilities		867,721,977.01	431,037,852.87
Financial liabilities under repo			
Absorbing deposit and interbank deposit			
Deposits for agency security transaction			
Deposits for agency security underwriting			
Employee benefits payable		701,787,373.59	648,208,600.82
Taxes and rates payable		623,927,519.98	429,374,847.76
Other payables		1,805,454,346.03	2,698,990,402.87
Including: Interest payable			
Dividend payable		2,984,644.38	18,789,426.30
Handling fees and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year		9,000,168,165.52	8,155,852,008.93
Other current liabilities		2,338,401,435.83	1,433,223,782.84
Total current liabilities		52,342,679,453.44	48,866,954,781.43
Non-current liabilities:			
Insurance policy reserve			
Long-term borrowings		19,502,224,004.04	18,900,325,508.81
Bonds payable		6,940,139,194.75	6,631,718,848.37
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		25,510,181.33	54,979,200.70
Long-term payables		4,666,378,463.88	5,544,170,217.25
Long-term employee benefits payable			
Provisions		69,467,625.52	65,282,244.77
Deferred income		714,907,735.45	666,550,531.96
Deferred tax liabilities		75,262,148.88	56,940,020.10
Other non-current liabilities		3,594,200,000.00	
Total non-current liabilities		35,588,089,353.85	31,919,966,571.96
Total liabilities		87,930,768,807.29	80,786,921,353.39
Equity:			
Share capital		1,692,178,088.00	1,710,086,520.00
Other equity instruments		1,490,043,939.84	1,490,061,392.53
Including: Preferred shares			
Perpetual bonds			

Items	Note No.	December 31, 2024	December 31, 2023
Capital reserve		15,394,817,790.36	16,052,788,315.05
Less: Treasury shares		892,829,631.62	1,323,606,826.04
Other comprehensive income		1,461,436,658.05	1,042,018,898.84
Special reserve		50,835,475.00	46,543,747.64
Surplus reserve		440,135,820.74	387,225,558.29
General risk reserve			
Undistributed profit		17,308,989,342.99	14,872,683,731.09
Total equity attributable to the parent company		36,945,607,483.36	34,277,801,337.40
Non-controlling interest		11,715,018,033.79	10,455,554,649.99
Total equity		48,660,625,517.15	44,733,355,987.39
Total liabilities & equity		136,591,394,324.44	125,520,277,340.78

Legal representative: Chen Xuehua Officer in charge of accounting: Wang Jun Head of accounting department: Ma Xiao

Parent company balance sheet

As at December 31, 2024

Prepared by: Zhejiang Huayou Cobalt Co., Ltd.

Monetary unit: Yuan Currency: RMB

Items	Note No.	December 31, 2024	December 31, 2023
Current assets:			
Cash and bank balances		1,825,879,045.58	2,048,581,572.72
Held-for-trading financial assets			33,393,600.00
Derivative financial assets		31,633,811.11	
Notes receivable		1,085,000,000.00	410,000,000.00
Accounts receivable		1,317,762,733.77	1,047,431,832.99
Receivables financing		94,961,274.12	57,738,036.89
Advances paid		2,907,931,840.43	2,675,526,201.88
Other receivables		2,965,619,857.86	6,651,220,710.54
Including: Interest receivable			
Dividend receivable		752,587,982.40	24,906,913.93
Inventories		170,978,703.51	193,768,014.70
Including: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		62,052,302.90	26,930,541.86
Total current assets		10,461,819,569.28	13,144,590,511.58
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables		365,407,218.36	360,034,180.83
Long-term equity investments		33,265,737,144.89	28,431,034,281.59
Other equity instrument investments		172,377,437.00	36,894,737.00
Other non-current financial assets		6,573,600.00	6,573,600.00
Investment property			
Fixed assets		743,771,118.61	775,893,088.26
Construction in progress		55,695,721.22	18,398,675.88
Productive biological assets			
Oil & gas assets			
Right-of-use assets		22,473,994.87	41,881,389.70

Items	Note No.	December 31, 2024	December 31, 2023
Intangible assets		57,212,154.88	45,207,807.09
Including: Data resources			
Development expenditures			
Including: Data resources			
Goodwill			
Long-term prepayments		54,907,097.79	65,571,905.41
Deferred tax assets		61,970,319.52	80,909,758.29
Other non-current assets		2,847,805.72	6,696,500.82
Total non-current assets		34,808,973,612.86	29,869,095,924.87
Total assets		45,270,793,182.14	43,013,686,436.45
Current liabilities:			
Short-term borrowings		5,863,452,856.10	5,616,274,196.82
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable		1,986,837.30	2,368,226.62
Accounts payable		1,508,828,272.40	500,355,911.84
Advances received			
Contract liabilities		1,192,733,724.24	544,887,091.10
Employee benefits payable		118,822,331.36	112,976,144.18
Taxes and rates payable		5,631,078.32	10,429,522.03
Other payables		6,194,075,443.49	6,660,041,787.72
Including: Interest payable			
Dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year		1,029,094,867.59	677,990,995.55
Other current liabilities		2,473,699,011.98	1,483,756,347.73
Total current liabilities		18,388,324,422.78	15,609,080,223.59
Non-current liabilities:			
Long-term borrowings		1,721,104,117.79	1,463,107,031.57
Bonds payable		6,940,139,194.75	6,631,718,848.37
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		13,571,522.76	22,674,732.64
Long-term payables		133,333,333.32	52,666,666.65
Long-term employee benefits payable			
Provisions			
Deferred income		7,009,425.36	8,098,551.57
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities		8,815,157,593.98	8,178,265,830.80
Total liabilities		27,203,482,016.76	23,787,346,054.39
Equity:			
Share capital		1,692,178,088.00	1,710,086,520.00
Other equity instruments		1,490,043,939.84	1,490,061,392.53
Including: Preferred shares			
Perpetual bonds			
Capital reserve		14,524,587,372.13	14,890,073,903.77
Less: Treasury shares		892,829,631.62	1,323,606,826.04
Other comprehensive income		-108,610,597.16	-39,933,297.26
Special reserve			
Surplus reserve		440,135,820.74	387,225,558.29
Undistributed profit		921,806,173.45	2,112,433,130.77
Total equity		18,067,311,165.38	19,226,340,382.06

Items	Note No.	December 31, 2024	December 31, 2023
Total liabilities & equity		45,270,793,182.14	43,013,686,436.45

Legal representative: Chen Xuehua

Officer in charge of accounting: Wang Jun

Head of accounting department: Ma Xiao

Consolidated income statement

For the year ended December 31, 2024

Monetary unit: Yuan Currency: RMB

Items	Note No.	Year 2024	Year 2023
I. Total operating revenue		60,945,563,720.14	66,304,047,529.81
Including: Operating revenue		60,945,563,720.14	66,304,047,529.81
Interest income			
Premiums earned			
Revenue from handling fees and commissions			
II. Total operating cost		56,312,319,616.64	62,501,748,109.71
Including: Operating cost		50,445,676,975.22	56,948,773,263.76
Interest expenses			
Handling fees and commissions			
Surrender value			
Net payment of insurance claims			
Net provision of insurance policy reserve			
Premium bonus expenditures			
Reinsurance expenses			
Taxes and surcharges		442,789,921.10	367,789,918.20
Selling expenses		159,228,602.56	149,847,438.15
Administrative expenses		1,894,646,185.31	2,116,578,496.78
R&D expenses		1,300,157,406.08	1,440,592,932.96
Financial expenses		2,069,820,526.37	1,478,166,059.86
Including: Interest expenses		2,512,552,872.16	1,960,858,477.63
Interest income		389,705,965.90	336,643,368.43
Add: Other income		225,341,474.61	319,947,781.25
Investment income (or less: losses)		1,361,818,568.31	857,352,477.88
Including: Investment income from associates and joint ventures		743,026,913.81	1,004,567,340.10
Gains from derecognition of financial assets at amortized cost		-14,976,147.27	-13,504,975.36
Gains on foreign exchange (or less: losses)			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)		-61,513,862.54	218,765,480.50
Credit impairment loss		13,684,695.47	-42,016,975.44
Assets impairment loss		-508,567,491.02	-370,559,650.46
Gains on asset disposal (or less: losses)		-5,461,288.50	29,425,810.49
III. Operating profit (or less: losses)		5,658,546,199.83	4,815,214,344.32
Add: Non-operating revenue		15,336,791.10	20,868,408.64
Less: Non-operating expenditures		89,254,444.39	62,067,656.16
IV. Profit before tax (or less: total loss)		5,584,628,546.54	4,774,015,096.80
Less: Income tax expenses		426,168,163.43	268,880,833.58
V. Net profit (or less: net loss)		5,158,460,383.11	4,505,134,263.22
(I) Categorized by the continuity of operations			
1. Net profit from continuing operations (or less: net loss)		5,158,460,383.11	4,505,134,263.22
2. Net profit from discontinued operations (or less: net loss)			
(II) Categorized by the portion of equity ownership			
1. Net profit attributable to owners of parent company (or less: net loss)		4,154,825,193.75	3,350,891,340.06

Items	Note No.	Year 2024	Year 2023
2. Net profit attributable to non-controlling shareholders (or less: net loss)		1,003,635,189.36	1,154,242,923.16
VI. Other comprehensive income after tax		495,607,377.64	314,924,856.82
(I) Items attributable to the owners of the parent company		420,627,759.21	265,613,335.97
1. Not to be reclassified subsequently to profit or loss		1,210,000.00	
(1) Remeasurements of the net defined benefit plan			
(2) Items under equity method that will not be reclassified to profit or loss			
(3) Changes in fair value of other equity instrument investments		1,210,000.00	
(4) Changes in fair value of own credit risk			
2. To be reclassified subsequently to profit or loss		419,417,759.21	265,613,335.97
(1) Items under equity method that may be reclassified to profit or loss		34,999,578.71	61,344,932.13
(2) Changes in fair value of other debt investments			
(3) Profit or loss from reclassification of financial assets into other comprehensive income			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedging reserve			
(6) Translation reserve		384,418,180.50	204,268,403.84
(7) Others			
(II) Items attributable to non-controlling shareholders		74,979,618.43	49,311,520.85
VII. Total comprehensive income		5,654,067,760.75	4,820,059,120.04
(I) Items attributable to the owners of the parent company		4,575,452,952.96	3,616,504,676.03
(II) Items attributable to non-controlling shareholders		1,078,614,807.79	1,203,554,444.01
VIII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)		2.50	2.05
(II) Diluted EPS (yuan per share)		2.39	2.05

For business combination under common control in the current period, the net profit generated by the combined party before the combination was yuan, and the net profit generated by the combined party in the previous year was yuan.

Legal representative: Chen Xuehua

Officer in charge of accounting: Wang Jun

Head of accounting department: Ma Xiao

Parent company income statement

For the year ended December 31, 2024

Monetary unit: Yuan Currency: RMB

Items	Note No.	Year 2024	Year 2023
I. Operating revenue		5,509,863,273.83	4,488,650,074.79
Less: Operating cost		4,801,674,295.85	3,578,354,378.58

Items	Note No.	Year 2024	Year 2023
Taxes and surcharges		6,736,794.47	15,528,201.41
Selling expenses		6,230,442.74	10,668,229.20
Administrative expenses		446,725,722.38	356,056,298.19
R&D expenses		204,865,750.98	176,517,028.61
Financial expenses		893,122,397.79	879,767,878.98
Including: Interest expenses		948,634,887.25	729,796,705.78
Interest income		64,402,477.25	41,757,179.52
Add: Other income		37,902,501.07	40,077,642.72
Investment income (or less: losses)		1,382,517,025.12	1,010,655,603.99
Including: Investment income from associates and joint ventures		37,483,804.76	-75,206,317.01
Gains from derecognition of financial assets at amortized cost		-4,382,260.00	
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)		-1,759,788.89	34,797,312.00
Credit impairment loss		-12,391,000.94	2,189,868.76
Assets impairment loss		-149,613.29	
Gains on asset disposal (or less: losses)		476,244.93	72,826.40
II. Operating profit (or less: losses)		557,103,237.62	559,551,313.69
Add: Non-operating revenue		4,657,186.62	1,427,591.89
Less: Non-operating expenditures		13,980,343.04	17,843,222.32
III. Profit before tax (or less: total loss)		547,780,081.20	543,135,683.26
Less: Income tax expenses		18,677,456.67	-47,136,291.90
IV. Net profit (or less: net loss)		529,102,624.53	590,271,975.16
(I) Net profit from continuing operations (or less: net loss)		529,102,624.53	590,271,975.16
(II) Net profit from discontinued operations (or less: net loss)			
V. Other comprehensive income after tax		-68,677,299.90	15,971.11
(I) Not to be reclassified subsequently to profit or loss			
1. Remeasurements of the net defined benefit plan			
2. Items under equity method that will not be reclassified to profit or loss			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of own credit risk			
(II) To be reclassified subsequently to profit or loss		-68,677,299.90	15,971.11
1. Items under equity method that may be reclassified to profit or loss		-67,787,214.87	27,422.55
2. Changes in fair value of other debt investments			
3. Profit or loss from reclassification of financial assets into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserve			
6. Translation reserve		-890,085.03	-11,451.44
7. Others			
VI. Total comprehensive income		460,425,324.63	590,287,946.27
VII. Earnings per share (EPS):			

Items	Note No.	Year 2024	Year 2023
(I) Basic EPS (yuan per share)			
(II) Diluted EPS (yuan per share)			

Legal representative: Chen Xuehua

Officer in charge of accounting: Wang Jun

Head of accounting department: Ma Xiao

Consolidated cash flow statement

For the year ended December 31, 2024

Monetary unit: Yuan Currency: RMB

Items	Note No.	Year 2024	Year 2023
I. Cash flows from operating activities:			
Cash receipts from sale of goods or rendering of services		65,530,764,459.68	63,268,381,174.31
Net increase of client deposit and interbank deposit			
Net increase of central bank loans			
Net increase of loans from other financial institutions			
Cash receipts from original insurance contract premium			
Net cash receipts from reinsurance			
Net increase of policy-holder deposit and investment			
Cash receipts from interest, handling fees and commissions			
Net increase of loans from others			
Net increase of repurchase			
Net cash receipts from agency security transaction			
Receipts of tax refund		2,132,778,363.06	4,110,213,694.81
Other cash receipts related to operating activities		4,763,194,468.69	6,763,556,918.41
Subtotal of cash inflows from operating activities		72,426,737,291.43	74,142,151,787.53
Cash payments for goods purchased and services received		51,261,085,967.29	61,380,578,074.46
Net increase of loans and advances to clients			
Net increase of central bank deposit and interbank deposit			
Cash payments for insurance indemnities of original insurance contracts			
Net increase of loans to others			
Cash payments for interest, handling fees and commissions			
Cash payments for policy bonus			
Cash paid to and on behalf of employees		4,466,914,210.21	4,075,438,502.74
Cash payments for taxes and rates		1,059,895,560.00	1,407,946,290.36
Other cash payments related to operating activities		3,207,730,671.23	3,792,300,826.64
Subtotal of cash outflows from operating activities		59,995,626,408.73	70,656,263,694.20
Net cash flows from operating activities		12,431,110,882.70	3,485,888,093.33
II. Cash flows from investing activities:			
Cash receipts from withdrawal of investments		1,350,210,049.49	990,000,000.00

Items	Note No.	Year 2024	Year 2023
Cash receipts from investment income		972,970,919.15	1,229,269,683.02
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets		33,979,588.46	31,876,011.11
Net cash receipts from the disposal of subsidiaries & other business units			
Other cash receipts related to investing activities		1,085,337,640.94	2,010,861,028.54
Subtotal of cash inflows from investing activities		3,442,498,198.04	4,262,006,722.67
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets		6,721,574,787.22	16,849,177,920.23
Cash payments for investments		3,952,908,714.58	2,429,364,091.31
Net increase of pledged borrowings			
Net cash payments for the acquisition of subsidiaries & other business units			5,839,977.50
Other cash payments related to investing activities		436,466,847.08	1,528,494,405.29
Subtotal of cash outflows from investing activities		11,110,950,348.88	20,812,876,394.33
Net cash flows from investing activities		-7,668,452,150.84	-16,550,869,671.66
III. Cash flows from financing activities:			
Cash receipts from absorbing investments		310,211,423.66	8,718,065,823.34
Including: Cash received by subsidiaries from non-controlling shareholders as investments		310,211,423.66	4,276,746,842.13
Cash receipts from borrowings		40,381,276,925.06	37,234,171,109.58
Other cash receipts related to financing activities		5,225,024,560.98	6,371,137,897.23
Subtotal of cash inflows from financing activities		45,916,512,909.70	52,323,374,830.15
Cash payments for the repayment of borrowings		32,185,476,870.70	25,286,788,919.12
Cash payments for distribution of dividends or profits and for interest expenses		4,275,984,797.79	2,995,650,501.56
Including: Cash paid by subsidiaries to non-controlling shareholders as dividend or profit		428,216,385.90	755,084,640.00
Other cash payments related to financing activities		9,429,867,385.14	8,937,705,758.74
Subtotal of cash outflows from financing activities		45,891,329,053.63	37,220,145,179.42
Net cash flows from financing activities		25,183,856.07	15,103,229,650.73
IV. Effect of foreign exchange rate changes on cash and cash equivalents		202,323,435.89	-91,116,917.77
V. Net increase in cash and cash equivalents		4,990,166,023.82	1,947,131,154.63
Add: Opening balance of cash and cash equivalents		10,526,774,769.22	8,579,643,614.59
VI. Closing balance of cash and cash equivalents		15,516,940,793.04	10,526,774,769.22

Legal representative: Chen Xuehua

Officer in charge of accounting: Wang Jun

Head of accounting department: Ma Xiao

Parent company cash flow statement

For the year ended December 31, 2024

Monetary unit: Yuan Currency: RMB

Items	Note No.	Year 2024	Year 2023
I. Cash flows from operating activities:			
Cash receipts from sale of goods and rendering of services		3,391,012,082.55	3,249,146,845.63
Receipts of tax refund		34,124,036.13	60,150,182.41
Other cash receipts related to operating activities		99,530,523.37	77,153,220.97
Subtotal of cash inflows from operating activities		3,524,666,642.05	3,386,450,249.01
Cash payments for goods purchased and services received		2,642,486,420.21	4,048,307,820.32
Cash paid to and on behalf of employees		348,162,794.88	437,570,716.21
Cash payments for taxes and rates		43,635,665.98	120,741,579.03
Other cash payments related to operating activities		164,284,176.62	210,029,979.70
Subtotal of cash outflows from operating activities		3,198,569,057.69	4,816,650,095.26
Net cash flows from operating activities		326,097,584.36	-1,430,199,846.25
II. Cash flows from investing activities:			
Cash receipts from withdrawal of investments		20,000,000.00	
Cash receipts from investment income		508,091,789.32	1,048,826,716.99
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets		10,301,046.24	21,323,416.11
Net cash receipts from the disposal of subsidiaries & other business units			
Other cash receipts related to investing activities		4,682,920,639.65	4,279,903,489.20
Subtotal of cash inflows from investing activities		5,221,313,475.21	5,350,053,622.30
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets		55,019,342.93	132,783,769.51
Cash payments for investments		5,023,076,955.81	4,736,109,150.97
Net cash payments for the acquisition of subsidiaries & other business units			
Other cash payments related to investing activities		323,975,516.95	4,397,710,189.16
Subtotal of cash outflows from investing activities		5,402,071,815.69	9,266,603,109.64
Net cash flows from investing activities		-180,758,340.48	-3,916,549,487.34
III. Cash flows from financing activities:			
Cash receipts from absorbing investments			4,441,318,981.21
Cash receipts from borrowings		16,523,614,818.19	11,722,204,104.38
Other cash receipts related to financing activities		4,064,499,060.98	3,971,368,538.66
Subtotal of cash inflows from financing activities		20,588,113,879.17	20,134,891,624.25
Cash payments for the repayment of borrowings		14,764,865,190.02	10,677,137,345.63
Cash payments for distribution of dividends or profits and for interest expenses		2,146,080,934.41	719,862,371.09
Other cash payments related to financing		4,670,287,670.09	2,433,417,712.99

Items	Note No.	Year 2024	Year 2023
activities			
Subtotal of cash outflows from financing activities		21,581,233,794.52	13,830,417,429.71
Net cash flows from financing activities		-993,119,915.35	6,304,474,194.54
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-4,183,845.82	64,672,202.61
V. Net increase in cash and cash equivalents		-851,964,517.29	1,022,397,063.56
Add: Opening balance of cash and cash equivalents		1,991,193,482.56	968,796,419.00
VI. Closing balance of cash and cash equivalents		1,139,228,965.27	1,991,193,482.56

Legal representative: Chen Xuehua

Officer in charge of accounting: Wang Jun

Head of accounting department: Ma Xiao

Consolidated statement of changes in equity

For the year ended December 31, 2024

Monetary unit: Yuan Currency: RMB

Items	Year 2024													Non-controlling interest	Total equity
	Equity attributable to parent company											Subtotal			
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit		Others		
	Preferred shares	Perpetual bonds	Others												
I. Balance at the end of prior 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
Add: Cumulative changes of accounting policies															
Error correction of prior period															
Others															
II. Balance at the beginning of current 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. Current period increase (or less: decrease)	-17,908,432.00			-17,452.69	-657,970,524.69	-430,777,194.42	419,417,759.21	4,291,727.36	52,910,262.45		2,436,305,611.90		2,667,806,145.96	1,259,463,383.80	3,927,269,529.76
(I) Total comprehensive income							420,627,759.21				4,154,825,193.75		4,575,452,952.96	1,078,614,807.79	5,654,067,760.75
(II) Capital contributed or withdrawn by owners	-17,908,432.00			-17,452.69	-657,970,524.69	-419,899,294.42							-255,997,114.96	-749,277,623.10	-1,005,274,738.06
1. Ordinary shares contributed by owners														310,211,423.66	310,211,423.66
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment included in equity					157,405,563.48								157,405,563.48		157,405,563.48
4. Others	-17,908,432.00			-17,452.69	-815,376,088.17	-419,899,294.42							-413,402,678.44	-1,059,489,046.76	-1,472,891,725.20
(III) Profit distribution						-10,877,900.00			52,910,262.45		-1,719,729,581.85		-1,655,941,419.40	-90,340,873.07	-1,746,282,292.47
1. Appropriation of surplus reserve									52,910,262.45		-52,910,262.45				
2. Appropriation of general risk reserve															
3. Appropriation of profit to owners															

						-10,877,900.00					-1,666,819,319.40	-1,655,941,419.40	-90,340,873.07	-1,746,282,292.47
4. Others														
(IV) Internal carry-over within equity							-1,210,000.00				1,210,000.00			
1. Transfer of capital reserve to capital														
2. Transfer of surplus reserve to capital														
3. Surplus reserve to cover losses														
4. Changes in defined benefit plan carried over to retained earnings														
5. Other comprehensive income carried over to retained earnings							-1,210,000.00				1,210,000.00			
6. Others														
(V) Special reserve								4,291,727.36				4,291,727.36		4,291,727.36
1. Current period appropriation								134,688,247.60				134,688,247.60		134,688,247.60
2. Current period use								-130,396,520.24				-130,396,520.24		-130,396,520.24
(VI) Others													1,020,467,072.18	1,020,467,072.18
IV. Balance at the end of current period	1,692,178,088.00		1,490,043,939.84	15,394,817,790.36	892,829,631.62	1,461,436,658.05	50,835,475.00	440,135,820.74		17,308,989,342.99	36,945,607,483.36	11,715,018,033.79	48,660,625,517.15	

Items	Year 2023														
	Equity attributable to parent company													Non-controlling interest	Total equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal		
	Preferred shares	Perpetual bonds	Others												
I. Balance at the end of prior 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
Add: Cumulative changes of accounting policies															
Error correction of prior period															
Others															
II. Balance at the beginning of current 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. Current period increase (or less: decrease)	110,408,292.00			-51,573.63	5,654,282,950.46	692,592,251.84	265,613,335.97	19,194,296.13	59,027,197.52		2,972,218,124.74		8,388,100,371.35	3,666,387,425.61	12,054,487,796.96
(I) Total comprehensive income							265,613,335.97				3,350,891,340.06		3,616,504,676.03	1,203,554,444.01	4,820,059,120.04
(II) Capital contributed or withdrawn by owners	110,408,292.00			-51,573.63	5,638,792,511.82	696,489,469.04							5,052,659,761.15	3,153,424,004.48	8,206,083,765.63
1. Ordinary shares contributed by owners	111,379,200.00				4,310,410,081.32	288,804,096.00							4,132,985,185.32	4,276,746,842.13	8,409,732,027.45
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment included in equity					249,040,442.78								249,040,442.78		249,040,442.78
4. Others	-970,908.00			-51,573.63	1,079,341,987.72	407,685,373.04							670,634,133.05	-1,123,322,837.65	-452,688,704.60
(III) Profit distribution						-3,897,217.20			59,027,197.52		-378,673,215.32		-315,748,800.60	-776,446,626.30	-1,092,195,426.90
1. Appropriation of surplus reserve									59,027,197.52		-59,027,197.52				
2. Appropriation of general risk reserve															
3. Appropriation of profit to owners						-3,897,217.20					-319,646,017.80		-315,748,800.60	-776,446,626.30	-1,092,195,426.90
4. Others															
(IV) Internal carry-over within equity															
1. Transfer of capital reserve to capital															
2. Transfer of surplus reserve to capital															
3. Surplus reserve to cover losses															
4. Changes in defined benefit plan carried over to retained earnings															
5. Other comprehensive income carried over to retained earnings															
6. Others															
(V) Special reserve								19,194,296.13					19,194,296.13		19,194,296.13
1. Current period appropriation								157,719,092.79					157,719,092.79		157,719,092.79

Parent company statement of changes in equity

For the year ended December 31, 2024

Monetary unit: Yuan Currency: RMB

Items	Year 2024										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior 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
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current 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
III. Current period increase (or less: decrease)	-17,908,432.00			-17,452.69	-365,486,531.64	-430,777,194.42	-68,677,299.90		52,910,262.45	-1,190,626,957.32	-1,159,029,216.68
(I) Total comprehensive income							-68,677,299.90			529,102,624.53	460,425,324.63
(II) Capital contributed or withdrawn by owners	-17,908,432.00			-17,452.69	-365,486,531.64	-419,899,294.42					36,486,878.09
1. Ordinary shares contributed by owners											
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity					157,405,563.48						157,405,563.48
4. Others	-17,908,432.00			-17,452.69	-522,892,095.12	-419,899,294.42					-120,918,685.39
(III) Profit distribution						-10,877,900.00			52,910,262.45	-1,719,729,581.85	-1,655,941,419.40
1. Appropriation of surplus reserve									52,910,262.45	-52,910,262.45	
2. Appropriation of profit to owners						-10,877,900.00				-1,666,819,319.40	-1,655,941,419.40
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											
3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											

5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Current period appropriation								14,410,299.33			14,410,299.33
2. Current period use								-14,410,299.33			-14,410,299.33
(VI) Others											
IV. Balance at the end of current period	1,692,178,088.00		1,490,043,939.84	14,524,587,372.13	892,829,631.62	-108,610,597.16		440,135,820.74	921,806,173.45		18,067,311,165.38

Items	Year 2023										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior 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
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current 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
III. Current period increase (or less: decrease)	110,408,292.00			-51,573.63	4,544,241,374.79	692,592,251.84	15,971.11		59,027,197.52	211,598,759.84	4,232,647,769.79
(I) Total comprehensive income							15,971.11			590,271,975.16	590,287,946.27
(II) Capital contributed or withdrawn by owners	110,408,292.00			-51,573.63	4,528,750,936.15	696,489,469.04					3,942,618,185.48
1. Ordinary shares contributed by owners	111,379,200.00				4,310,410,081.32	288,804,096.00					4,132,985,185.32
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity					249,040,442.78						249,040,442.78
4. Others	-970,908.00			-51,573.63	-30,699,587.95	407,685,373.04					-439,407,442.62
(III) Profit distribution						-3,897,217.20			59,027,197.52	-378,673,215.32	-315,748,800.60
1. Appropriation of surplus reserve									59,027,197.52	-59,027,197.52	
2. Appropriation of profit to owners						-3,897,217.20				-319,646,017.80	-315,748,800.60
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											

3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											
5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Current period appropriation								14,966,497.80			14,966,497.80
2. Current period use								-14,966,497.80			-14,966,497.80
(VI) Others					15,490,438.64			0			15,490,438.64
IV. Balance at the end of current period	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	

Legal representative: Chen Xuehua

Officer in charge of accounting: Wang Jun

Head of accounting department: Ma Xiao

I. Company profile

1. Overview

√ Applicable □ Not Applicable

Zhejiang Huayou Cobalt Co., Ltd. (the “Company”) was established by Great Mountain Enterprise Pte. Ltd. (the “Great Mountain Company”), Huayou Holding Group Co., Ltd. (the “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 registered capital of 1,697,214,928.00 yuan, total share of 1,697,214,928 shares (each with par value of one yuan), of which, 10,877,900 shares are restricted outstanding A shares, and 1,686,337,028 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, ternary precursors, cathode materials, nickel intermediates, etc.

The financial statements were approved and authorized for issue by the 29th meeting of the sixth session of the Board of Directors dated April 17, 2025.

The Company has brought subsidiaries including the first-tier subsidiaries Zhejiang Like Cobalt Nickel Co., Ltd. (the “Like Cobalt”), Zhejiang Huayou Import & Export Co., Ltd. (the “Huayou Import & Export”), Quzhou Huayou Cobalt New Material Co., Ltd. (the “Huayou Quzhou”), Huayou (Hong Kong) Co., Limited (the “Huayou Hong Kong”), Orient International Minerals & Resource (Proprietary) Limited (the “OIM Company”), Congo Dongfang International Mining SAS (the “CDM Company”), La Miniere de Kasombo SAS (the “MIKAS Company”), Huayou International Mining (Hong Kong) Limited (the “Huayou Mining Hong Kong”), Huayou New Energy Technology (Quzhou) Co., Ltd. (the “New Energy Quzhou”), Zhejiang Huayou Recycling Technology Co., Ltd. (the “Huayou Recycling”), Zhejiang Huayou New Energy Technology Co., Ltd. (the “Huayou New Energy”), Zhejiang Youqing Trading Co., Ltd. (the “Youqing Trading”), Tongxiang Huashi Import & Export Co., Ltd. (the “Tongxiang Huashi”), Tongxiang Hua’ang Trading Co., Ltd. (the “Tongxiang Hua’ang”), Beijing Youhong Yongsheng Technology Co., Ltd. (the “Beijing Youhong”), Guangxi Huayou Engineering Project Management Co., Ltd. (the “Guangxi Huayou Engineering”), Huashan Import & Export (Tongxiang) Co., Ltd. (the “Tongxiang Huashan”), Beijing Huashan Yongsheng Technology Co., Ltd. (the “Beijing Huashan”), Huashan Import & Export (Wenzhou) Co., Ltd. (the “Wenzhou Huashan”), Huake Import & Export (Wenzhou) Co., Ltd. (the “Wenzhou Huake”), Guangxi B&M Science and Technology Co., Ltd. (the “Guangxi B&M”), Tianjin B&M Science and Technology Co., Ltd. (the “Tianjin B&M”), Huaxun Import & Export (Tongxiang) Co., Ltd. (the “Tongxiang Huaxun”), Guangxi Huayou New Material Co., Ltd. (the “Guangxi Huayou New Material”), Guangxi Huayou New Energy Technology Co., Ltd. (the “Guangxi Huayou New Energy”), Huawang Import & Export (Tongxiang) Co., Ltd. (the “Tongxiang Huawang”), Hualing Import & Export (Tongxiang) Co., Ltd. (the “Tongxiang Hualing”), Guangxi Huayou Lithium Industry Co., Ltd. (the “Guangxi Lithium”), Huazheng

Import & Export (Tongxiang) Co., Ltd. (the “Tongxiang Huazheng”), Huajian Import & Export (Wenzhou) Co., Ltd. (the “Wenzhou Huajian”), Shanghai Huayou Xinsheng Metal Co., Ltd. (the “Shanghai Xinsheng”), Guangxi Huayou Industrial Investment Co., Ltd. (the “Guangxi Huayou Industrial Investment”), Guangxi Huayou Enterprise Investment Management Co., Ltd. (the “Guangxi Huayou Enterprise Investment”), Shanghai Huayou Jintian Enterprise Management Co., Ltd. (the “Huayou Jintian”), Zhejiang Huayou Catering Management Co., Ltd. (the “Huayou Catering”), Zhejiang Huayou Property Management Co., Ltd. (the “Huayou Property”), Zhejiang Huayou New Materials Co., Ltd. (the “Zhejiang New Materials”), Zhejiang Huayou Supply Chain Co., Ltd. (the “Huayou Supply Chain”), Hangzhou Haoyue Equity Investment Partnership (Limited Partnership) (the “Hangzhou Haoyue”), and HUAYOU NEW ENERGY LI-ION BATTERY MATERIALS (SINGAPORE) PTE. LTD. (the “Huayou New Energy (Singapore)”), the second-tier subsidiaries Feza Mining SAS (the “Feza Mining”), Quzhou Huayou Resource Recycling Technology Co., Ltd. (the “Resource Recycling”), Huayou International Recycling Resources Co., Ltd. (the “Huayou International Recycling”), Huayou America, Inc. (the “Huayou America”), Huayou Resources Pte. Ltd. (the “Huayou Singapore”), Shanghai FC Metal Materials Co., Ltd. (the “Shanghai FC”), Heishui Huayou Recycling Technology Co., Ltd. (the “Heishui Recycling”), Huajin New Energy Materials (Quzhou) Co., Ltd. (the “Huajin Company”), Zhejiang Huayou-Posco ESM Co., Ltd. (the “Huayou-Posco”), Huaqing Nickel & Cobalt Co., Ltd. (the “Huaqing Nickel & Cobalt”), Huachuang International Investment Co., Ltd. (the “Huachuang International”), Huawei Nickel Resources Development Co., Ltd. (the “Huawei Nickel Resources”), Huake Nickel Co., Ltd. (the “Huake Nickel”), Huayou International Cobalt (Hong Kong) Co., Ltd. (the “Huayou International Cobalt”), Huayuan Copper Co., Ltd. (the “Huayuan Copper”), Jiangsu Huayou Energy Technology Co., Ltd. (the “Jiangsu Huayou”), Huatuo International Development Pte. Ltd. (the “Huatuo International”), Chengdu B&M Science and Technology Co., Ltd. (the “Chengdu B&M”), Zhejiang B&M Science and Technology Co., Ltd. (the “Zhejiang B&M”), Guangxi Huayou Import & Export Co., Ltd. (the “Guangxi Huayou Import & Export”), Huaneng Asia International Co., Limited (the “Huaneng Asia International”), Huacai (Hong Kong) Limited (the “Huacai Hong Kong”), Huayong International (Hong Kong) Limited (the “Huayong International”), Huatuo Cobalt Co., Ltd. (the “Huatuo Cobalt”), Prospect Lithium Zimbabwe (Pvt) Ltd. (the “Prospect Lithium”), Quzhou Huayou Environmental Protection Technology Co., Ltd. (the “Quzhou Huayou Environmental Protection”), Huayou International Lithium (Hong Kong) Limited (the “Huayou International Lithium”), Huayou International Resources (Hong Kong) Limited (the “Huayou International Resources”), Huasheng Nickel (Hong Kong) Limited (the “Huasheng Hong Kong”), Huaxing Nickel (Hong Kong) Limited (the “Huaxing Hong Kong”), Huachang Trade (Hong Kong) Limited (the “Huachang Trade”), Huaqi (Hong Kong) Limited (the “Huaqi Hong Kong”), Huajin (Hong Kong) Limited (the “Huajin Hong Kong”), Huaming (Hong Kong) Limited (the “Huaming Hong Kong”), Huaqun (Hong Kong) Limited (the “Huaqun Hong Kong”), Huabin (Hong Kong) Limited (the “Huabin Hong Kong”), Huawu (Hong Kong) Limited (the “Huawu Hong Kong”), Huaqi (Singapore) Limited (the “Huaqi Singapore”), Huajun International Investment Co., Ltd. (the “Huajun International Investment”), Huayao International Investment Co., Ltd. (the “Huayao International Investment”), Huaze International Investment Co., Ltd. (the “Huaze International Investment”), Zhejiang Huayou Lithium Recycling Technology Co., Ltd. (the “Huayou Lithium Recycling”), Zhejiang Huayou Green Energy Technology Co., Ltd. (the “Huayou Green Energy”), Guangzhou Huayi New Energy Technology Co., Ltd. (the “Guangzhou

Huayi”), Astir Mining SAS (the “Astir Company”), Huayou International Investment Co., Ltd. (the “Huayou International Investment”), Huaren (Singapore) Pte. Ltd. (the “Huaren Singapore”), Huadi (Singapore) Limited (the “Huadi Singapore”), Huali International Investment Co., Ltd. (the “Huali International Investment”), Huashi International Investment Co., Ltd. (the “Huashi International Investment”), Huacheng International Investment Co., Ltd. (the “Huacheng International Investment”), Huaji (Singapore) Pte. Ltd. (the “Huaji Singapore”), Huayi International Investment Co., Ltd. (the “Huayi International Investment”), Huasong International Investment Co., Ltd. (the “Huasong International Investment”), Huazhang Singapore Pte. Ltd. (the “Huazhang Singapore”), Huatu Singapore Pte. Ltd. (the “Huatu Singapore”), Huabo Singapore Pte. Ltd. (the “Huabo Singapore”), Huate Singapore Pte. Ltd. (the “Huate Singapore”), Huayuan Investment Singapore Pte. Ltd. (the “Huayuan International Investment”), Huasen International Investment Pte. Ltd. (the “Huasen International Investment”), Huating Investment Singapore Pte. Ltd. (the “Huating Investment”), and Huamei International Investment Pte. Ltd. (the “Huamei International Investment”), Guangxi Huajin Technology Co., Ltd. (the “Guangxi Huajin”), Guangxi Youde Technology Co., Ltd. (the “Guangxi Youde”), Chengdu Huayou Energy Technology Co., Ltd. (the “Chengdu Energy”), Zhongjing Holdings Co., Ltd. (the “Zhongjing Holdings”), Huaian Huayou Energy Technology Co., Ltd. (the “Huaian Energy”), HUAYOU BATTERY MATERIAL (USA) LIMITED (the “USA Energy”), Huayou Battery Material Technology Japan Corporation (the “Huayou Japan”), and Huayou Nickel Resources Holding (Hong Kong) Limited (the “Huayou Nickel Resources”), the third-tier subsidiaries Huayou International Mining (Holdings) Co., Ltd. (the “Huayou International Holdings”), PT. Huayue Nickel Cobalt (the “Huayue Company”), PT. Huake Nickel Indonesia (the “Huake Indonesia”), PT. Huashan Nickel Cobalt (the “Huashan Indonesia”), Huayou Shixing (Beijing) New Energy Technology Co., Ltd. (the “Huayou Shixing”), PT. Huafei Nickel Cobalt (the “Huafei Indonesia”), Huasheng Nickel (Indonesia) Co., Ltd. (the “Huasheng Indonesia”), PT. Indonesia Pomalaa Industry Park (the “IPIP Company”), Huashun Resources (Private) Limited (the “Huashun Hong Kong”), Huachi (Hong Kong) Limited (the “Huachi Hong Kong”), Quzhou Huayou Resource Recycling Technology Co., Ltd. (the “Quzhou Resource Recycling”), PT. Huaxiang Refining Indonesia (the “Huaxiang Indonesia”), Sulawesi Manganese Recycling Co., Ltd. (the “Sulawesi Indonesia”), PT. Huali Nickel Indonesia (the “Huali Indonesia”), PT. Kolaka Nickel Indonesia (the “KNI Company”), PT Indonesia Dahuaxing Industry Park (the “Dahuaxing Industry Park”), PT Indonesia Giga Industry Park (the “Giga Industry Park”), and PT Indonesia Huali Industry Park (the “Huali Industry Park”), PT. Huaneng New Materials Indonesia (the “Huaneng Indonesia”), Huayou Recycling Lithium (Singapore) Technology Limited (the “Recycling Lithium Singapore”), Huayou Green Energy (Singapore) Technology Limited (the “Green Energy Singapore”), PT. Andalan Metal Industry (the “AMI Company”), PT. Huaxing Nickel Indonesia (the “Huaxing Indonesia”), PT. Huashuo Nickel Indonesia (the “Huashuo Indonesia”), PT. Huamei Nickel Indonesia (the “Huamei Indonesia”), Kerui Industrial Park Co., Ltd. (the “Kerui Industrial Park”), Hua’an Mining Engineering Co., Ltd. (the “Indonesia Hua’an”), PT. Central Abadi Nusantara (the “CAN Company”), PT. Tambang Sinar Sejahtera (the “TSS Company”), Zimbabwe Huajing Technology Co., Ltd. (the “ATZ Company”), Zhejiang Huayou Energy Storage Technology Co., Ltd. (the “Huayou Energy Storage”), Huayou New Materials Morocco Holding Co., Ltd. (the “Huayou Morocco”), and Taize International Investment Limited (the “Taize International Investment”), and the fourth-tier subsidiaries PT. IPIP Port Kolaka (the “Kolaka Port”), Bamo Technology Hungary Kft (the “Bamo Hungary”), PT. Kolaka Green Energy (the

“Kolaka Green Energy”), Bayvorl Mining (Private) Limited (the “Bayvorl Company”), PROSPECT BROOKE RESOURCES (PRIVATE) LIMITED (the “Brooke Resources”), Huajing Mining Investment (Hong Kong) Limited (“Hong Kong Huajing”), PT.GREEN MALILI UNITY POWER (the “GMUP Power Plant”), PT.MALILI UNITY ENERGY (the “MUE Power Plant”), PT.MATARAPE EXCELLENT ENERGY (the “MEE Power Plant”), PT.NORTHKOLAKA PRIME ENERGY (the “NPE Power Plant”), PT.IDIP PORT MOROWALI (the “IDIP Terminal”), PT.IHIP PORT NORTHKOLAKA (the “IHIP Terminal”), PT.IGIP PORT NORTHKOLAKA (the “IGIP Terminal”), HUAYOU GREEN ENERGY TECHNOLOGY NETHERLANDS B.V. (the “Recycling Lithium Netherlands”), and HUAYOU GREEN ENERGY TECHNOLOGY NETHERLANDS B.V. (the “Green Energy Netherlands”) into the consolidation scope. Please refer to item X of this section for details.

II. Preparation basis of the financial statements

1. Preparation basis

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

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.

III. Significant accounting policies and estimates

Notes to specific accounting policies and 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 of compliance

The financial statements have been prepared in accordance with the requirements of China Accounting Standards for Business Enterprises (CASBEs), and present truly and completely the financial position, financial performance and cash flows of the Company.

2. Accounting period

The accounting year of the Company runs from January 1 to December 31 under the Gregorian calendar.

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 and its domestic subsidiaries is Renminbi (RMB) Yuan, while the functional currency of subsidiaries engaged in overseas operations is the currency of the primary economic environment in which they operate.

5. Determination method and basis for selection of materiality

√ Applicable □ Not Applicable

The Company prepares and discloses financial statements in compliance with the principle of materiality. The items disclosed in notes to the financial statements involving materiality judgements, determination method and basis for selection of materiality are as follows:

Disclosed items involving materiality judgements	Determination method and basis for selection of materiality
Significant accounts receivable with provision for bad debts made on an individual basis	Single amount exceeds 0.5% of total assets
Significant provisions for bad debts of accounts receivable collected or reversed	Single amount exceeds 0.5% of total assets
Significant accounts receivable written off	Single amount exceeds 0.5% of total assets
Significant other receivables with provision for bad debts made on an individual basis	Single amount exceeds 0.5% of total assets
Significant provisions for bad debts of other receivables collected or reversed	Single amount exceeds 0.5% of total assets
Significant other receivables written off	Single amount exceeds 0.5% of total assets
Significant construction in progress	Single amount of construction in progress exceeds 0.5% of total assets
Significant accounts payable with age over one year	Single amount exceeds 0.5% of total assets
Significant other payables with age over one year	Single amount exceeds 0.5% of total assets
Significant contract liabilities with age over one year	Single amount exceeds 0.5% of total assets
Significant cash flows from investing activities	Single amount exceeds 10% of total assets
Significant foreign operating entities	Total assets or total revenue exceeds 10% of the group's total assets or total revenue
Significant subsidiaries, not wholly-owned subsidiaries	Total assets or total revenue exceeds 10% of the group's total assets or total revenue
Significant joint ventures, associates	The carrying amount of single long-term equity investment exceeds 5% of the total assets or the amount of investment income under single equity method exceeds 5% of the group's total profit
Significant accounts receivable with provision for bad debts made on an individual basis	Single amount exceeds 0.5% of total assets

6. Accounting treatments of business combination under and 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. Judgement criteria for control and compilation method of 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 arrangements and accounting treatment of joint operations

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. Recognition criteria of cash and cash equivalents

Cash equivalents refer to short-term (generally mature within three months from the date of purchase), highly liquid investments that can be readily converted to cash and that are subject to an insignificant risk of changes in value.

10. Foreign currency translation

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 collective basis. When the Company adopts the collective 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 receivable

Applicable Not Applicable

Categories and determination basis of portfolios with provision for bad debts made on a collective basis using similar credit risk features

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 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.

Portfolios grouped with similar credit risk features using age analysis method

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

Accounts receivable are aged from the month in which they are actually incurred.

Judgement basis for receivables with provision for bad debts made on an individual basis

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. Receivables financing

Applicable Not Applicable

Categories and determination basis of portfolios with provision for bad debts made on a collective basis using similar credit risk features

 ✓ 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	Type of notes	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.
Financial company acceptance receivable	Type of notes	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.

Portfolios grouped with similar credit risk features using age analysis method

 ✓ 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

Trade acceptance receivable and financial company acceptance receivable are aged from the month in which they are actually incurred.

Judgement basis for receivables with provision for bad debts made on an individual basis

 ✓ 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

Categories and determination basis of portfolios with provision for bad debts made on a collective basis using similar credit risk features

✓ 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	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 interest 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 dividend 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 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.

Portfolios grouped with similar credit risk features using age analysis method

✓ 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

Other receivables are aged from the month in which they are actually incurred.

Judgement basis for receivables with provision for bad debts made on an individual basis

✓ 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

Classification, accounting method for dispatched inventories, inventory system, amortization method of low-value consumables and packages

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.

Recognition criteria and accrual method of provision for inventory write-down

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 single inventory 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.

Categories of portfolios with provision for inventory write-down made on a collective basis and determination basis, determination basis of net realizable value

Applicable Not Applicable

Calculation method and determination basis for net realizable value under portfolio grouped with ages

Applicable Not Applicable

17. Contract assets

Applicable Not Applicable

Recognition method and criteria of 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.

Categories and determination basis of portfolios with provision for bad debts made on a collective basis using similar credit risk features

Applicable Not Applicable

Portfolios grouped with similar credit risk features using age analysis method

Applicable Not Applicable

Judgement basis for receivables with provision for bad debts made on an individual basis

Applicable Not Applicable

18. Non-current assets or disposal groups held for sale

Applicable Not Applicable

Recognition criteria and accounting treatment of non-current assets or disposal groups held for sale

Applicable Not Applicable

Recognition criteria and presentation method of discontinued 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 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 determined 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 property

Not Applicable

21. Fixed assets

(1) Recognition principles

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

Categories	Depreciation method	Useful life (years)	Residual value proportion (%)	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

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 & gas assets

Applicable Not Applicable

26. Intangible assets

(1) Useful life and its determination basis, estimation, 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, contractual rights 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
Contractual rights	10 years; estimated economic life	Straight-line method

(2) Permitted scope of R&D costs and relevant accounting treatments

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. Impairment of long-term assets

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 prepayments

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 liabilities

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.

30. Employee benefits

(1) Accounting treatment of short-term employee benefits

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) Post-employment benefits

Applicable 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) Termination benefits

Applicable 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) Other long-term employee benefits

Applicable 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. Provisions

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. Other financial instruments such as preferred shares and perpetual bonds

Applicable Not Applicable

34. Revenue

(1) Accounting policies for recognition and measurement of revenue disclosed by business nature

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 recognition method and measurement method of revenue from similar businesses under different business models

Applicable Not Applicable

35. Contract costs

Applicable Not Applicable

36. Government grants

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 tax assets/Deferred 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. Leases

√ Applicable Not Applicable

Judgement basis and accounting treatment of short-term leases and leases of low-value assets with simplified approach when the Company as lessee

√ 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.

Classification criteria and accounting treatment of leases when the Company as lessor

Applicable Not Applicable

2. 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.

3. 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 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. Significant changes in accounting policies and estimates

(1) Significant changes in accounting policies

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Contents and reasons for the changes	Financial statement items significantly affected	Amounts affected
See other remarks	None	0.00

Other remarks

1. The Company has adopted the regulations about “division of current and non-current liabilities” in the “Interpretation of China Accounting Standards for Business Enterprises No. 17” issued by the Ministry of Finance since January 1, 2024. The change in accounting policy has no impact on the Company’s financial statements.

2. The Company has adopted the regulations about “disclosure of supplier financing arrangements” in the “Interpretation of China Accounting Standards for Business Enterprises No. 17” issued by the Ministry of Finance since January 1, 2024.

3. The Company has adopted the regulations about “accounting for after-sales leaseback transactions” in the “Interpretation of China Accounting Standards for Business Enterprises No. 17” issued by the Ministry of Finance since January 1, 2024. The change in accounting policy has no impact on the Company’s financial statements.

4. The Company has adopted the regulations about “accounting for guaranteed quality assurance that is not part of a single performance obligation” in the “Interpretation of China Accounting Standards for Business Enterprises No. 18” issued by the Ministry of Finance since January 1, 2024. The change in accounting policy has no impact on the Company’s financial statements.

(2) Significant changes in accounting estimates

Applicable Not Applicable

(3) The adjustments on the financial statements of the beginning of the earliest period in which the Company adopts the revised standards or interpretations since 2024

Applicable Not Applicable

41. Others

Applicable Not Applicable

IV. Taxes

1. Main taxes and tax rates

Details

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

Taxes	Tax bases	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 lease income.	1.2%, 12%
Education surcharge	Turnover tax actually paid	3%
Local education surcharge	Turnover tax actually paid	2%

Different enterprise income tax rates applicable to different taxpayers:

√ Applicable □ Not Applicable

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

2. Tax preferential policies

√ 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 Economic and Information Technology Department of Zhejiang, Zhejiang Provincial Department of Finance and Zhejiang Provincial Tax Service of STA on December 6, 2024, 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 “High-tech Enterprise Certificate” jointly issued by Economic and Information Technology Department of Zhejiang, Zhejiang Provincial Department of Finance and Zhejiang Provincial Tax Service of STA on December 6, 2024, Zhejiang B&M is accredited as a high-tech enterprise. Pursuant to the “Enterprise Income Tax Law of the People’s Republic of China”, Zhejiang 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 “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, Huayou Green Energy and Huayou Recycling Lithium 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 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 AMI Company”, AMI Company is exempted from enterprise income tax as well as tax withheld by third parties on certain income from AMI Company for 7 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

V. Notes to items of consolidated financial statements

1. Cash and bank balances

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Cash on hand	5,201,982.26	11,891,845.98
Cash in bank	13,816,698,369.82	9,427,796,624.02
Other cash and bank balances	5,629,601,252.58	5,820,232,608.81

Items	Closing balance	Opening balance
Deposited in finance company		
Total	19,451,501,604.66	15,259,921,078.81
Including: Deposited overseas	8,587,680,565.75	4,130,223,257.04

Other remarks:

Closing balance of other cash and bank balances included deposits for bank acceptance of 1,809,722,569.38 yuan, deposits for letters of credit of 308,780,174.06 yuan, deposits for letters of guarantee of 89,120,909.10 yuan, deposits for borrowings of 1,698,045,632.21 yuan, deposited investments of 1,695,040,439.96 yuan, deposits for future foreign exchange settlement of 21,500,910.75 yuan, deposits for environmental impact assessment of 7,154,291.63 yuan, balances frozen due to lawsuits of 235,324.49 yuan and others of 1,001.00 yuan.

2. Held-for-trading financial assets

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance	Opening balance	Reasons and basis for designation
Financial assets at fair value through profit or loss	381,711,806.17	373,221,093.05	
Including:			
Short-term financial products	381,711,806.17	307,093,242.90	
Derivative financial assets		66,127,850.15	
Financial assets designated as at fair value through profit or loss			
Including:			
Total	381,711,806.17	373,221,093.05	

Other remarks:

Applicable Not Applicable

3. Derivative financial assets

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Hedged futures contracts	967,096,832.50	1,395,343,385.26
Forward foreign exchange contracts	31,633,811.11	
Total	1,001,393,320.42	1,395,343,385.26

Other remarks:

Hedged futures contracts refer to investment cost of 601,586,750.26 yuan and gains on changes in fair value of 365,510,082.24 yuan of futures contracts held by the Company.

4. Notes receivable**(1) Details on categories**

Applicable Not Applicable

(2) Pledged notes at the balance sheet date

Applicable Not Applicable

(3) Endorsed or discounted but undue notes at the balance sheet date

Applicable Not Applicable

(4) Details on categories of provision accrual methods

Applicable Not Applicable

Notes receivable with provision for bad debts made on an individual basis:

Applicable Not Applicable

Notes receivable with provision for bad debts made on a collective basis:

Applicable Not Applicable

Provision for bad debts made using three-stage model

Applicable Not Applicable

Classification basis of stages and proportion of provision for bad debts

None.

Remarks on significant changes in book balance of notes receivable with changes in loss allowances:

Applicable Not Applicable

(5) Provision for bad debts

Applicable Not Applicable

Significant provision for bad debts collected 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

Significant notes receivable written off:

 Applicable Not Applicable

Remarks on notes receivable written off:

 Applicable Not Applicable

Other remarks

 Applicable Not Applicable

5. Accounts receivable

(1) Age analysis

 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Ages	Closing book balance	Opening book balance
Within 1 year		
Including:		
	6,984,898,733.61	8,295,001,926.95
Subtotal	6,984,898,733.61	8,295,001,926.95
1-2 years	162,757,843.51	117,515,843.63
2-3 years	73,518,916.94	6,006,912.24
Over 3 years	22,148,751.58	16,493,601.46
3-4 years		
4-5 years		
Over 5 years		
Total	7,243,324,245.64	8,435,018,284.28

(2) Details on categories of provision accrual methods

 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Categories	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	% to total	Amount	Provision proportion (%)		Amount	% to total	Amount	Provision proportion (%)	
Receivables with provision made on an individual basis	904,548.00	0.01	904,548.00	100.00						
Including:										

Receivables of individually insignificant amount but with provision made on an individual basis	904,548.00	0.01	904,548.00	100.00		402,048.00		402,048.00	100.00	
Receivables with provision made on a collective basis	7,242,419,697.64	99.99	440,202,167.42	6.08	6,802,217,530.22	8,434,616,236.28	100.00	457,348,274.66	5.42	7,977,267,961.62
Including:										
Portfolio grouped with ages	7,242,419,697.64	99.99	440,202,167.42	6.08	6,802,217,530.22	8,434,616,236.28	100.00	457,348,274.66	5.42	7,977,267,961.62
Total	7,243,324,245.64	100.00	441,106,715.42	6.09	6,802,217,530.22	8,435,018,284.28	100.00	457,750,322.66	5.26	7,977,267,961.62

Provision made on an individual basis:

Applicable Not Applicable

No significant accounts receivable with provision made on an individual basis at the end of the period.

Accounts receivable with provision made on a collective basis:

Applicable Not Applicable

Portfolio grouped with ages

Monetary unit: Yuan Currency: RMB

Ages	Closing balance		
	Book balance	Provision for bad debts	Provision proportion (%)
Within 1 year	6,984,898,733.61	349,244,936.67	5.00
1-2 years	162,255,343.51	32,451,068.70	20.00
2-3 years	73,518,916.94	36,759,458.47	50.00
Over 3 years	21,746,703.58	21,746,703.58	100.00
Total	7,242,419,697.64	440,202,167.42	6.08

Remarks on provision for bad debts made on a collective basis:

Applicable Not Applicable

Provision for bad debts made using three-stage model:

Applicable Not Applicable

Classification basis of stages and proportion of provision for bad debts:

None.

Remarks on significant changes in book balance of accounts receivable with changes in loss allowances:

Applicable Not Applicable

(3) Changes in provision for bad debts

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Opening balance	Increase/Decrease				Closing balance
		Accrual	Recovery or reversal	Write-off	Others	
Receivables with provision for bad debts made on an individual basis	402,048.00	502,500.00				904,548.00
Receivables with provision for bad debts made on a collective basis	457,348,274.66	-27,118,850.67	0.00	38,428.50	10,011,171.93	440,202,167.42
Total	457,750,322.66	-26,616,350.67		38,428.50	10,011,171.93	441,106,715.42

Significant provision for bad debts collected 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

Monetary unit: Yuan Currency: RMB

Items	Amount written off
Accounts receivable actually written off	38,428.50

Significant accounts receivable written off:

Applicable Not Applicable

Remarks on accounts receivable written off:

Applicable Not Applicable

(5) Details of the top 5 debtors with largest balances

Applicable Not Applicable

Other remarks:

Applicable Not Applicable

Closing balance of top 5 debtors totaled 2,676,014,024.54 yuan, accounting for 36.94% of the total closing balance of accounts receivable, and provision for bad debts made thereon totaled 133,800,701.23 yuan.

6. Contract assets

(1) Details

Applicable Not Applicable

(2) Reasons for significant changes in carrying amount of contract assets in the reporting period

Applicable Not Applicable

(3) Details on categories of provision accrual methods

Applicable Not Applicable

Contract assets with provision for bad debts made on an individual basis:

Applicable Not Applicable

Remarks on contract assets with provision for bad debts made on an individual basis:

Applicable Not Applicable

Contract assets with provision for bad debts made on a collective basis:

Applicable Not Applicable

Provision for bad debts made using three-stage model

Applicable Not Applicable

Classification basis of stages and proportion of provision for bad debts

None.

Remarks on significant changes in book balance of contract assets with changes in loss allowances:

Applicable Not Applicable

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

Applicable Not Applicable

Significant provision for bad debts collected or reversed in the current period:

Applicable Not Applicable

Other remarks:

None.

(5) Details on contract assets actually written off in the current period
 Applicable Not Applicable

Significant contract assets written off:

 Applicable Not Applicable

Remarks on contract assets written off:

 Applicable Not Applicable

Other remarks:

 Applicable Not Applicable

7. Receivables financing
(1) Details on categories
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Bank acceptance	1,428,306,241.20	2,425,306,902.49
Total	1,428,306,241.20	2,425,306,902.49

(2) Pledged receivables financing at the balance sheet date
 Applicable Not Applicable

The Company had no pledged receivables financing at the balance sheet date.

(3) Endorsed or discounted but undue receivables financing at the balance sheet date
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance derecognized	Closing balance not yet derecognized
Bank acceptance	8,690,782,304.29	
Subtotal	8,690,782,304.29	

Due to the fact that the acceptor of bank acceptance is commercial bank, which is of high credit level, there is very little possibility of failure in recoverability when it is due. Based on this fact, the Company derecognized the endorsed or discounted bank acceptance. However, if any bank acceptance is not recoverable when it is due, the Company still holds joint liability on such acceptance, according to the China Commercial Instrument Law.

(4) Details on categories of provision accrual methods
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Categories	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount

	Amount	% to total	Amount	Provision proportion (%)		Amount	% to total	Amount	Provision proportion (%)	
Receivables with provision for bad debts made on an individual basis										
Including:										
Receivables with provision for bad debts made on a collective basis	1,428,306,241.20	100.00			1,428,306,241.20	2,425,306,902.49	100.00			2,425,306,902.49
Including:										
Bank acceptance	1,428,306,241.20	100.00			1,428,306,241.20	2,425,306,902.49	100.00			2,425,306,902.49
Total	1,428,306,241.20	100.00			1,428,306,241.20	2,425,306,902.49				2,425,306,902.49

Receivables financing with provision for bad debts made on an individual basis:

Applicable Not Applicable

Remarks on receivables financing with provision for bad debts made on an individual basis:

Applicable Not Applicable

Receivables financing with provision for bad debts made on a collective basis:

Applicable Not Applicable

Provision for bad debts made using three-stage model

Applicable Not Applicable

Classification basis of stages and proportion of provision for bad debts

None.

Remarks on significant changes in book balance of receivable financing with changes in loss allowances:

Applicable Not Applicable

(5) Details on provision for bad debts

Applicable Not Applicable

Significant provision for bad debts collected or reversed in the current period:

Applicable Not Applicable

Other remarks:

None.

(6) Details on receivables financing actually written off in the current period

Applicable Not Applicable

Significant receivables financing written off:

Applicable Not Applicable

Remarks on receivables financing written off:

Applicable Not Applicable

(7) Current period movements and changes in fair value of receivable financing:

Applicable Not Applicable

(8) Other remarks:

Applicable Not Applicable

8. Advances paid

(1) Age analysis

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Ages	Closing balance		Opening balance	
	Amount	% to total	Amount	% to total
Within 1 year	2,590,369,303.84	87.80	1,637,868,263.19	90.45
1-2 years	337,820,648.45	11.45	109,961,668.29	6.07
2-3 years	18,849,100.03	0.64	58,756,880.74	3.24
Over 3 years	3,415,810.33	0.12	4,238,834.44	0.23
Total	2,950,454,862.65	100.00	1,810,825,646.66	100.00

Reasons for unsettlement on advances paid with age over one year and significant amount:

No material closing balance with age over one year.

(2) Details of the top 5 debtors with largest balances

Applicable Not Applicable

Other remarks

Applicable Not Applicable

Closing balance of top 5 debtors totaled 1,138,620,583.79 yuan, accounting for 38.27% of the total closing balance of advances paid.

9. Other receivables

Details

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interest receivable		
Dividend receivable	2,587,982.40	
Other receivables	272,119,969.15	392,878,676.92
Total	274,707,951.55	392,878,676.92

Other remarks:

Applicable Not Applicable

Interest receivable

(1) Details on categories

Applicable Not Applicable

(2) Significant overdue interest

Applicable Not Applicable

(3) Details on categories of provision accrual methods

Applicable Not Applicable

Interest receivable with provision for bad debts made on an individual basis:

Applicable Not Applicable

Remarks on interest receivable with provision for bad debts made on an individual basis:

Applicable Not Applicable

Interest receivable with provision for bad debts made on a collective basis:

Applicable Not Applicable

(4) Provision for bad debts made using three-stage model

Applicable Not Applicable

Classification basis of stages and proportion of provision for bad debts

None.

Remarks on significant changes in book balance of interest receivable with changes in loss allowances:

Applicable Not Applicable

(5) Details on provision for bad debts

Applicable Not Applicable

Significant provision for bad debts collected or reversed in the current period:

Applicable Not Applicable

Other remarks:

None.

(6) Details on interest receivable actually written off in the current period
 Applicable Not Applicable

Significant interest receivable written off

 Applicable Not Applicable

Remarks on interest receivable written off:

 Applicable Not Applicable

Other remarks:

 Applicable Not Applicable

Dividend receivable
(7) Dividend receivable
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Ningbo Ruihua International Trade Co., Ltd. ("Ningbo Ruihua")	2,587,982.40	
Total	2,587,982.40	

(8) Significant dividend receivable with age over one year
 Applicable Not Applicable

(9) Details on categories of provision accrual methods
 Applicable Not Applicable

Dividend receivable with provision for bad debts made on an individual basis:

 Applicable Not Applicable

Remarks on dividend receivable with provision for bad debts made on an individual basis:

 Applicable Not Applicable

Dividend receivable with provision for bad debts made on a collective basis:

 Applicable Not Applicable

(10) Provision for bad debts made using three-stage model
 Applicable Not Applicable

Classification basis of stages and proportion of provision for bad debts

None.

Remarks on significant changes in book balance of dividend receivable with changes in loss allowances:

Applicable Not Applicable

(11) Details on provision for bad debts

Applicable Not Applicable

Significant provision for bad debts collected or reversed in the current period:

Applicable Not Applicable

Other remarks:

None.

(12) Details on dividend receivable actually written off in the current period

Applicable Not Applicable

Significant dividend receivable written off

Applicable Not Applicable

Remarks on dividend receivable written off:

Applicable Not Applicable

Other remarks:

Applicable Not Applicable

Other receivables

(13) Age analysis

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Ages	Closing book balance	Opening book balance
Within 1 year		
Including:		
Within 1 year	166,191,839.49	278,544,130.15
Subtotal	166,191,839.49	278,544,130.15
1-2 years	92,332,405.89	128,649,339.42
2-3 years	78,803,897.51	40,203,445.04
Over 3 years	33,737,699.29	31,217,418.11
3-4 years		
4-5 years		
Over 5 years		
Total	371,065,842.18	478,614,332.72

(14) Other receivables categorized by nature
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Nature of receivables	Closing book balance	Opening book balance
Security deposits	332,203,613.84	305,129,790.00
Export tax refund	19,396,963.58	143,984,010.32
Petty cash	11,984,165.72	10,306,244.91
Temporary borrowings	3,594,200.00	15,249,602.59
Others	3,886,899.04	3,944,684.90
Total	371,065,842.18	478,614,332.72

(15) Provision for bad debts
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Stage 1	Stage 2	Stage 3	Subtotal
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Balances at January 1, 2024	6,728,005.99	25,729,867.88	53,277,781.93	85,735,655.80
Balances at January 1, 2024 in the current period				
--Transferred to stage 2	-4,616,620.29	4,616,620.29		
--Transferred to stage 3		-15,760,779.50	15,760,779.50	
--Reversed to stage 2				
--Reversed to stage 1				
Provision made in the current period	5,228,358.10	3,880,772.51	8,018,369.21	17,127,499.82
Provision recovered in the current period			84,337.21	84,337.21
Provision reversed in the current period			3,832,945.38	3,832,945.38
Provision written off in the current period				
Other changes				
Balances at December 31, 2024	7,339,743.80	18,466,481.18	73,139,648.05	98,945,873.03

Classification basis of stages and proportion of provision for bad debts

Classification basis of stages: Stage 1 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. Stage 2 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. Stage 3 is where other receivables with ages over 2 years and provision for bad debts made on an individual basis are considered credit-impaired since initial recognition.

Remarks on significant changes in book balance of other receivables with changes in loss allowances:

 Applicable Not Applicable

Determination basis for provision for bad debts made in the current period and whether credit risk has increased significantly:

Applicable Not Applicable

(16) Provision for bad debts

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Categories	Opening balance	Increase/Decrease				Closing balance
		Accrual	Recovery or reversal	Write-off	Others	
Receivables with provision made on an individual basis	3,917,282.59	-3,917,282.59				
Receivables with provision made on a collective basis	474,697,050.13	-103,631,207.95				371,065,842.18
Total	478,614,332.72	-107,548,490.54				371,065,842.18

Significant provision for bad debts collected or reversed in the current period:

Applicable Not Applicable

Other remarks

None.

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

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Item	Amount written off
Other receivables actually written off	3,832,945.38

Significant other receivables written off in the current period:

Applicable Not Applicable

Remarks on other receivables written off:

Applicable Not Applicable

(18) Details of the top 5 debtors with largest balances

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Debtors	Closing book balance	Proportion to the total balance of other receivables (%)	Nature of receivables	Ages	Provision for bad debts at the balance sheet date
SINO IC Leasing Co., Ltd.	58,600,000.00	15.79	Security deposits	Within 1 year: 40,000,000.00 yuan; 1-2 years:	7,700,000.00

Debtors	Closing book balance	Proportion to the total balance of other receivables (%)	Nature of receivables	Ages	Provision for bad debts at the balance sheet date
				12,000,000.00 yuan 2-3 years 6,600,000.00 yuan	
Everbright Financial Leasing Co., Ltd.	52,500,000.00	14.15	Security deposits	1-2 years: 20,000,000.00 yuan; 2-3 years: 32,500,000.00 yuan	20,250,000.00
Cinda Financial Leasing Co., Ltd.	48,000,000.00	12.93	Security deposits	1-2 years: 24,000,000.00 yuan; 2-3 years: 24,000,000.00 yuan	16,800,000.00
Taiping & Sinopec Financial Leasing Co., Ltd.	27,000,000.00	7.28	Security deposits	Within 1 year: 15,000,000.00 yuan; 1-2 years: 12,000,000.00 yuan	3,150,000.00
Yangtze United Financial Leasing Co., Ltd.	25,000,000.00	6.74	Security deposits	Within 1 year	1,250,000.00
Total	211,100,000.00	56.89			49,150,000.00

(19) Balances presented under other receivables due to the centralized fund management
 Applicable Not Applicable

Other remarks:

 Applicable Not Applicable

10. Inventories
(1) Details on categories
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for inventory write-down/impairment of costs to fulfill a contract	Carrying amount	Book balance	Provision for inventory write-down/impairment of costs to fulfill a contract	Carrying amount
Raw materials	11,332,093,889.63	219,863,121.25	11,112,230,768.38	10,100,507,961.25	78,802,703.35	10,021,705,257.90
Work in process	2,080,531,143.82	1,886,787.25	2,078,644,356.57	1,828,374,057.48	53,859,439.89	1,774,514,617.59
Goods on hand	4,130,209,969.83	86,724,663.80	4,043,485,306.03	3,464,350,646.64	206,883,517.27	3,257,467,129.37
Revolving materials						
Consumptive biological assets						
Costs to fulfill a contract						
Materials on consignment for further processing	71,136,977.91	8,726,077.39	62,410,900.52	742,852,851.31	33,138,598.54	709,714,252.77
Total	17,613,971,981.19	317,200,649.69	17,296,771,331.50	16,136,085,516.68	372,684,259.05	15,763,401,257.63

[Note] Closing balance includes recognized losses on changes in fair value of hedged inventories of 431,109,751.60 yuan. Please refer to item IX 4 of this section for details.

(2) Data resources recognized as inventories
 Applicable Not Applicable

(3) Provision for inventory write-down/impairment of costs to fulfill a contract
 Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Opening balance	Increase		Decrease		Closing balance
		Accrual	Others	Reversal or write-off	Others	
Raw materials	78,802,703.35	216,154,991.59		75,094,573.69		219,863,121.25
Work in process	53,859,439.89	1,886,787.25		53,859,439.89		1,886,787.25
Goods on hand	206,883,517.27	86,724,663.80		206,883,517.27		86,724,663.80
Revolving materials						
Consumptive biological assets						
Costs to fulfill a contract						
Materials on consignment for further processing	33,138,598.54	8,726,077.39		33,138,598.54		8,726,077.39
Total	372,684,259.05	313,492,520.03		368,976,129.39		317,200,649.69

Reasons for the reversal or write-off of provision for inventory write-down

 Applicable Not Applicable

At the balance sheet date, inventories are measured at the lower of cost and net realizable value, with provisions for inventory write-down made on the excess of its cost over the net realizable value on an individual basis. Net realizable value of goods on hand are measured based on estimated selling price less estimated selling expenses and relevant taxes and surcharges; net realizable value of raw materials, work in process and materials on consignment for further processing are measured based on estimated selling price of relevant finished goods less cost to be incurred upon completion, estimated selling expenses, and relevant taxes and surcharges. Current decreases all refer to provision for inventory write-down made in the preceding period but written off in the current period due to sale or use of relevant inventories.

Provision for inventory write-down made on a collective basis

 Applicable Not Applicable

Determination basis of portfolios

 Applicable Not Applicable

(4) Capitalized amount of borrowing costs and its measurement criteria and basis
 Applicable Not Applicable

(5) Remarks on the amortization of costs to fulfill a contract
 Applicable Not Applicable

Other remarks

Applicable Not Applicable

11. Assets held for sale

Applicable Not Applicable

12. Non-current assets due within one year

Applicable Not Applicable

Debt investments due within one year

Applicable Not Applicable

Other debt investments due within one year

Applicable Not Applicable

Other remarks on non-current assets due within one year

None.

13. Other current assets

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Costs to obtain a contract		
Costs of returning goods		
Input VAT to be credited or refunded	4,484,699,970.34	3,610,782,741.58
Prepaid enterprise income tax	9,301,438.82	76,800,970.30
Prepaid resources tax	18,121,456.81	46,027,095.94
Total	4,512,122,865.97	3,733,610,807.82

Other remarks

None.

14. Debt investments

(1) Details

Applicable Not Applicable

Changes in provision for impairment of debt investments in the current period

Applicable Not Applicable

(2) Significant debt investments at the balance sheet date

Applicable Not Applicable

(3) Provision for impairment

Applicable Not Applicable

Classification basis of stages and proportion of provision for impairment:

Applicable Not Applicable

Remarks on significant changes in book balance of debt investments with changes in loss allowances:

Applicable Not Applicable

Determination basis for provision for impairment made in the current period and whether credit risk has increased significantly

Applicable Not Applicable

(4) Debt investments actually written off in the current period

Applicable Not Applicable

Significant debt investments written off in the current period

Applicable Not Applicable

Remarks on debt investments written off:

Applicable Not Applicable

Other remarks

Applicable Not Applicable

15. Other debt investments**(1) Details**

Applicable Not Applicable

Changes in provision for impairment of other debt investments in the current period

Applicable Not Applicable

(2) Significant other debt investments at the balance sheet date

Applicable Not Applicable

(3) Provision for impairment

Applicable Not Applicable

Classification basis of stages and proportion of provision for impairment:

None.

Remarks on significant changes in book balance of other debt investments with changes in loss allowances:

Applicable Not Applicable

Determination basis for provision for impairment made in the current period and whether credit risk has increased significantly

Applicable Not Applicable

(4) Other debt investments actually written off in the current period

Applicable Not Applicable

Significant other debt investments written off in the current period

Applicable Not Applicable

Remarks on other debt investments written off:

Applicable Not Applicable

Other remarks:

Applicable Not Applicable

16. Long-term receivables

(1) Details

Applicable Not Applicable

Monetary unit: Yuan Currency: RMB

Items	Closing balance			Opening balance			Discount rate range
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount	
Finance lease payment							
Including: Unrealized finance income							
Goods sold by installments							
Services rendered by installments							
La Societe Immobiliere du Congo	1,268,572.89		1,268,572.89	1,249,919.48		1,249,919.48	N/A
La Sino-Congolaise Des Mines S. A. (the "SGM")	61,632,028.85		61,632,028.85	41,662,566.21		41,662,566.21	N/A
Gecamines	2,114,288.15		2,114,288.15	2,083,199.14		2,083,199.14	N/A
La Province du Lualaba	16,266,841.12		16,266,841.12	16,027,649.49		16,027,649.49	N/A
Indonesia Weda Bay Industrial Park Co., Ltd. (the "IWIP Company")	199,693,752.00		199,693,752.00	196,757,406.00		196,757,406.00	N/A
Veinstone Investment Limited (the "Veinstone")	117,659,731.20		117,659,731.20	115,929,633.60		115,929,633.60	N/A
PT. Prima Puncak Mulia (the "PPM Company")				130,661,215.01		130,661,215.01	N/A
PT. ETERNAL NICKEL	56,069,520.00		56,069,520.00				N/A

Items	Closing balance			Opening balance			Discount rate range
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount	
INDUSTRY (the “Eternal Nickel Industry”)							
Total	454,704,734.21		454,704,734.21	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 2,114,288.15 yuan according to the exchange rate as at December 31, 2024) and USD 176,475.00 (equivalent to 1,268,572.89 yuan as at December 31, 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 42,284,325.32 yuan according to the exchange rate as at December 31, 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 December 31, 2024, the subsidiary CDM Company has paid USD 2,262,929.32 (equivalent to 16,266,841.12 yuan according to the exchange rate as at December 31, 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 199,693,752.00 yuan according to the exchange rate as at December 31, 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 117,659,731.20 yuan according to the exchange rate as at

December 31, 2024) to Veinstone. Such shareholder borrowings were rendered together with other shareholders based on holding proportions.

5) Eternal Nickel Industry

Pursuant to the “Shareholder Loan Agreement” entered into between the subsidiary Huajun International Investment and the associate Eternal Nickel Industry based on the resolution of the 20th meeting of the sixth session of the Board of Directors in 2024, Huajun International Investment, as shareholder of Eternal Nickel Industry, rendered shareholder borrowings of USD 15,600,000.00 (equivalent to 112,139,040.0 yuan according to the exchange rate as at December 31, 2024) to Eternal Nickel Industry. Such shareholder borrowings were rendered together with other shareholders based on holding proportions.

(2) Details on categories of provision accrual methods

Applicable Not Applicable

Long-term receivables with provision for bad debts made on an individual basis:

Applicable Not Applicable

Remarks on long-term receivables with provision for bad debts made on an individual basis:

Applicable Not Applicable

Long-term receivables with provision for bad debts made on a collective basis:

Applicable Not Applicable

(3) Provision for bad debts made using three-stage model

Applicable Not Applicable

Classification basis of stages and proportion of provision for bad debts

None.

Remarks on significant changes in book balance of long-term receivables with changes in loss allowances:

Applicable Not Applicable

Determination basis for provision for bad debts made in the current period and whether credit risk has increased significantly

Applicable Not Applicable

(4) Details on provision for bad debts

Applicable Not Applicable

Significant provision for bad debts collected or reversed in the current period:

Applicable Not Applicable

Other remarks:

None.

(5) Details on long-term receivables actually written off in the current period

Applicable Not Applicable

Significant long-term receivables written off

Applicable Not Applicable

Remarks on long-term receivables written off:

Applicable Not Applicable

Other remarks

Applicable Not Applicable

17. Long-term equity investments
(1) Details

√ Applicable □ Not Applicable

Investees	Opening balance	Increase/Decrease								Closing balance	Closing balance of provision for impairment
		Investments increased	Investments decreased	Investment income recognized under equity method	Adjustment in other comprehensive income	Changes in other equity	Cash dividend/ Profit declared for distribution	Provision for impairment	Others		
I. Joint ventures											
PT. Alam Hijau Environmental Services (the "Alam Hijau")	6,130,740.58	17,971,000.00		-372,171.36	-587,623.40					23,141,945.82	
PT CELEBES MINERAL INVESEMNTN (the "CMI Company")		216,053,825.43		-1,554,655.30	17,046.66					214,516,216.79	
Subtotal	6,130,740.58	234,024,825.43	0.00	-1,926,826.66	-570,576.74	0.00	0.00	0.00	0.00	237,658,162.61	0.00
II. Associates											
Newstride Technology Limited (the "Newstride Technology")	1,703,945,945.79			378,651,445.63	27,309,707.57		229,584,540.00			1,880,322,558.99	
Quzhou Minfu Woneng New Energy Vehicle Technology Co., Ltd. (the "Minfu Woneng")											1,161,307.33
AVZ Minerals Limited (the "AVZ Company")	58,764,948.53									58,764,948.53	
Zhejiang Puhua New Energy Materials Co., Ltd. (the "Puhua Company")	582,518,957.15			-47,136,368.79						535,382,588.36	
Leyou Company	1,964,440,441.25			279,809,430.74			433,774,928.01			1,810,474,943.98	
Ruiyou Investment Company Limited (the "Ruiyou Company")	9,996,285.22			-6,061.26	1,117.11					9,991,341.07	
Veinstone	215,380,966.01			27,738,587.75	55,047,552.36					298,167,106.12	
IWIP Company	323,396,923.15	76,496,400.00		54,337,703.99	-7,644,737.16					446,586,289.98	
PT. Hua Pioneer Indonesia (the "Indonesia Huatuo")											3,479,194.09
Quzhou Anyou Equity Investment Partnership (LP) (the "Quzhou Anyou")	587,288,826.94			-481,030.74						586,807,796.20	
POSCO-HY Clean Metal Co., Ltd.	37,548,390.12			-37,548,390.12							

Investees	Opening balance	Increase/Decrease								Closing balance	Closing balance of provision for impairment
		Investments increased	Investments decreased	Investment income recognized under equity method	Adjustment in other comprehensive income	Changes in other equity	Cash dividend/ Profit declared for distribution	Provision for impairment	Others		
(the "PHC Company")											
Hunan Yacheng New Energy Co., Ltd. (the "Hunan Yacheng")	118,584,531.44			-21,309,691.51						97,274,839.93	
Guangxi Times Li-ion New Energy Materials Investment Management Center (LP) (the "Guangxi Times Li-ion Investment Management Center")	702,935,855.03			-12,257,919.22						690,677,935.81	
Guangxi Times Li-ion New Materials Industry Development Fund Partnership (LP) (the "Guangxi Times Li-ion Industry Fund")	657,644,871.98			-21,774,568.63						635,870,303.35	
Quzhou Xinhua Equity Investment Partnership (LP) (the "Quzhou Xinhua")	1,169,141,544.85			-436,990.98						1,168,704,553.87	
Zhejiang Power Investment Huayou Intelligent Energy Co., Ltd. (the "Zhejiang Power Investment")	5,838,263.13	3,659,900.00		900,805.54						10,398,968.67	
Tongxiang Lithium Times Equity Investment Partnership (LP) (the "Tongxiang Lithium Times")	119,513,527.56	44,000,000.00		-1,007,850.34						162,505,677.22	
Ningbo Ruihua International Trade Co., Ltd. (the "Ningbo Ruihua")	62,875,176.08			916,159.94			2,587.982.40			61,203,353.62	
Zhejiang Haigang Pingyou Port Co., Ltd. (the "Haigang Pingyou")	88,665,000.00									88,665,000.00	
LG-HY BCM Co., Ltd. (the "LG-HY BCM")	673,133,839.31			87,592,485.09	-67,787.214.87					692,939,109.53	
Quzhou Hangyang Huayou Gas Co., Ltd. (the "Quzhou Hangyang")	70,282,751.48			3,210,379.04						73,493,130.52	

Investees	Opening balance	Increase/Decrease								Closing balance	Closing balance of provision for impairment
		Investments increased	Investments decreased	Investment income recognized under equity method	Adjustment in other comprehensive income	Changes in other equity	Cash dividend/ Profit declared for distribution	Provision for impairment	Others		
Changchun Zongxu Huayou Energy Technology Co., Ltd. (the "Zongxu Huayou")	1,864,503.67			529,286.91						2,393,790.58	
Askari Mteals Limited (the "Askari Company")	9,599,207.07			-1,401,769.16	322,389.42					8,519,827.33	
PT. IWIP Green Industry	4,687,757.55	177,787,219.50		5,326,712.69	1,980,930.46					189,782,620.20	
MBM Company	538,587,411.85			42,832,954.27	11,579,237.02					592,999,603.14	
PT.WANA KENCANA MINERAL (the "WKM Company")		943,092,832.97		36,470,397.09	13,305,978.11					992,869,208.17	
Eternal Nickel Industry		194,160,646.00		-7,045,150.74	825,870.79					187,941,366.05	
Chengdu Huantou Resource Recycling Co., Ltd. (the "Chengdu Huantou")		6,540,400.00		-65,835.91						6,474,564.09	
NA CHENG LIMITED		359,710,000.00		2,775,603.05	629,324.64					363,114,927.69	
Guangxi Huayu Trading Co., Ltd. (the "Guangxi Huayu")		3,970,015.14								3,970,015.14	
JOH CO.,LTD		463,910,200.00								463,910,200.00	
Subtotal	9,706,635,925.16	2,273,327,613.61		770,620,324.33	35,570,155.45			665,947,450.41		12,120,206,568.14	4,640,501.42
Total	9,712,766,665.74	2,507,352,439.04		768,693,497.67	34,999,578.71			665,947,450.41		12,357,864,730.75	4,640,501.42

(2) Impairment test of long-term equity investments

Applicable Not Applicable

Other remarks

None.

Recoverable amount determined based on the fair value less costs of disposal

Applicable Not Applicable

Recoverable amount determined based on the present value of estimated future cash flows

Applicable Not Applicable

Reasons for obvious inconsistencies between the aforementioned information and the information used in impairment tests in previous years or external information

√ Applicable Not Applicable

Reasons for obvious inconsistencies between the information used in the Company's impairment tests in previous years and the actual situation of those years

√ Applicable Not Applicable

Other remarks:

N/A

18. Investment in other equity instruments
(1). Description of investment in other equity instruments

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase or decrease in the current period					Ending balance	Dividend income recognized in the current period	Cumulative gains included in other comprehensive income	Cumulative losses included accumulated in other comprehensive income	Reasons for designation of being measured at fair value through changes recorded in other consolidated profits and losses
		Additional investment	Investment decrease	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. (hereinafter referred to as "Inner Mongolia Sinuo")	36,894,737.00						36,894,737.00				
HANAQ ARGENTINA SA (hereinafter referred to as "HANAQ")	4,002,445.81						4,002,445.81				

Shenzhen Phoenicia Technology Co., Ltd (hereinafter referred to as "Shenzhen Phoenicia")	1,750,000.00		4,775,000.00	3,025,000.00				3,025,000.00		
Zhejiang Shengyan Technology Co., Ltd. (hereinafter referred to as "Shengyan Technology")		129,482,700.00					129,482,700.00			
China General Nuclear New Energy (Yulin) Co., Ltd. (hereinafter referred to as "CGN New Energy")		6,000,000.00					6,000,000.00			
Total	42,647,182.81	135,482,700.00	4,775,000.00	3,025,000.00			176,379,882.81			

(2). Explanation of derecognition in the current period

 √ Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Cumulative gains transferred to retained earnings arising from the derecognition	Cumulative losses transferred to retained earnings arising from the derecognition	Reasons for derecognition
Shenzhen Phoenicia	3,025,000.00		Equity transfer
Total	3,025,000.00		

Other explanations:

 √ Applicable Not Applicable

In consideration of the above investments being classified as non-trading equity instrument investments, the Company recognizes them as equity instruments measured at fair value with changes included in other comprehensive income.

19. Other non-current assets

✓ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Financial assets classified as measured at fair value with changes recorded in current profits and losses	6,573,600.00	6,573,600.00
Incl.: Other equity instruments investment	6,573,600.00	6,573,600.00
Total	6,573,600.00	6,573,600.00

Other explanations:

✓ Applicable □ Not Applicable

Invested entity	Amount at the beginning of period	Increase in the current period	Decrease in the current period	Ending balance
SCM	6,573,600.00			6,573,600.00
Subtotal	6,573,600.00			6,573,600.00

20. Investment properties

Measurement mode of investment properties

Not applicable

21. Fixed assets
List by item

✓ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Fixed assets	51,098,211,511.40	46,339,084,007.03
Disposal of fixed assets		
Total	51,098,211,511.40	46,339,084,007.03

Other explanations:

□ Applicable ✓ Not Applicable

Fixed assets
(1). Description of fixed assets

✓ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Houses and buildings	Machinery equipment	Transportation means	Other equipment	Total
I. Original book value:					
1. Opening 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. Increased amount in the current period	3,678,140,765.41	5,240,911,116.88	212,000,870.25	107,568,134.53	9,238,620,887.07
(1) Purchase	0.00	238,369,815.96	184,792,609.21	23,050,129.06	446,212,554.23
(2) Transfer from construction in progress	3,256,151,511.65	4,208,511,369.07		80,735,784.76	7,545,398,665.48
(3) Increase in business mergers	295,524,168.64	441,425,820.01	9,973,352.40	1,515,342.29	748,438,683.34
(4) Difference from	126,465,085.12	352,604,111.84	17,234,908.64	2,266,878.42	498,570,984.02

translation of statements in foreign currency					
3. Decrease in the current period	27,678,949.47	155,310,011.60	9,892,371.66	25,729,636.80	218,610,969.53
(1) Disposal or scrapping	27,678,949.47	122,974,643.91	9,856,327.29	20,594,073.57	181,103,994.24
(2) Transfer-in of construction under progress	0.00	32,335,367.69		5,072,351.77	37,407,719.46
(3) Difference from translation of statements in foreign currency			36,044.37	63,211.46	99,255.83
4. Ending balance	19,304,581,546.83	42,000,917,237.42	1,391,123,315.95	913,543,582.43	63,610,165,682.63
II. Accumulated depreciation					
1. Opening 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. Increased amount in the current period	898,243,794.38	3,204,849,478.14	164,585,426.29	132,619,258.81	4,400,297,957.62
(1) Provision	842,731,030.63	2,928,823,925.54	155,465,393.18	130,182,326.95	4,057,202,676.30
(2) Increase from business combination	36,545,597.91	71,563,302.06	4,278,195.27	362,151.28	112,749,246.52
(3) Difference from translation of statements in foreign currency	18,967,165.84	204,462,250.54	4,841,837.84	2,074,780.58	230,346,034.80
3. Decrease in the current period	12,985,254.69	102,503,437.19	7,337,260.55	14,214,400.59	137,040,353.02
(1) Disposal or scrapping	12,985,254.69	88,581,533.91	7,334,801.04	10,133,124.00	119,034,713.64
(2) Transfer-in of construction under progress	0.00	13,921,903.28		4,078,817.08	18,000,720.36
(3) Difference from translation of statements in foreign currency			2,459.51	2,459.51	4,919.02
4. Ending balance	2,657,988,348.14	8,938,873,368.95	429,604,133.91	462,518,757.05	12,488,984,608.05
III. Provision for impairment					
1. Opening balance	5,401,261.92	18,565,100.04	0.00	1,378,392.65	25,344,754.61
2. Increased amount in the current period	664,986.70	1,031,964.10		12,066.71	1,709,017.51
(1) Provision					
(2) Difference from translation of statements in foreign currency	664,986.70	1,031,964.10	0.00	12,066.71	1,709,017.51
3. Decrease in the current period	3,173,298.75	906,583.71		4,326.48	4,084,208.94
(1) Disposal or scrapping	3,173,298.75	906,583.71	0.00	4,326.48	4,084,208.94
4. Ending balance	2,892,949.87	18,690,480.43		1,386,132.88	22,969,563.18
IV. Book value					
1. Book value at the end of the period	16,643,700,248.82	33,043,353,388.04	961,519,182.04	449,638,692.50	51,098,211,511.40
2. Book value at the beginning of the period	13,875,988,660.52	31,060,223,704.10	916,658,849.19	486,212,793.22	46,339,084,007.03

(2). Description of temporarily idle fixed assets

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Original book value	Accumulated depreciation	Provision for impairment	Book value	Notes
Houses and buildings	6,240,137.75	2,873,447.33	2,892,949.87	473,740.55	
Machinery equipment	44,940,638.02	25,612,393.45	17,792,584.24	1,535,660.33	
Other equipment	1,643,364.80	241,176.75	1,232,206.63	169,981.42	
Subtotal	52,824,140.57	28,727,017.53	21,917,740.74	2,179,382.30	

(3). Fixed assets leased out through operating lease

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Ending book value
Houses and buildings	95,543.43
Machinery equipment	720,207.97
Transportation means	241,305.30
Other equipment	3,810,800.00
Subtotal	4,867,856.70

Since the fixed assets leased for operation only constitute part of the Company's buildings and structures, and the leases are temporary, they are not accounted for as investment property projects.

(4). Fixed assets without property right certificate
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Book value	Reasons for the failure to obtain title certificate
Buildings and structures of Quzhou Huayou, Guangxi B&M, Huayou New Energy Technology (Quzhou), Guangxi Huayou Lithium Industry, etc.	3,395,177,301.26	In progress
Subtotal	3,395,177,301.26	

(5). Impairment testing of fixed assets
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

Disposal of fixed assets
 Applicable Not Applicable

22. Construction in progress
List by item
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Construction in progress	9,461,421,257.30	10,438,025,172.14
Project goods and material	440,825,245.20	381,532,003.35
Total	9,902,246,502.50	10,819,557,175.49

Other explanations:

 Applicable Not Applicable

Construction in progress
(1). Description of construction in progress
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value

Huayou Technology Innovation Center construction project	186,479,621.58		186,479,621.58	166,026,140.65		166,026,140.65
Power-type lithium battery new energy precursor materials project with an annual output of 30,000 tons	77,513,719.79		77,513,719.79	402,790,641.58		402,790,641.58
High-purity nickel sulfate project with an annual output of 50,000 tons (metal quantity) (Phase I)				194,263,801.35		194,263,801.35
High-purity nickel construction project with an annual output of 50,000 tons (metal quantity)				34,404,690.00		34,404,690.00
Integration project of ternary cathode materials for high-nickel power batteries with an annual output of 50,000 tons and ternary precursor materials with an annual output of 100,000 tons	4,168,383,706.20		4,168,383,706.20	3,869,462,299.84		3,869,462,299.84
Annual production of 50,000 tons of next-generation high-capacity cathode materials for 3C applications				285,699,184.48		285,699,184.48
Nickel-cobalt hydroxide project with an annual output of 120,000 tons of nickel metal quantity				1,578,930,401.58		1,578,930,401.58
Arcadia's 4.5 million tons a year lithium mining and dressing plant project in Zimbabwe	24,817,530.76		24,817,530.76	22,143,701.25		22,143,701.25

New high-performance power battery ternary precursor project with an annual output of 50,000 tons	552,122,702.90		552,122,702.90	600,367,873.71		600,367,873.71
Battery-grade lithium salt project with an annual output of 50,000 tons	23,982,455.43		23,982,455.43	1,195,186,065.35		1,195,186,065.35
Battery-grade nickel sulfate project with an annual output of 50,000 tons (nickel metal quantity)	747,087,878.45		747,087,878.45	218,496,805.09		218,496,805.09
Project for the construction of high-purity electro-nickel prepared from crude nickel-cobalt hydroxide feedstock	38,539,775.42		38,539,775.42			
Power battery ternary precursor material construction project with an annual output of 50,000 tons	667,139,335.03		667,139,335.03			
Newly added 7000t/a (cobalt metal amount) of high voltage cobaltic oxide green smart manufacturing project	343,799,505.42		343,799,505.42	324,881,742.68		324,881,742.68
Ternary cathode project for high-nickel power batteries	414,812,953.45		414,812,953.45	24,700,628.44		24,700,628.44
Indonesia Pomalaa Industrial Park project	447,263,712.33		447,263,712.33	235,529,430.41		235,529,430.41
Other sporadic projects	1,769,478,360.54		1,769,478,360.54	1,285,141,765.73		1,285,141,765.73
Subtotal	9,461,421,257.30		9,461,421,257.30	10,438,025,172.14		10,438,025,172.14

(2). Changes of items under important construction in progress in the current period

√ Applicable □ Not Applicable

Unit: yuan Currency: RMB

Items	Budget	Opening balance	Increase d amount in the current period	Amount transferr ed to fixed assets in current period	Other decrease d amount in the current period	Ending balance	Propor tion of accum ulated projec t invest ment to budget (%)	Progre ss of works	Accumu lated amount of interest capitaliz ation	Includin g: Amount of interest capitaliz ation in the current period	Interes t capital ization rate in the curren t period (%)	Capital source
Integration project of ternary cathode materials for high-nickel 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	473,225,903.52	174,304,497.16		4,168,383,706.20	95.07	95	540,459,188.78	204,714,499.91	3.63	Funds raised, loans from financial institutions, and other sources
Nickel-cobalt hydroxide project with an annual output of 120,000 tons of nickel metal quantity	13,808,524,376.00	1,578,930,401.58	739,225,506.53	1,476,823,412.85	841,332,495.26		105.86	100	587,799,282.01			Loans from financial institutions and other sources
Battery-grade lithium salt project with an annual output of 50,000 tons	1,916,751,200.00	1,195,186,065.35	189,867,623.26	1,361,071,233.18		23,982,455.43	106.48	100	55,249,446.71	18,572,823.07	3.63	Funds raised, loans from financial institutions, and other sources
Battery-grade nickel sulfate project with an annual output of 50,000 tons (nickel metal quantity)	1,146,813,100.00	218,496,805.09	1,086,768,210.41	558,177,137.05		747,087,878.45	102.95	90	73,558,332.29	65,209,570.54	4.78	Funds raised, loans from financial institutions, and other sources

Project for the construction of high-purity electro-nickel prepared from crude nickel-cobalt hydroxide feedstock	1,379,495,200.00		1,158,896,258.80	1,120,356,483.38		38,539,775.42	84.01	100	6,461,056.53	6,461,056.53	3.52	Funds raised, loans from financial institutions, and other sources
Power battery ternary precursor material construction project with an annual output of 50,000 tons	1,341,269,300.00		855,108,917.59	187,969,582.56		667,139,335.03	63.75	70				Other sources
Total	25,210,623,176.00	6,862,075,571.86	4,503,092,420.11	4,878,702,346.18	841,332,495.26	5,645,133,150.53			1,263,527,306.32	294,957,950.05		

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

(4). Impairment testing of construction in progress
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows.
 Applicable Not Applicable

Reasons for significant discrepancies between the foregoing information and the information used in previous years' impairment tests or external information:
 Applicable Not Applicable

Reasons for significant discrepancies between the information used in the Company's previous years' impairment tests and the actual situation of the year
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

Project goods and material
(5). Project goods and materials
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value

		nt			nt	
Equipment and engineering materials	440,825,245.20		440,825,245.20	381,532,003.35		381,532,003.35
Total	440,825,245.20		440,825,245.20	381,532,003.35		381,532,003.35

Other explanations:

N/A

23. Productive biological assets

(1). Productive biological assets with cost measurement mode

Applicable Not Applicable

(2). Impairment testing of productive biological assets with cost measurement mode

Applicable Not Applicable

The recoverable amount is determined based on the net of fair value less disposal costs.

Applicable Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows.

Applicable Not Applicable

Reasons for significant discrepancies between the foregoing information and the information used in previous years' impairment tests or external information:

Applicable Not Applicable

Reasons for significant discrepancies between the information used in the Company's previous years' impairment tests and the actual situation of the year

Applicable Not Applicable

(3). Productive biological assets with fair value econometric mode

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

24. Oil and gas assets

(1) Situation of oil and gas assets

Applicable Not Applicable

(2) Situation of impairment testing of oil and gas assets

Applicable Not Applicable

Other explanations:

N/A

The recoverable amount is determined based on the net of fair value less disposal costs.

 Applicable Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows.

 Applicable Not Applicable

Reasons for significant discrepancies between the foregoing information and the information used in previous years' impairment tests or external information:

 Applicable Not Applicable

Reasons for significant discrepancies between the information used in the Company's previous years' impairment tests and the actual situation of the year

 Applicable Not Applicable

Other explanations:

25. Right-of-use assets

(1) Situation of the right-of-use assets

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Houses and buildings	Transportation means	Total
I. Original book value			
1. Opening balance	184,868,799.84	18,265,807.02	203,134,606.86
2. Increased amount in the current period	18,749,013.02		18,749,013.02
1) Leased	18,627,368.03		18,627,368.03
2) Translation differences of foreign currency financial statements	121,644.99		121,644.99
3. Decrease in the current period	80,752,585.59	18,265,807.02	99,018,392.61
1) Expiration of lease	33,872,067.62		33,872,067.62
2) Early termination of lease	45,397,665.55	18,265,807.02	63,663,472.57
3) Translation differences of foreign currency financial statements	1,482,852.42		1,482,852.42
4. Ending balance	122,865,227.27		122,865,227.27
II. Accumulated depreciation			
1. Opening balance	81,906,222.77	15,094,659.97	97,000,882.74
2. Increased amount in the current period	39,634,610.96	1,902,688.24	41,537,299.20

(1) Accrual	39,596,090.05	1,902,688.24	41,498,778.29
(2) Translation differences of foreign currency financial statements	38,520.91		38,520.91
3. Decrease in the current period	56,814,209.29	16,997,348.21	73,811,557.50
1) Disposal	33,872,067.62		33,872,067.62
2) Expiration of lease	22,507,641.41	16,997,348.21	39,504,989.62
3) Early termination of lease	434,500.26		434,500.26
4. Ending balance	64,726,624.44		64,726,624.44
III. Provision for impairment			
1. Opening balance			
2. Increased amount in the current period			
1) Accrual			
3. Decrease in the current period			
1) Disposal			
4. Ending balance			
IV. Book Value			
1. Book value at the end of the period	58,138,602.83		58,138,602.83
2. Book value at the beginning of the period	102,962,577.07	3,171,147.05	106,133,724.12

(2) Impairment testing of the right-of-use assets

Applicable Not Applicable

Other explanations:

N/A

26. Intangible assets

(1). Description of intangible assets

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Land use right	Patent right	Non-patent technology	Mining rights	Software	Emission rights	Contractual rights	Total
I. Original book value								
1. Opening balance	1,045,408,962.70	267,375,199.35		3,404,716,128.62	84,066,331.93	28,134,832.82		4,829,701,455.42
2. Increased amount in the current period	95,535,589.71	344,899,432.00		68,922,997.49	23,102,476.57	3,869,694.21	981,504,136.00	1,517,834,325.98
1) Purchase	80,063,231.72			22,128,355.30	23,017,385.6	3,869,694.21		129,078,666.87

					4			
2) Internal R&D								
3) Increase in business mergers	11,934,552.00	340,845,122.00					969,966,506.00	1,322,746,180.00
4) Difference from translation of statements in foreign currency	3,537,805.99	4,054,310.00		46,794,642.19	85,090.93		11,537,630.00	66,009,479.11
3. Decrease in the current period	19,469,090.13				1,586,712.27	4,375,647.40		25,431,449.80
1) Disposal	14,508,336.03				1,586,712.27	4,375,647.40		20,470,695.70
2) Difference from translation of statements in foreign currency	4,960,754.10							4,960,754.10
4. Ending balance	1,121,475,462.28	612,274,631.35		3,473,639,126.11	105,582,096.23	27,628,879.63	981,504,136.00	6,322,104,331.60
II. Accumulated amortization								
1. Opening balance	113,121,983.64	69,988,872.10		685,565,500.32	27,776,410.89	18,852,718.59		915,305,485.54
2. Increased amount in the current period	26,485,071.57	95,598,486.77		260,291,485.14	10,119,031.47	3,775,801.65	98,150,413.60	494,420,290.20
1) Provision	25,863,992.28	95,091,338.17		258,605,342.85	10,080,444.27	3,775,801.65	97,428,799.70	490,845,718.92
2) Increase in business mergers								
3) Difference from translation of statements in foreign currency	621,079.29	507,148.60		1,686,142.29	38,587.20		721,613.90	3,574,571.28
3. Decrease in the current period	651,361.93				841,566.89	4,375,647.40		5,868,576.22
1) Disposal	552,950.54				841,566.89	4,375,647.40		5,770,164.83
2) Difference from translation of statements in foreign currency	98,411.39							98,411.39
4. Ending balance	138,955,693.28	165,587,358.87		945,856,985.46	37,053,875.47	18,252,872.84	98,150,413.60	1,403,857,199.52
III. Provision for impairment								
1. Opening balance								
2. Increased amount in the current period								
1) Provision								
3. Decrease in the current period								
1) Disposal								
4. Ending balance								
IV. Book Value								
1. Book value at		446,687,272.48				9,376,006.79	883,353,722.40	4,918,247,132.00

the end of the period	982,519,769.00			2,527,782,140.65	68,528,220.76			8
2. Book value at the beginning of the period	932,286,979.06	197,386,327.25		2,719,150,628.30	56,289,921.04	9,282,114.23		3,914,395,969.88

At the end of this period, the proportion of intangible assets formed through internal research and development of the Company to the balance of intangible assets is 0%.

(2). Data resources determined as intangible assets

Applicable Not Applicable

(3). The land use right without the property ownership certificate

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Book value	Reasons for the failure to obtain title certificate
Land use right of Huayue Company and Indonesia Huafei	181,468,906.15	In progress
Total	181,468,906.15	

(3) Impairment testing of intangible assets

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

27. Goodwill

(1). Original book value of goodwill

Applicable Not Applicable

Unit: Yuan Currency: RMB

The name of the invested unit or items forming goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Formed by 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
Chongjing Holding		336,378,756.43				336,378,756.43
Total	461,381,655.24	336,378,756.43				797,760,411.67

(2). Provision for impairment of goodwill

Applicable Not Applicable

Unit: Yuan Currency: RMB

The name of the invested unit or items forming goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Provision		Disposal		

Huahai New Energy		95,136,198.86				95,136,198.86
Tianjin B&M	5,030,276.98	101,783,631.97				106,813,908.95
Total	5,030,276.98	196,919,830.83				201,950,107.81

The goodwill of Tianjin B&M is divided into two parts: one part is core goodwill of RMB 336,004,594.11, and the other part is goodwill of RMB 30,240,862.27 formed due to the recognition of deferred income tax liabilities. For goodwill formed due to the recognition of deferred income tax liabilities, the corresponding proportion of goodwill impairment loss will be recognized as the deferred income tax liabilities are reversed. During this period, the Company recognized an impairment provision of RMB97,874,230.7 for the core goodwill of Tianjin B&M. For goodwill formed due to the recognition of deferred income tax liabilities, the Company recognized an impairment provision of RMB 2,064,541.41.

(3). Information about the asset group or combination of asset groups of goodwill

Applicable Not Applicable

Name	Composition and Basis of the Asset Group or Portfolio to Which It Belongs	Operating Division and Basis	Consistency with Previous Years
Huahai New Energy asset group	The asset group in which the goodwill is located produces products for which there is an active market that generates independent cash flows and can be recognized as a separate asset group.	Whether the product belongs to ternary precursors	Yes
Tianjin B&M asset group	The asset group in which the goodwill is located produces products for which there is an active market that generates independent cash flows and can be recognized as a separate asset group.	The products belong to cathode materials.	Yes
Chongjing Holding asset group	The asset group in which the goodwill is located produces products for which there is an active market that generates independent cash flows and can be recognized as a separate asset group.	The products belong to nickel products.	Yes

Changes in the asset group or combination of asset groups

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

(4). Specific methods for determining the recoverable amount

The recoverable amount is determined based on the net of fair value less disposal costs.

Applicable Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows.

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Book value	Recoverable amount	Impairment amount	Forecast period duration	Key parameters of the forecast period (growth rate, profit margin, etc.)	Basis for determining parameters during the forecast period	Key parameters during the stabilization period (growth rate, profit margin, discount rate, etc.)	Basis for determining the key parameters of the stable period
Huahai New Energy asset group	972,717,603.50	876,720,000.00	95,136,198.86	5 years	Determined based on historical experience and market development forecasts.	Determined based on historical experience and market development forecasts. The discount rate is 11.50% based on the weighted average cost of capital calculation model.	Determined based on historical experience and market development forecasts.	Determined based on historical experience and market development forecasts. The discount rate is 11.50% based on the weighted average cost of capital calculation model.
Tianjin B&M asset group	4,102,515,940.49	3,837,000,000.00	265,515,940.49	5 years	Determined based on historical experience and market development forecasts.	Determined based on historical experience and market development forecasts. The discount rate is 9.67% based on the weighted average cost of capital calculation model.	Determined based on historical experience and market development forecasts.	Determined based on historical experience and market development forecasts. The discount rate is 9.67% based on the weighted average cost of capital calculation model.
Chongjing Holding asset group	2,617,095,853.53	2,657,000,000.00		5 years	Determined based on historical experience and market development forecasts.	Determined based on historical experience and market development forecasts. The discount rate is 9.75%	Determined based on historical experience and market development forecasts.	Determined based on historical experience and market development forecasts. The discount rate is 9.75% based on the weighted

						based on the weighted average cost of capital calculation model.		average cost of capital calculation model.
Total	7,692,329,397.52	7,370,720,000.00	360,652,139.35	/	/	/	/	/

Note: 1) In accordance with the Appraisal Report (K. Y. P. B. [2025] No. 312) issued by Kunyuan Asset Appraisal Co., Ltd., which was hired by the Company, the recoverable amount of Huahai New Energy asset group is RMB 876,720,000.00, the book value of the asset group that contains goodwill or the combination of asset group is RMB 972,717,603.50, and the difference between the recoverable amount and the book value is RMB 95,997,603.50. Therefore, a full impairment loss of RMB 95,136,198.86 is recognized for the goodwill of Huahai New Energy, which is entirely attributable to the goodwill impairment loss that should be recognized by the Company.

2) In accordance with the Appraisal Report (K. Y. P. B. [2025] No. 311) issued by Kunyuan Asset Appraisal Co., Ltd., which was hired by the Company, the recoverable amount of Tianjin B&M asset group is RMB 3,837,000,000.00, the book value of the asset group that contains goodwill or the combination of asset group is RMB 4,102,515,940.49, and the difference between the recoverable amount and the book value is RMB 265,515,940.49. Therefore, in this period, the goodwill impairment loss of RMB 265,515,940.49 should be recognized, of which the goodwill impairment loss attributable to the Company is RMB 97,874,230.72.

Reasons for significant discrepancies between the foregoing information and the information used in previous years' impairment tests or external information:

Applicable Not Applicable

Reasons for significant discrepancies between the information used in the Company's previous years' impairment tests and the actual situation of the year

Applicable Not Applicable

(5). Performance commitment and corresponding goodwill impairment situation

There is performance commitment when goodwill is formed and the reporting period or the previous period of the reporting period is within the performance commitment period

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

28. Long-term deferred expenses

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increased amount in the current period	Amortization in the current period	Other decreased amount	Closing balance
Improvement expenditure of fixed assets	15,203,872.12	1,474,143.75	4,822,833.14		11,855,182.73
Aircraft usage fees	54,660,780.34	0	8,409,350.82		46,251,429.52
Total	69,864,652.46	1,474,143.75	13,232,183.96		58,106,612.25

Other explanations:

N/A

29. Deferred income tax assets/deferred income tax liabilities
(1). Deferred income tax assets without offset

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income taxes Assets	Deductible temporary difference	Deferred income taxes Assets
Provision for impairment of assets	579,981,965.66	113,348,098.26	704,927,681.06	129,950,605.97
Unrealized profits of internal transactions	597,443,351.99	125,076,525.00	621,878,852.69	122,261,617.89
Deductible loss	2,156,663,393.74	427,115,017.39	2,409,217,294.66	458,249,854.31
Deferred income	630,133,596.21	136,495,192.69	572,542,493.20	130,217,669.69
Expenses of share-based payment	6,117,408.66	917,611.30	15855223.57	2378283.54
Lease liabilities	51,120,095.51	11,316,619.18	80,937,147.80	17,132,298.60
Total	4,021,459,811.77	814,269,063.82	4,405,358,692.98	860,190,330.00

(2). Deferred income tax liabilities without offset

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance		Opening balance	
	Taxable temporary difference	Deferred income taxes Liabilities	Taxable temporary difference	Deferred income taxes Liabilities
Assets assessment appreciation in businesses consolidation under common control				
Changes in the fair value of other creditors' investment				
Changes in the fair value of other equity instruments				
Temporary differences included in long-term assets	318,101,882.08	68,689,926.69	355,214,913.12	53,278,046.49
Depreciation of fixed assets	1,248,542,156.80	199,376,192.35	1,378,056,154.59	264,511,883.61
Profits and losses of changes in fair values	47,751,623.03	7,347,784.56	75,039,736.32	15,164,766.89

Right-of-use assets	50,592,634.64	9,219,019.83	88,103,270.67	19,002,218.46
Total	1,664,988,296.55	284,632,923.43	1,896,414,074.70	351,956,915.45

(3). Deferred income tax assets or liabilities listed in net amount after offset
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Offset amount of deferred income tax assets and liabilities at the end of the period	Ending balance of deferred income tax assets or liabilities after offset	Amount of deferred income tax assets and liabilities mutually-offset beginning of the period	Open amount of deferred income tax assets or liabilities after offsetting
Deferred income tax assets	209,370,774.55	604,898,289.27	295,016,895.35	565,173,434.65
Deferred income tax liabilities	209,370,774.55	75,262,148.88	295,016,895.35	56,940,020.10

(4). Details of unrecognized deferred income tax assets
 Applicable Not Applicable

(5). The deductible loss of unrecognized deferred income tax assets will expire in the following years
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

30. Other non-current assets
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Contract costs						
Performance cost						
Return cost receivable						
Contracted assets						
Prepayment for land, equipment and project	1,994,913,214.34		1,994,913,214.34	2,112,732,897.10		2,112,732,897.10
Advance payment for equity investment [Note]	264,266,833.96		264,266,833.96	1,738,848,254.05		1,738,848,254.05
Total	2,259,180,048.30		2,259,180,048.30	3,851,581,151.15		3,851,581,151.15

Other explanations:

N/A

31. Assets with limited ownership or use rights
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	End of the period				Beginning of the period			
	Book balance	Book value	Type of restriction	Restrictions	Book balance	Book value	Type of restriction	Restrictions
Monetary	3,934,560.8	3,934,560.8	Pledge	Other monetary funds	4,733,146.3	4,733,146.3	Pledge	Other monetary funds

funds	11.62	11.62		amount to RMB 3,934,560,811.62, including bank acceptance bill margin of RMB 1,809,722,569.38, loan margin of RMB 1,698,045,632.21, letter of credit margin of RMB 308,780,174.06, guarantee letter margin of RMB 89,120,909.10, forward foreign exchange settlement margin of RMB 21,500,910.75, environmental assessment margin of RMB 7,154,291.63, litigation frozen funds of RMB 235,324.49, and other margins of RMB 1,000.00.	09.59	09.59		amount to RMB 4,733,146,309.59, including bank acceptance bill margin of RMB 3,156,266,863.66, letter of credit margin of RMB 452,578,910.35, guarantee letter margin of RMB 6,052,500.00, loan margin of RMB 1,097,663,952.77, environmental assessment margin of RMB 9,508,508.46, litigation frozen funds of RMB 10,522,599.11, and other margins of RMB 552,975.24.
Notes receivable			Pledge		598,161,801.28	598,161,801.28	Pledge	Being used as pledge guarantees for bank financing
Inventories	1,239,159,636.85	1,239,159,636.85	Pledge	Being used as pledge guarantees for bank financing	1,843,990,852.54	1,843,990,852.54	Pledge	Being used as pledge guarantees for bank financing and futures trading, and the inventories for after-sales leaseback
Among them: data resources								
Fixed assets	20,508,740,063.46	15,772,873,426.90	Mortgage	Being used as mortgage guarantees for bank financing and the fixed assets for after-sales leaseback	18,945,524,162.58	15,526,597,174.51	Mortgage	Being used as mortgage guarantees for bank financing and the fixed assets for after-sales leaseback
Intangible assets	315,361,155.51	269,642,092.89	Mortgage	Being used as mortgage guarantees for bank financing and the intangible assets for after-sales leaseback	299,757,043.81	260,369,484.50	Mortgage	Being used as mortgage guarantees for bank financing.
Among them: data resources								
Construction in progress	4,284,940.81	4,284,940.81	Others	Being used as construction in progress for after-sales leaseback	328,101,585.57	328,101,585.57	Mortgage	Being used as mortgage guarantees for bank financing, and construction in progress for after-sales leaseback
Financial assets held for trading	101,850,410.96	101,850,410.96	Pledge	Being used as pledge guarantees for bank financing	202,078,356.16	202,078,356.16	Pledge	Being used as pledge guarantees for bank financing
Accounts receivable	123,499,598.14	117,324,618.20	Pledge	Being used as pledge guarantees for bank financing	599,998,080.86	569,998,176.82	Pledge	Being used as pledge guarantees for bank financing
Fixed assets	186,499,006.52	94,982,168.17	Seizure	Guangxi Huayou Engineering, a subsidiary of the Company, in order to unfreeze the bank fund accounts frozen due to litigation, used the relevant real estate as replacement				
Intangible assets	32,390,952.50	31,203,284.24	Seizure	Guangxi Huayou Engineering, a subsidiary of the Company, in order to unfreeze the bank fund accounts frozen due to litigation, used the relevant real estate as replacement				
Long-term equity investment	187,941,366.05	187,941,366.05	Pledge	Being used as pledge guarantees for bank financing				
Total	26,634,287,942.42	21,753,822,756.69			27,550,758,192.39	24,062,443,740.97		

Other explanations:

1) Huayue Company

Pursuant to the account pledge agreement entered into between the subsidiary Huayue Company and Bank of China (Hong Kong) Limited Jakarta Branch, Huayue Company pledged part of its accounts opened with such bank as security for the Loan Agreement of USD 760,000,000. Huayue Company made external payments in accordance with the payment priority stipulated in the loan agreement, and the closing balance of the above pledged accounts was RMB 142,956,090.92.

2) Indonesia Huafei

Pursuant to the account pledge agreement entered into between Huafei Indonesia and PT. Bank ICBC Indonesia, Huafei Indonesia pledged part of its accounts opened with such bank as security for the Loan Agreement of RMB 8,400,000,000. Huafei Indonesia made external payments in accordance with the payment priority stipulated in the loan agreement, and the closing balance of the above pledged accounts was RMB 98,632,913.31.

In addition, the loan agreement also stipulates that Huafei Indonesia shall complete the land mortgage matter within sixty (60) business days after receiving the land certificate; prior to the expiration date of one year after the financing closing date, the Machinery Trust Guarantee, Inventory Trust Guarantee and the Accounts Receivable Trust Guarantee shall be duly signed by all parties and filed with the relevant trust registry in Indonesia.

3) Chengdu B&M

Pursuant to the maximum pledge contract signed between the subsidiary Chengdu B&M and Bank of China Limited, Chengdu B&M has pledged part of its accounts opened with such bank as security for the Working Capital Loan Agreement. Chengdu B&M made external payments according to the payment method specified in the loan agreement, and the closing balance of the above pledged accounts was RMB 24,201,421.95.

4) Others

At the balance sheet date, the Company pledged 36.86% of equity of Tianjin B&M, 40.00% of equity of CDM Company, 80.68% of equity of Huayou Quzhou, 100.00% of equity of Huayuan Copper, 51.00% of equity of Huafei Indonesia, 57.00% of equity of Huayue Company and 45.00% of equity of Prospect Lithium for the Company's financing.

32. Short-term loans
(1). Classification of short-term loans

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Pledge loans	6,225,087,154.72	4,425,773,413.00
Mortgaged borrowing	20,000,000.00	-
Guaranteed loan	12,539,782,648.00	7,244,938,033.34
Credit loans	1,511,992,294.16	2,389,905,345.95
Guarantee and pledged loans	287,217,200.00	
Guarantee and mortgage loan	114,000,000.00	964,000,000.00
Interest on short-term loans	55,776,640.40	24,005,774.24
Total	20,753,855,937.28	15,048,622,566.53

Remarks on the classification of short-term borrowings:

N/A

(2). Overdue and outstanding short-term loans

Applicable Not Applicable

Particulars of important overdue but yet unrepaid short-term borrowings:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

33. Financial liabilities held for trading
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

34. Derivative financial liabilities
 Applicable Not Applicable

35. Notes payable
(1). Presentation of notes payable
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Type	Closing balance	Opening balance
Commercial acceptance bills	16,037,979.09	1,455,095,561.76
Bank acceptance bills	4,193,781,539.46	6,564,031,478.05
Total	4,209,819,518.55	8,019,127,039.81

The amount of bills payable due and unpaid at the end of this period is RMB 0. The reason for overdue payments is not applicable

36. Accounts payable
(1). List by accounts payable
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Payment for goods	8,649,410,797.07	8,791,087,413.90
Payment for engineering and equipment	3,337,391,233.70	3,157,768,992.98
Others	54,741,148.88	53,661,272.12
Total	12,041,543,179.65	12,002,517,679.00

(2). Important accounts payable aged above 1 year or overdue
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

37. Account collected in advance
(1). List by advance accounts
 Applicable Not Applicable

(2). Important advance accounts with an aging of more than one year
 Applicable Not Applicable

(3). The amount and reasons of significant changes in book value during the reporting period
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

38. Contract liabilities
(1). Information of contract liability
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Payment for goods	863,944,887.29	364,675,682.87
Service charges	3,777,089.72	66,362,170.00
Total	867,721,977.01	431,037,852.87

(2). Important contract liabilities aged above 1 year
 Applicable Not Applicable

(3). The amount and reasons of significant changes in book value during the reporting period
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

39. Employee compensation payable
(1). List by employee pay payable
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Short-term compensation	624,756,075.74	4,488,729,865.15	4,429,618,994.11	683,866,946.78
II. Post-employment benefits - defined contribution plans	16,764,110.08	183,758,250.83	188,799,791.20	11,722,569.71
III. Dismission benefits	6,688,415.00	33,893,490.36	34,384,048.26	6,197,857.10
IV. Other benefits due within one year				
Total	648,208,600.82	4,706,381,606.34	4,652,802,833.57	701,787,373.59

(2). List by short-term compensation
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
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I. Salaries, bonuses, allowances and subsidies	606,667,079.30	3,933,323,726.66	3,871,210,401.17	668,780,404.79
II. Welfare expense of employee		285,097,569.63	285,097,569.63	
III. Social insurance premium	10,002,092.19	161,359,682.91	163,234,430.38	8,127,344.72
Including: Medical insurance premium	9,155,678.81	152,982,792.77	154,543,992.32	7,594,479.26
Industrial injury insurance premium	846,413.38	8,376,890.14	8,690,438.06	532,865.46
Maternity insurance premium				
IV. Housing provident fund	6,084,201.30	78,192,102.22	78,740,543.36	5,535,760.16
V. Trade union fund and staff education fund	2,002,702.95	30,756,783.73	31,336,049.57	1,423,437.11
VI. Short-term paid leave				
VII. Short-term profit-sharing plan				
Total	624,756,075.74	4,488,729,865.15	4,429,618,994.11	683,866,946.78

(3). List by defined contribution plan

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic endowment insurance	16,054,012.01	177,520,879.64	182,192,655.80	11,382,235.85
2. Unemployment insurance expense	710,098.07	6,237,371.19	6,607,135.40	340,333.86
3. Enterprise annuity payment				
Total	16,764,110.08	183,758,250.83	188,799,791.20	11,722,569.71

Other explanations:

□ Applicable √ Not Applicable

40. Taxes and fees payable

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
VAT	198,934,246.07	151,671,585.07
GST		
Business tax		
Corporate income tax	249,874,242.65	138,758,219.50
Personal income tax	16,213,297.62	18,753,693.59
Urban maintenance and construction tax	24,127.18	127,176.13
Housing property tax	35,584,231.03	13,020,860.44
Land use tax	15,563,872.99	1,550,281.90

Education surcharge	10,469.41	113,077.59
Local education surcharges	6,979.63	73,232.16
Mining tax	80,061,912.30	77,753,801.56
Other taxes	27,654,141.10	27,552,919.82
Total	623,927,519.98	429,374,847.76

Other explanations:

N/A

41. Other payables

(1). List by item

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interests payable		
Dividends payable	2,984,644.38	18,789,426.30
Other payables	1,802,469,701.65	2,680,200,976.57
Total	1,805,454,346.03	2,698,990,402.87

Other explanations:

Applicable Not Applicable

(2). Interests payable

Presentation by category A

Applicable Not Applicable

Significant interest payable overdue:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

(3). Dividends payable

Presentation by category

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Dividend of ordinary shares		
Dividend on preferred shares/perpetual bonds classified as equity instruments		
Dividends payable by Youqing Trading		14,274,059.31
Dividends payable by Tongxiang Hua'ang Trading		4,515,366.99
Dividends payable by Zhongjing Holdings	2,981,816.68	
Dividends payable by AMI Company	2,827.70	
Total	2,984,644.38	18,789,426.30

Other remarks (including remarks on the major dividend payable unpaid over 1 year with the reasons for non-payment disclosed):

N/A

(4). Other payables

List other payables by nature of payment

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interbank loans and interest	1,570,121,630.43	1,575,429,301.35
Restricted stock repurchase obligations	142,405,042.80	685,525,425.40
Security deposit	45,737,106.27	33,331,981.57
Funds borrowed through after-sales repurchase		363,132,333.52
Others	44,205,922.15	22,781,934.73
Total	1,802,469,701.65	2,680,200,976.57

Other important payables aged above 1 year or overdue

 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

42. Holding liabilities for sale
 Applicable Not Applicable

43. Non-current liabilities due within one year
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Long-term borrowing due within one year	6,950,390,388.81	5,959,126,854.79
Bonds payable due within 1 year		
Long-term payables due within one year		
Lease liabilities due within one year	38,592,168.67	44,394,275.88
Leaseback payment received due within one year	2,011,185,608.04	2,152,330,878.26
Total	9,000,168,165.52	8,155,852,008.93

Other explanations:

N/A

44. Other current liabilities

Other current liabilities

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Short-term bonds payable	2,319,406,114.26	1,413,233,847.44
Return payment payable		
Tax on items to be resold	18,995,321.57	19,989,935.40
Total	2,338,401,435.83	1,433,223,782.84

Increase/decrease of short-term bonds payable:

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Bond name	Face value	Nominal interest rate (%)	Issuing date	Bond period	Issued amount	Opening balance	Amount issued in the current period	Provision interest at face value	Premium or discount amortization	Repayment in current period	Closing balance	Is there a default?
22 Huayou Cobalt SCP002 (Science and Technology Notes)	100.00	4.03	2023.7.24	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)	100.00	3.90	2023.11.24	270 days	700,000,000.00	701,618,287.79		17,603,278.69	-917,777.78	720,139,344.26		No
24 Huayou Cobalt SCP001 (Science and Technology Notes)	100.00	3.87	2024.1.04	259 days	500,000,000.00		500,000,000.00	13,693,032.79		513,693,032.79		No
24 Huayou Cobalt SCP002 (Science and Technology Notes)	100.00	3.30	2024.4.08	255 days	700,000,000.00		700,000,000.00	16,138,356.16		716,138,356.16		No
24 Huayou Cobalt SCP003 (Science and Technology Notes)	100.00	2.84	2024.6.05	267 days	500,000,000.00		500,000,000.00	8,092,054.79	146,270.83		507,945,783.96	No

24 Huayou Cobalt SCP004 (Science and Technology Notes)	100.00	2.45	2024.8.08	256 days	600,000,000.00		600,000,000.00	5,799,452.06	317,333.33		605,482,118.73	No
24 Huayou Cobalt SCP006 (Science and Technology Notes)	100.00	3.00	2024.9.10	268 days	700,000,000.00		700,000,000.00	6,386,301.37	610,555.55		705,775,745.82	No
24 Huayou Cobalt SCP005 (Science and Technology Notes)	100.00	3.66	2024.12.12	270 days	500,000,000.00		500,000,000.00	902,465.75	700,000.00		500,202,465.75	No
Total	/	/	/	/	4,900,000,000.00	1,413,233,847.44	3,500,000,000.00	77,093,356.91	293,854.15	2,670,627,235.94	2,319,406,114.26	/

Other explanations:

√ Applicable □ Not Applicable

N/A

45. Long term borrowings
(1). Classification of long-term borrowings

 ✓ Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Pledge loans	360,000,000.00	
Mortgaged borrowing		
Guaranteed loan	4,500,956,188.22	3,598,696,188.22
Credit loans		
Guarantee, pledge, and mortgage loans	2,578,393,612.51	3,816,158,760.00
Guarantee and mortgage loan	3,267,300,000.00	2,784,781,866.96
Guarantee and pledged loans	8,750,951,772.92	8,663,723,125.05
Interest from long-term loans	44,622,430.39	36,965,568.58
Total	19,502,224,004.04	18,900,325,508.81

Remarks on the classification of long-term borrowings:

N/A

Other explanations:

 Applicable ✓ Not Applicable

46. Bonds payable
(1). Bonds payable

 ✓ Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Convertible corporate bonds - Huayou convertible bonds	6,940,139,194.75	6,631,718,848.37
Total	6,940,139,194.75	6,631,718,848.37

(2). Details of bonds payable: (excluding other financial instruments such as preferred shares and perpetual bonds classified as financial liabilities)

 √ Applicable Not Applicable

Unit: Yuan Currency: RMB

Bonds Name	Face value (yuan)	Nominal interest rate (%)	New issue Date	Bonds Period	New issue Amount	Opening balance	Current period New issue	Provision interest at face value	Premium or discount amortization	Current period Repayment [Note 2]	End of the period balance	Is there a default ?
Huayou convertible bonds	100.00		2/24/2022	6 years	7,600,000,000.00	6,631,718,848.37		43,426,227.18	295,468,581.63	30,474,462.43	6,940,139,194.75	No
Total			2/24/2022	6 years	7,600,000,000.00	6,631,718,848.37		43,426,227.18	295,468,581.63	30,474,462.43	6,940,139,194.75	No

[Note 1] The coupon rate of Huayou convertible bonds is 0.20% for the first year, 0.40% for the second year, 0.60% for the third year, 1.50% for the fourth year, 1.80% for the fifth year and 2.00% for the sixth year.

[Note 2] The repayment during the current period is the payment of the second year interest of RMB 30,394,264.00, the conversion of shares of RMB 79,290.53 in the current period and the resale of RMB 907.90 in the current period

(3). Explanation of convertible corporate bonds
 Applicable √ Not Applicable

Accounting treatment and judgment basis for convertible corporate bonds

 √ Applicable Not Applicable

1) Basic Information of convertible corporate bonds

With the approval of the Reply on Approval of the Public Offering of Convertible Corporate Bonds by Zhejiang Huayou Cobalt Co., Ltd. (Z.J.X.K. [2022] No. 209) issued by the China Securities Regulatory Commission, the Company issued 76 million convertible corporate bonds on February 24, 2022, with a face value of RMB 100 each, a total issue amount of RMB 7.6 billion and 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 by the Company 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) Convertible corporate bonds into shares

In the current period, a total of 880 Huayou Convertible Bonds have been converted into 2,331 A shares of the Company (each with par value of RMB 1). Accordingly, the difference of RMB 94,216.13, which equals to the sum of the balance of bonds payable of RMB 78,953.38, interest payable of RMB 337.16 and other equity instruments of RMB 17,256.59 less the increased share capital of RMB 2,331.00, is included in capital reserve (share premium).

3) Resale of convertible corporate bonds

Pursuant to the third extraordinary shareholders' meeting of 2023 and the second bondholders' meeting of Huayou Convertible Bonds of 2023, the Company changed the use of partial funds raised from Huayou Convertible Bonds. Meanwhile, pursuant to the "Prospectus for the Public Issuance of Convertible Bonds by Zhejiang Huayou Cobalt Co., Ltd.", the additional resale clause of Huayou Convertible Bonds has come into effect.

In the current period, a total of 10 Huayou Convertible Bonds have been resold at a price of RMB 1,004.45. Accordingly, for the balance of bonds payable of RMB 903.50, interest payable of RMB 4.40 and other equity instruments of RMB 196.10, the equity component of RMB 104.75 after deducting the allocated resold amount was included in capital reserve (share premium), and the liability component of RMB 5.20 after deducting the allocated resold amount was included into profit or loss.

(4). Explanation of other financial instruments classified as financial liabilities

Basic information of other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Not Applicable

Statement of changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Not Applicable

Explanation on the basis of classifying other financial instruments into financial liabilities

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

47. Leasing liabilities
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Outstanding lease payment	27,170,978.83	57,943,671.84
Less: Unrecognized finance fees	1,660,797.50	2,964,471.14
Total	25,510,181.33	54,979,200.70

Other explanations:

N/A

48. Long-term payables
List by item
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Long-term payables	4,666,378,463.88	5,544,170,217.25
Special accounts payable		
Total	4,666,378,463.88	5,544,170,217.25

Other explanations:

 Applicable Not Applicable

N/A

Long-term payables
(1). Long-term payables presented by nature
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Sales and leaseback of integrated funds	1,774,364,769.59	2,025,641,142.06
Long-term call loans and interests	2,892,013,694.29	3,518,529,075.19

Other explanations:

1) Funds from sale and leaseback at the end of the period refer to funds from financial institutions such as Taiping & Sinopec Financial Leasing, Sino IC Leasing, Bank of Beijing Financial Leasing Co., Ltd. through the sale and leaseback of fixed assets (of which, RMB 2,011,185,608.04 should be repaid in 2025 and has been transferred to non-current liabilities due within one year).

2) Long-term call loans and interests thereon at the end of the period mainly include balances due to Kaifei Investment (Hong Kong) Limited, W-Source Holding Limited, Tsing Creation International Holding, Long Sincere Holding Limited, Wintime Industrial Holding Limited, Eve Asia Co., Limited, China-Latin American Production Capacity Cooperation Investment Fund Co., Ltd. (the "China-LAC Fund"), etc.

Special accounts payable
(2). Special payables presented by nature
 Applicable Not Applicable

49. Long-term payroll payable
 Applicable Not Applicable

(5). Long-term payroll payable table
 Applicable Not Applicable

(6). Changes in defined benefit plans:

Set the present value of obligations under benefit program:

 Applicable Not Applicable

Planned asset:

 Applicable Not Applicable

Net liabilities of defined benefit plans (net assets)

 Applicable Not Applicable

Explanations of the contents of the Defined Benefit Plan and the risks related to it as well as its impact on the Company's future cash flow, timing and uncertainties:

 Applicable Not Applicable

Explanations to the significant actuarial assumptions of the Defined Benefit Plan and the results of sensitivity analysis on it

 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

50. Expected liabilities
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance	Cause of formation
Provide external guarantees			
Pending litigations			
Product quality assurance			
Restructuring obligation			
Loss-making contract to be performed			
Return payment payable			
Others			
Environmental restoration expenses	69,467,625.52	65,282,244.77	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.

Total	69,467,625.52	65,282,244.77	
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Other remarks (including remarks on major assumptions and estimations with respect to the major estimated liabilities):

N/A

51. Deferred income

Information of deferred income

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Cause of formation
Government subsidies	666,550,531.96	103,910,707.72	55,553,504.23	714,907,735.45	Non-reimbursable grants from Governments
Total	666,550,531.96	103,910,707.72	55,553,504.23	714,907,735.45	

Other explanations:

Applicable Not Applicable

The increase in the current period mainly includes the receipt of government grants related to assets, such as industrial project support funds and industrial development grants, amounting to RMB 102,228,170.07, and government grants related to income, such as research special grants, amounting to RMB 1,682,537.65.

52. Other non-current liabilities

Applicable Not Applicable

Items	Opening balance	Amount at 2024.12.31	Amount at 2023.12.31
Contract liabilities	3,594,200,000.00		
Total	3,594,200,000.00		

53. Share capital

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase or decrease (+, -)					Closing balance
		New issue of shares	Issue of bonus share	Provident fund Share conversion	Others	Subtotal	
Total number of shares	1,710,086,520				-17,908,432.00	-17,908,432	1,692,178,088

Other explanations:

The share capital decreased by RMB 17,908,432.00 during this period. For relevant details, please see the particulars contained in “55. Capital Reserve”, “VII. Notes to the Consolidated Financial Accounts”, “Section X Financial Report”.

54. Other equity instruments
(1). Basic information of other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period
 Applicable Not Applicable

(2). Statement of changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Outstanding financial instruments	Beginning of the period		Increase in the current period		Decrease in the current period		End of the period	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value
Huayou convertible bonds	75,985,750.00	1,490,061,392.53			890.00	17,452.69	75,984,860.00	1,490,043,939.84
Total	75,985,750.00	1,490,061,392.53			890.00	17,452.69	75,984,860.00	1,490,043,939.84

Changes of other equity instruments in the current period, explanation of reasons for changes, and basis for relevant accounting treatment:

 Applicable Not Applicable

For relevant details of reasons for changes of other equity instruments, during this period and basis, please see the particulars contained in “46. Bonds Payable”, “VII. Notes to the Consolidated Financial Accounts”, “Section X Financial Report”.

Other explanations:

 Applicable Not Applicable

55. Capital reserve
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Capital premium (share capital premium)	15,332,824,296.15	474,071,683.06	859,175,457.23	14,947,720,521.98
Other capital reserve	719,964,018.90	157,405,563.48	430,272,314.00	447,097,268.38
Total	16,052,788,315.05	631,477,246.54	1,289,447,771.23	15,394,817,790.36

Other remarks (including remarks on the increase/decrease in the current period and the reason therefor):

1) Increase or decrease in share capital premium

The capital reserve (share premium) increased by 474,071,683.06 during the period, which includes:

① The conversion of convertible bonds into shares accounted for RMB 2,331.00 in share capital and RMB 94,216.13 in capital reserve (share premium), while the resale of convertible bonds accounted for

RMB 104.75 in capital reserve (share premium), as detailed in Note V (I) 33 of this financial statement;

② The non-comparative capital increase by the subsidiary KNI Company led to a change in the Company's shareholding ratio and an increase in the share of net assets, resulting in a corresponding increase in share premium of RMB 43,705,048.18. ③ According to the resolutions passed at the Company's first extraordinary general meeting of shareholders in 2021, the second extraordinary general meeting of shareholders in 2022, and the second extraordinary general meeting of shareholders in 2023, and authorized by the 14th meeting of the sixth Board of Directors, the Company has terminated the implementation of the restricted stock incentive plans for 2021 and 2022. Consequently, the recognized share-based payment expense of RMB 430,272,314.00 will be transferred from capital reserve (other capital reserve) to capital reserve (share premium).

The capital reserve (share premium) decreased by RMB 859,175,457.23 during this period, which includes: ① Pursuant to the authorization from the Company's first extraordinary general meeting of shareholders in 2021, the second extraordinary general meeting of shareholders in 2022, and the second extraordinary general meeting of shareholders in 2023, and the resolution of the 14th meeting of the sixth Board of Directors, the Company repurchased and canceled 1,741,575 shares of restricted stock that had been granted but not yet released from restrictions for 242 incentive targets, resulting in a reduction of share capital by RMB 1,741,575.00, a decrease in capital reserve (share premium) by RMB 51,352,257.20, a reduction in treasury shares by RMB 52,760,592.20, and a decrease in other payables by RMB 52,760,592.20. At the same time, due to the termination of the implementation of the restricted stock incentive plans for 2021 and 2022, the Company repurchased and canceled 11,135,348 shares of restricted stock that had been granted but not yet released from restrictions, resulting in a reduction of share capital by RMB 11,135,348.00, a decrease in capital reserve (share premium) by RMB 348,909,139.60, a reduction in treasury shares by RMB 356,756,871.20, and a decrease in other payables by RMB 356,756,871.20. The above capital reduction transactions have been verified by Pan-China Certified Public Accountants LLP, which issued a "Capital Verification Report" (T. J. Y. [2024] No. 262); ② Based on the authorization from the Company's second extraordinary general meeting of shareholders in 2023 and the resolution of the 23rd meeting of the sixth Board of Directors, the Company repurchased and canceled 1,139,800 shares of restricted stock that had been granted but not yet released from restrictions for 189 incentive targets, and repurchased and canceled 3,894,040 shares of restricted stock that had been granted but not yet released from restrictions due to the failure to meet performance targets for the first release period of the 2023 restricted stock incentive plan, resulting in a reduction of share capital by RMB 5,033,840.00, a decrease in capital reserve (share premium) by RMB 122,725,019.20, a reduction in treasury shares by RMB 122,725,019.20, and a decrease in other payables by RMB 122,725,019.20. The above capital reduction transactions have been verified by Pan-China Certified Public Accountants LLP, which issued a "Capital Verification Report" (T. J. Y. [2025] No. 36); ③ During this period, the Company acquired minority shareholder equity in its subsidiary Huayou New Energy Technology (Quzhou), with the consideration paid exceeding the net

asset share calculated based on the newly held shareholding ratio, resulting in a corresponding decrease in capital reserve (share premium) by RMB 275,535,931.24. ④ During this period, the Company acquired minority shareholder equity in its subsidiary Huayou New Energy, with the consideration paid exceeding the net asset share calculated based on the newly held shareholding ratio, resulting in a corresponding decrease in capital reserve (share premium) by RMB 57,904,733.32. ⑤ The introduction of new investors in the subsidiary Huaxiang Indonesia led to a change in the Company's shareholding ratio and a decrease in the net asset share, resulting in a corresponding decrease in capital reserve (share premium) by RMB 2,748,376.67.

2) Other decrease or increase in capital reserves

The capital reserve (other capital reserve) increased by RMB 157,405,563.48 during this period. ① According to the Company's equity incentive plan, the share-based payment expense for the restricted stock for 2024 was recognized at RMB 6,757,986.68, which was included in the capital reserve (other capital reserve). ② The Company terminated the implementation of the restricted stock incentive plans for 2021 and 2022, accelerating the recognition of share-based payment expenses of RMB 150,647,576.80, which was included in the capital reserve (other capital reserve).

The capital reserve (other capital reserve) decreased by RMB 430,272,314.00 during this period, as the Company terminated the implementation of the restricted stock incentive plans for 2021 and 2022, and the recognized share-based payment expense of RMB 430,272,314.00 was transferred from capital reserve (other capital reserve) to capital reserve (share premium).

56. Treasury stock

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Restricted shares	685,525,425.40		543,120,382.60	142,405,042.80
Repurchase of shares	638,081,400.64	112,343,188.18		750,424,588.82
Total	1,323,606,826.04	112,343,188.18	543,120,382.60	892,829,631.62

Other remarks (including remarks on the increase/decrease in the current period and the reason therefor):

1) The restricted shares decreased by RMB 543,120,382.60 during this period. For relevant details, please see the particulars contained in “55. Capital Reserve” and “60. Undistributed Profit”, “VII. Notes to the Consolidated Financial Accounts”, “Section X Financial Report”

2) The repurchase of shares increased by RMB 112,343,188.18 during this period, as the Company repurchased its shares through centralized bidding transactions based on the resolution of the 10th meeting of the sixth Board of Directors. During this period, the Company repurchased a total of 4,259,321 shares, increasing treasury shares by RMB 112,343,188.18. As of the end of the period, the Company had cumulatively repurchased 22,703,060 shares, increasing treasury shares by RMB 750,424,588.82.

57. Other comprehensive income

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Amount incurred in the current period						End of the period balance
		Amount incurred before current income tax	Less: Included in other comprehensive income for the previous period and transferred in profit or loss for the current period	Less: Included in other comprehensive income for the previous period and transferred in retained earnings for the current period	Less: Income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax	
I. Other Comprehensive Income That Will Not Be Subsequently Reclassified into Profit and Loss	-49,068,581.76	3,025,000.00		1,210,000.00			1,815,000.00	-49,068,581.76
Of which: Amount of changes in the defined benefit plan due to re-measurement								
Other comprehensive income that can't be reversed through profit and loss under equity method								
Changes in the fair value of other equity instruments	-49,068,581.76	3,025,000.00		1,210,000.00			1,815,000.00	-49,068,581.76
Changes in the fair value of the enterprise's own credit risk								
II. Other comprehensive income that will be reclassified into profit or loss	1,091,087,480.60	492,582,377.64				419,417,759.21	73,164,618.43	1,510,505,239.81
Including: Other comprehensive	113,329,258.36	34,999,578.71				34,999.5		148,328,837.07

income that can be converted into gains and losses under the equity method						78.71		
Changes in the fair value of other creditors' investment								
The amount of financial assets reclassified into other comprehensive income								
Credit impairment provision for other credits investment								
Cash flow hedge reserve								
Difference from translation of financial statements in foreign currency	977,758,222.24	457,582,798.93				384,418,180.50	73,164,618.43	1,362,176,402.74
Other comprehensive incomes in total	1,042,018,898.84	495,607,377.64		1,210,000.00		419,417,759.21	74,979,618.43	1,461,436,658.05

Other remarks (including remarks on the adjustment converting effective part of profit and loss of cash flow hedges to the initial recognition amount of the hedged item):

N/A

58. Special reserves

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Safety production expense	6,444,637.93	123,977,410.73	130,396,520.24	25,528.42
Mining development fund	40,099,109.71	10,710,836.87		50,809,946.58
Total	46,543,747.64	134,688,247.60	130,396,520.24	50,835,475.00

Other remarks (including remarks on 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 Administrative Measures for the Collection and Utilization of Enterprise Work Safety Funds (Cai Zi [2022] No. 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

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserves	387,225,558.29	52,910,262.45		440,135,820.74
Discretionary surplus reserve				
Reserve fund				
Enterprise development fund				
Others				
Total	387,225,558.29	52,910,262.45		440,135,820.74

Notes to the surplus reserves (including remarks on the increase/decrease in the current period and the reason therefor)

Current increase was due to the appropriation of statutory surplus reserve at 10% of net profit generated by the parent company in 2024.

60. Undistributed profit

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Current period	Previous period
Undistributed profit at the end of last period before adjustment	14,872,683,731.09	11,900,465,606.35
Total undistributed profit at the beginning of the adjustment period (increase+, decrease-)		
Unappropriated earnings at the beginning of period after adjustment	14,872,683,731.09	11,900,465,606.35
Add: Net profit attributable to the owner of the parent company in the current period	4,154,825,193.75	3,350,891,340.06
Retained income transferred from other comprehensive income	1,210,000.00	
Less: Withdrawal of statutory surplus reserve	52,910,262.45	59,027,197.52
Withdrawal of any surplus reserves		
Appropriation of general risks reserve		
Dividends payable on common stock	1,666,819,319.40	319,646,017.80
Common stock dividends converted to share capital		
Undistributed profit at the end of the period	17,308,989,342.99	14,872,683,731.09

Details of the adjustment of the undistributed profit at the beginning of the period:

1. The undistributed profit affected by the retroactive adjustment in accordance with *Accounting Standards for Business Enterprises* and its related new regulations at the beginning of the period is RMB 0.00.

2. The undistributed profit affected by the change of accounting policy at the beginning of the period is RMB 0.00.
3. The undistributed profit affected by the correction of major accounting errors at the beginning of the period is RMB 0.00.
4. The undistributed profit affected by the change of combination scope caused by the common control at the beginning of the period is RMB 0.00.
5. The undistributed profit affected by other adjustments at the beginning of the period is RMB 0.00.

According to the profit distribution plan approved at the Company's 2023 annual general meeting, based on a total share capital of 1,697,212,897 shares, after deducting the number of shares in the repurchase special securities account (21,852,160 shares), a cash dividend of RMB 10.00 (tax-inclusive) will be distributed for every 10 shares. Due to the distribution of dividends on restricted stocks, treasury shares decreased by RMB 10,877,900.00, and other payables decreased by RMB 10,877,900.00. Later, due to the repurchase and cancellation of restricted stocks, the cash dividends distributed were reclaimed, amounting to RMB 8,541,417.60, with a total ordinary share dividend of RMB 1,666,819,319.40.

61. Operating income and operating cost

(1). Information on operating income and operating costs

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Main business	59,678,319,319.37	49,606,319,260.37	64,911,651,537.31	55,916,315,875.70
Other business	1,267,244,400.77	839,357,714.85	1,392,395,992.50	1,032,457,388.06
Total	60,945,563,720.14	50,445,676,975.22	66,304,047,529.81	56,948,773,263.76
Including: Income from the contracts with customers	60,943,638,864.24	50,444,358,460.52	66,295,141,632.88	56,943,814,420.97

[Note] The difference from total operating income is lease income from other operating income.

(2). Breakdown of the operating income and operating cost

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Classification of contracts	Division 1		Total	
	Operating income	Operating cost	Operating income	Operating cost
Product types				
Cobalt products	3,381,450,551.96	2,855,859,368.60	4,185,183,444.73	3,820,208,139.90
Copper products	5,642,817,191.61	3,955,180,058.24	4,889,827,507.19	3,490,943,384.68
Nickel products	14,267,345,269.82	10,400,749,102.45	8,921,018,614.17	7,262,147,841.09
Lithium products	3,062,797,519.01	2,697,238,847.65	1,306,192,176.70	1,137,877,913.04
Ternary precursors	6,739,831,647.49	5,485,688,048.91	10,076,016,729.89	8,236,370,381.62
Positive electrode materials	8,607,462,971.90	7,934,248,182.62	18,916,406,739.53	17,441,555,437.91
Nickel intermediate products	7,035,780,504.16	5,475,517,596.92	5,144,530,695.71	3,564,987,683.59
Trade and others	12,206,153,208.29	11,639,877,255.13	12,855,965,724.96	11,989,723,639.14
Subtotal	60,943,638,864.24	50,444,358,460.52	66,295,141,632.88	56,943,814,420.97
Classified according to operation regions				
Domestic sales	24,297,050,130.60	20,750,466,126.99	28,933,373,508.56	24,950,553,965.92
Overseas sales	36,646,588,733.64	29,693,892,333.53	37,361,768,124.32	31,993,260,455.05
Subtotal	60,943,638,864.24	50,444,358,460.52	66,295,141,632.88	56,943,814,420.97
Market or customer type				
Contract type				
Classification by time of transfer of goods				
Income recognized at a certain point	60,943,638,864.24	50,444,358,460.52	66,295,141,632.88	56,943,814,420.97
Subtotal	60,943,638,864.24	50,444,358,460.52	66,295,141,632.88	56,943,814,420.97
Classified by contract periods				
Classified by sales channel				
Total				

Other explanations:

√ Applicable □ Not Applicable

(3) Revenue included in the opening book value of contract liabilities during the reporting period is RMB 398,813,656.45.

(3). Explanation of performance obligations
 Applicable Not Applicable

(4). Explanation of remaining performance obligations allocated
 Applicable Not Applicable

(5). Significant contract changes or significant transaction price adjustments
 Applicable Not Applicable

Other explanations:

N/A

62. Taxes and surcharges
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
GST		
Business tax		
Urban maintenance and construction tax	4,073,663.57	9,611,183.60
Education surcharge	2,309,447.42	4,197,058.44
Resource tax	72,405,617.34	52,922,089.57
Housing property tax	71,870,647.58	26,411,222.05
Land use tax	37,233,908.77	7,931,920.14
Vehicle and vessel use tax		
Stamp duties	44,023,261.91	48,966,203.19
Local education surcharges	1,541,234.59	2,798,039.03
Mining tax	204,889,789.10	210,666,632.64
Other taxes and surcharges	4,442,350.82	4,285,569.54
Total	442,789,921.10	367,789,918.20

Other explanations:

N/A

63. Sales expenses
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	94,541,517.43	81,935,320.82
Travel expense	12,159,311.16	17,010,893.30
Service charges	11,891,841.95	12,834,953.19
Sample expenses	8,073,922.43	11,922,084.04
Hospitality	11,060,403.15	14,908,024.58
Expenses of share-based payment	9,911,427.28	-
Others	11,590,179.16	11,236,162.22
Total	159,228,602.56	149,847,438.15

Other explanations:

N/A

64. Administrative expenses

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	935,453,748.35	979,749,284.12
Office allowances	167,769,186.96	184,931,627.67
Service charges	263,941,600.60	291,593,514.21
Business entertainment expenses	39,417,342.78	22,143,782.79
Depreciation and amortization	244,239,115.39	228,321,578.49
Insurance expenses	51,879,954.17	52,091,488.03
Aircraft usage fees	21,542,054.27	31,597,804.39
Expenses of share-based payment [Note]	93,551,525.07	249,040,442.78
Others	76,851,657.72	77,108,974.30
Total	1,894,646,185.31	2,116,578,496.78

Other explanations:

[Note] Pursuant to the provision of Chapter 12 Share-based Payment of the Compilation of Application Guidelines for Enterprise Accounting Standards 2024 published by the Ministry of Finance in March 2024 regarding the main accounting treatment of capital reserves—other capital reserves, during the period, the corresponding share-based payment amounts were recognized in administrative expenses, selling expenses, research and development expenses and operating costs, respectively, according to the different beneficiary groups.

65. R&D expenditures

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	513,530,890.71	530,554,253.47
Material consumption	271,556,297.06	606,568,248.57
Depreciation and amortization	224,750,877.69	190,623,887.91
Expenses of share-based payment	21,069,795.21	-
Others	269,249,545.41	112,846,543.01
Total	1,300,157,406.08	1,440,592,932.96

Other explanations:

N/A

66. Financial costs

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Interest expenses	2,512,552,872.16	1,960,858,477.63
Interest income	-389,705,965.90	-336,643,368.43
Exchange gains and losses	-170,967,452.40	-270,838,401.07
Commission charges and others	117,941,072.51	124,789,351.73
Total	2,069,820,526.37	1,478,166,059.86

Other explanations:

N/A

67. Other income

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Classification by nature	Amount incurred in the current period	Amount incurred in the previous period
Asset-related government subsidies	54,492,529.30	46,600,403.87
Government subsidies related to income [Note]	117,650,953.38	200,903,660.04
Refund of service charges for withholding personal income tax	3,455,036.25	2,210,544.41
VAT addition and deduction	49,742,955.68	70,233,172.93
Total	225,341,474.61	319,947,781.25

Other explanations:

[Note] Government grants related to earnings include government grants received such as financial incentive grants and business policy grants, totaling RMB 117,650,953.38.

68. Investment income

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income accounted by equity method	743,026,913.81	1,004,567,340.10
Investment income from disposal of long-term equity investments	435,049.49	3,191,849.90
Investment income of tradable financial assets during holding period		
Dividend income from investment in other equity instruments during the holding period		
Interest income from debt investment during the holding period		
Interest income from other debt investments during the holding period	23,394,065.08	
Investment income from disposal of financial assets held for trading	390,872,990.48	-112,752,232.28
Investment income from disposal of investment in other equity instruments		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investment		
Gains of debt restructuring		
Hedging profit and loss	276,926,293.51	80,322,954.40
Discounted loss of receivables financing	-57,860,596.79	-104,472,458.88
Losses related to termination recognition of accounts receivable	-14,976,147.27	-13,504,975.36
Total	1,361,818,568.31	857,352,477.88

Other explanations:

N/A

69. Net exposure hedging income
 Applicable Not Applicable

70. Income from the change in fair values
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Sources of income from changes in fair values	Amount incurred in the current period	Amount incurred in the previous period
Financial assets held for trading	-112,053,022.40	-519,633.81
Including: fair value change income from derivative financial instruments	-113,095,185.57	
Fair value changes income from financial products	1,042,163.17	-519,633.81
Derivative financial liabilities		4,401,455.87
Including: fair value change income from derivative financial instruments		4,401,455.87
Derivative financial instruments		68,450,431.17
Including: fair value change income from derivative financial instruments		68,450,431.17
Investment real estate measured at fair value		
Hedging profit and loss	50,539,159.86	146,433,227.27
Total	-61,513,862.54	218,765,480.50

Other explanations:

N/A

71. Credit impairment loss
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Bad debt loss on notes receivable		
Bad debt loss on accounts receivable	13,684,695.47	-42,016,975.44
Bad debt loss on other receivables		
Impairment losses of creditors' investment		
Other impairment losses of creditors' investment		
Bad debt loss on long-term receivables		
Impairment losses related to financial guarantees		
Total	13,684,695.47	-42,016,975.44

Other explanations:

N/A

72. Asset impairment loss
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
I. Loss from impairment of contract		

assets		
II. Loss of inventory falling price and impairment loss of contract performance cost	-313,492,520.03	-368,495,109.05
III. Impairment loss of long-term equity investment		
IV. Impairment loss of investment real estate		
V. Asset impairment losses		
VI. Impairment loss from construction materials		
VII. Impairment loss of projects under construction		
VIII. Impairment loss of productive biological assets		
IX. Loss of impairment of oil and gas assets		
X. Impairment loss of intangible assets		
XI. Impairment loss of goodwill	-195,074,970.99	-2,064,541.41
XII. Others		
Total	-508,567,491.02	-370,559,650.46

Other explanations:

N/A

73. Income from asset disposal

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Gains on the disposal of fixed assets	160,300.41	27,102,035.53
Income from intangible asset disposal	-87,837.11	
Gains on disposal of construction in progress	-45,303.85	
Income from right-of-use asset disposal	-5,488,447.95	2,323,774.96
Total	-5,461,288.50	29,425,810.49

Other explanations:

N/A

74. Non-operating revenue

Non-operating revenue

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period	Amount included in current non-recurring gains and losses
Total profit from disposal of non-current assets	621,492.23	7,900.65	621,492.23
Including: Gains from disposal of fixed assets	621,492.23	7,900.65	621,492.23
Gains from disposal of intangible assets			
Non-monetary asset exchange profits			

Accepting donations			
Government subsidies			
Income from indemnity	11,709,906.01	19,290,529.16	11,709,906.01
Others	3,005,392.86	1,569,978.83	3,005,392.86
Total	15,336,791.10	20,868,408.64	15,336,791.10

Other explanations:

Applicable Not Applicable

75. Non-operating expense

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period	Amount included in current non-recurring gains and losses
Total loss from disposal of non-current assets	39,355,301.59	35,321,931.23	39,355,301.59
Of which: Loss from disposal of fixed assets	39,355,301.59	34,911,974.82	39,355,301.59
Loss on disposal of intangible assets		409,956.41	
Non-monetary asset exchange losses			
External donation	45,899,895.24	22,570,408.39	45,899,895.24
Others	3,999,247.56	4,175,316.54	3,999,247.56
Total	89,254,444.39	62,067,656.16	89,254,444.39

Other explanations:

N/A

76. Income tax expenses

(1). Income tax expense statement

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expense	444,520,488.22	306,872,294.72
Deferred income tax expense	-18,352,324.79	-37,991,461.14
Total	426,168,163.43	268,880,833.58

(2). Adjustment process of accounting profit and income tax expense

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period
Total profit	5,582,783,686.70
Income tax expense calculated according to statutory/applicable tax rate	837,417,553.01
Influence of different tax rates applied to subsidiaries	-416,292,438.29
Influence of adjusting income tax in previous periods	
Influence of non-taxable income	-265,324,410.27

Influence of non-deductible costs, expenses and losses	61,717,947.03
Influence of deductible loss of unrecognized deferred income tax assets in previous period	
Influence of Deductible temporary difference or deductible losses of unrecognized deferred income tax assets in this period	208,649,511.95
Income tax expenses	426,168,163.43

Other explanations:

Applicable Not Applicable

77. Other comprehensive income

Applicable Not Applicable

For the details, please see the particulars contained in “57 Other Comprehensive Income”, “VII. Notes to the Consolidated Financial Accounts”, “Section X Financial Report”.

78. Items in cash flow statement

(1). Cash relating to operating activities

Other cash receipts relating to operating activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of monetary funds that do not belong to cash and cash equivalents	2,754,879,193.68	4,234,276,706.62
Government subsidies received and related to operating activities	224,817,710.76	328,115,572.47
Interest income	389,705,965.90	336,643,368.43
Recovery of funds related to hedging business	1,300,396,863.71	1,833,531,319.55
Others	93,394,734.64	30,989,951.34
Total	4,763,194,468.69	6,763,556,918.41

Remarks on other cash received from operating activities

N/A

Other cash paid related to operating activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Payment of monetary funds that do not belong to cash and cash equivalents	1,820,893,807.32	2,748,660,994.00
Expenses paid in cash	1,336,937,721.11	1,010,876,465.18
Others	49,899,142.80	32,763,367.46
Total	3,207,730,671.23	3,792,300,826.64

Remarks on other cash paid for operating activities:

N/A

(2). Cash paid relating to investing activities

Important cash received from investing activities

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Cash Paid for the Purchase and Construction of Fixed Assets, Intangible Assets, and Other Long-term Assets	7,107,897,410.87	16,849,177,920.23
Total	7,107,897,410.87	16,849,177,920.23

Important cash received from investing activities

N/A

Important cash paid from investing activities

 Applicable Not Applicable

Other cash received from investing activities

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of monetary funds that do not belong to cash and cash equivalents	736,653,203.75	1,696,962,686.32
Cash obtained from the acquisition of KNI Company		306,417.02
Recovery of loans from Indonesia Huatuo		3,511,825.00
Recovery of loans from IWIP Company		195,116,997.00
Recovery of loans from Veinstone		114,963,103.20
Cash obtained from the acquisition of Controlway Industrial Park	1,590,701.76	
Recovery of loans from PT Prima Puncak Mulia	152,700,503.09	
Interest received from loans from Qingshan Lvshui	9,203,882.00	
Cash obtained from the acquisition of Chongjing Holding	185,189,350.34	
Total	1,085,337,640.94	2,010,861,028.54

Remarks on other cash received from investment activities:

N/A

Other cash paid related to investment activities

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Payment of monetary funds that do not belong to cash and cash equivalents	305,946,810.24	739,653,203.75
Refund of advance payment for the transfer of equity in Prospect Lithium		475,249,276.34
Payment of loans from Indonesia		3,511,825.00

Huatuo		
Payment of loans from IWIP Company		195,116,997.00
Payment of loans from Veinstone		114,963,103.20
Payment of loans from Eternal Nickel Industry	111,314,580.00	
Payment of loans from SCM	19,205,456.84	
Total	436,466,847.08	1,528,494,405.29

Remarks on other cash paid for investment activities:

N/A

(3). Cash relating to financing activities

Other cash received from financing activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of monetary funds that do not belong to cash and cash equivalents	1,206,457,392.16	886,517,753.46
Cash received from discounted financing bank acceptance bills	1,060,092,298.57	660,668,177.76
Sales and leaseback of integrated funds	2,250,000,000.00	2,201,500,000.00
Recovery of loans	637,874,870.25	2,560,666,966.01
Recovery of after-sale leaseback deposits	70,600,000.00	61,785,000.00
Total	5,225,024,560.98	6,371,137,897.23

Remarks on other cash received from financing activities:

N/A

Other cash paid for financing activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Payment of monetary funds that do not belong to cash and cash equivalents	1,772,563,674.06	1,206,457,392.16
Funds paid for sales and leaseback	2,805,662,239.80	2,531,269,447.96
Payment of after-sale leaseback deposits	100,000,000.00	68,500,000.00
Funding bankers' acceptances due for payment	663,548,415.29	483,363,500.11
Payment of issue expenses	3,179,493.05	20,324,876.19
Repayment of borrowings and interests	1,677,704,592.17	2,939,050,182.04
Payment of restricted stock repurchase funds	540,897,179.00	31,940,305.20
Payment amount of lease liabilities	38,863,230.26	58,748,318.09
Payment of after-sale repurchase funds	363,132,333.52	952,470,336.35
Payment for share repurchase	112,343,188.18	638,081,400.64
Payment of capital reduction funds to minority shareholders of Shanghai Feicheng		7,500,000.00
Payment for acquisition of minority shares of Zhejiang New Energy	526,022,354.88	
Payment for acquisition of minority shares of Huayou New Energy	825,950,684.93	
Total	9,429,867,385.14	8,937,705,758.74

Remarks on other cash paid for financing activities:

N/A

Changes in various liabilities generated from financing activities

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Changes in cash	Non-cash changes	Changes in cash	Non-cash changes	
Lease liabilities (including lease liabilities due within one year)	39,908,074,930.13	36,881,276,925.06	1,747,773,387.65	31,330,654,912.71		47,206,470,330.13
Long-term payables (including long-term payables maturing within one year)	660,668,177.76	1,060,092,298.57	7,873,871.27	663,548,415.29		1,065,085,932.31
Bank loans	18,789,426.30		2,079,230,923.38	2,095,035,705.30		2,984,644.38
Notes payable	2,624,087,060.27	637,874,870.25	226,372,302.65	1,775,807,559.94		1,712,526,673.23
Dividends payable	1,413,233,847.44	3,500,000,000.00	79,978,995.81	2,673,806,728.99		2,319,406,114.26
Other payables	6,631,718,848.37		338,894,808.82	30,395,268.45	79,193.99	6,940,139,194.75
Other current liabilities	99,373,476.58		22,262,138.68	38,863,230.26	18,670,035.00	64,102,350.00
Bonds payable (including bonds payable due within one year)	7,696,501,095.51	2,250,000,000.00	342,651,760.96	3,611,588,784.55		6,677,564,071.92
Total	59,052,446,862.36	44,329,244,093.88	4,845,038,189.22	42,219,700,605.49	18,749,228.99	65,988,279,310.98

(4). Notes to cash flows reported on a net basis

 Applicable Not Applicable

(5). Significant activities and financial impacts that do not involve cash receipts and payments for the current period but may affect the Company's financial position or cash flows in the future

 Applicable Not Applicable

The transferred amount of the commercial bill endorsement that does not involve cash receipts and expenditures

Items	Amount in the current period	Amount in the previous period
Amount of commercial drafts endorsed and transferred for payment of acquisition of long-term assets such as fixed assets	5,797,845,922	5,506,715,568
Including: Payment of goods	4,604,969,857	3,681,655,411
Purchase funds for fixed assets and other long-term assets	1,192,876,065	1,825,060,157

79. Supplementary information to cash flow statement

(1). Supplementary information to cash flow statement

 Applicable Not Applicable

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 profits	5,158,460,383.11	4,505,134,263.22
Add: Provision for impairment of assets	508,567,491.02	370,559,650.46
Credit impairment loss	-13,684,695.47	42,016,975.44
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets, Amortization of right to use assets	4,075,458,662.22	2,903,926,785.47
Amortization of intangible assets	490,590,281.80	413,584,977.96
Amortization of long-term unamortized expenses	13,232,183.96	19,632,202.53
Losses on disposal of fixed assets, intangible assets and other long-term assets ("- for gains)	5,461,288.50	-29,425,810.49
Loss on scrapping of fixed assets ("- for gains)	38,733,809.36	35,314,030.58
Losses on changes in fair value ("- for gains)	112,053,022.40	-72,332,253.23
Financial expenses ("- for gains)	2,344,784,826.62	1,696,808,714.09
Investment loss ("- for gains)	-1,157,729,018.86	-895,006,957.72
Decrease in deferred income tax assets ("- for increase)	-36,674,453.57	268,562,882.82
Increase in deferred income tax liabilities ("- for decrease)	18,322,128.78	-306,554,343.93
Decrease in inventory ("- for increase)	-1,859,452,754.56	1,536,739,050.11
Decrease in operational receivables ("- for increase)	469,638,350.44	-1,195,393,653.96
Increase in operational payables ("- for decrease)	1,673,405,533.35	-5,289,281,385.35
Others	589,943,843.60	-518,397,034.67
Net cash flow generated from operating activities	12,431,110,882.70	3,485,888,093.33
2. Significant investing and financing activities that do not involve in cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Fixed assets under financing lease		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	15,516,940,793.04	10,526,774,769.22
Less: Opening balance of cash	10,526,774,769.22	8,579,643,614.59
Add: Ending balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	4,990,166,023.82	1,947,131,154.63

(2). Net cash paid to acquire 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

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
I. Cash	15,516,940,793.04	10,526,774,769.22
Including: Cash in the vault	5,201,982.26	11,891,845.98
Bank deposits that can be used for payment at any time	13,816,698,369.82	9,427,796,624.02
Other monetary funds that can be used for payment at any time	1,695,040,440.96	1,087,086,299.22
Funds deposited with the central bank for payment		
Deposits in other banks		
Funds for interbank lending		
II. Cash equivalents		
Including: Bond investment due within three months		
III. Ending balance of cash and cash equivalents	15,516,940,793.04	10,526,774,769.22
Including: Cash and cash equivalents with restricted use by the parent company or a subsidiary of the group		

(5). Situations where the scope of use is restricted but still listed as cash and cash equivalents

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Amount in the current period	Reason
Bank deposits	195,664,325.35	The closing balance represents funds raised. The Company can use the raised funds at any time to pay for the fundraising projects, therefore, they are considered as cash and cash equivalents.
Bank deposits	734,075,914.59	Closing balance refers to 30% of export income from natural resources deposited in Indonesia by the subsidiary Huayue Company, Huafei Indonesia, and AMI Company, as required by laws and regulations of local government, which can be used on demand, therefore, it is considered as cash and cash equivalents.
Bank deposits	265,760,497.46	Closing balance refers to balance in the borrowing pledge accounts of the subsidiaries Huayue Company, Huafei Indonesia and Chengdu B&M. Even though these accounts are under use restrictions subject to bank supervision, the subsidiaries can use such cash for payments at any time, therefore, it is considered as cash and cash equivalents.

Total	1,195,530,666.12	/
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(6). Monetary funds that do not belong to cash and cash equivalents
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount in the current period	Amount in the previous period	Reason
Other monetary capital	3,934,560,811.62	4,733,146,309.59	Bank acceptance deposit of RMB 1,809,722,569.38, letter of credit deposits of RMB 308,780,174.06, guarantee deposits of RMB 89,120,909.10, loan deposits of RMB 1,698,045,632.21, forward foreign exchange settlement and sales deposits of RMB 21,500,910.75, environmental assessment deposits of RMB 7,154,291.63, litigation frozen funds of RMB 235,324.49, and other deposits of RMB 1,000.00, which are restricted in use and do not meet the standards for cash and cash equivalents.
Total	3,934,560,811.62	4,733,146,309.59	/

Other explanations:

 Applicable Not Applicable

80. Notes on items in the change statement of owner's equity

Explanation of the names of "other" items for adjusting the ending balance of last year and adjustment amounts:

 Applicable Not applicable

81. Foreign currency monetary items
(1). Foreign currency monetary items
 Applicable Not Applicable

Unit: Yuan

Items	Ending foreign currency balance	Converted exchange rate	Converted RMB at the end of period balance
Monetary funds			11,626,437,389.56
Including:	1,507,090,312.65	7.1884	10,833,568,003.45
EUR	46,819,312.44	7.5257	352,348,099.63
HKD	232,896,695.83	0.9260	215,671,656.21
IDR	471,177,048,538.23	0.0005	212,500,848.89
ZAR	1,856,702.91	0.3844	713,716.60
KRW	35,065,535.00	0.0049	173,153.61
CDF	181,783,149.02	0.0026	466,819.13
Singapore dollar	78,198.02	5.3214	416,122.94

HUF	10,780,065.93	0.0183	197,275.21
ZiG	15,310,259.03	0.2830	4,332,803.31
MAD	8,519,851.74	0.7100	6,048,890.26
JPY	7.00	0.0462	0.32
Accounts receivable			3,423,490,551.42
Including: USD	325,147,948.49	7.1884	2,337,293,512.93
EUR			
HKD			
IDR	2,403,687,600,179.00	0.0005	1,084,063,107.68
ZAR	295,060.33	0.3844	113,421.19
KRW	28,750.00	0.0049	141.97
HUF	110,402,604.00	0.0183	2,020,367.65
Long-term borrowings			1,208,885,163.04
Including: USD	168,171,660.32	7.1884	1,208,885,163.04
EUR			
HKD			
Other receivables			45,191,317.85
Including: USD	2,816,342.26	7.1884	20,244,994.70
EUR	84,925.54	7.5257	639,124.14
HKD	45,200.00	0.9260	41,857.01
IDR	40,373,086,917.00	0.0005	18,208,262.20
ZAR	92,000.00	0.3844	35,364.80
KRW	1,150,358,040.00	0.0049	5,680,468.00
HUF	17,902,484.00	0.0183	327,615.46
MAD	19,200.00	0.7100	13,631.54
Long-term receivables			454,704,734.21
Including: USD	63,255,346.70	7.1884	454,704,734.21
Short-term loans			675,362,763.65
Including: USD	77,620,415.81	7.1884	557,966,597.01
JPY	2,539,228,833.00	0.0462	117,396,166.64
Accounts payable			5,069,180,104.50
Including: USD	418,905,083.49	7.1884	3,011,257,302.16
EUR	460,834.62	7.5257	3,468,103.10
AUD	29,760.00	4.5070	134,128.32
IDR	4,554,512,588,386.00	0.0005	2,054,085,177.36
KRW	12,455,658.00	0.0049	61,506.04
HUF	9,502,050.00	0.0183	173,887.52
Other payables			1,455,083,588.75
Including: USD	201,029,310.51	7.1884	1,445,079,095.67
IDR	22,174,831,366.00	0.0005	10,000,848.95
HUF	199,133.00	0.0183	3,644.13
Non-current liabilities that mature within one year			1,169,978,006.69
Including: USD	162,135,766.62	7.1884	1,165,496,744.77
IDR	3,580,198,007.00	0.0005	1,614,669.30
KRW	580,516,933.02	0.0049	2,866,592.62
Long-term payables			2,892,013,694.29
Including: USD	402,316,745.63	7.1884	2,892,013,694.29
Lease liabilities			8,275,444.08
Among them: IDR	6,538,889,069.00	0.0005	2,949,038.97
KRW	1,078,656,360.01	0.0049	5,326,405.11

Other explanations:

N/A

(2). Remarks on 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

Overseas businesses	Main place of business	Recording currency	Selection basis
Huayou Hong Kong	Hong Kong	HKD	Local currency
Huayou Singapore	Singapore	USD	Local major currencies
Huayue Company	Indonesia	USD	Local major currencies
Indonesia Huafei	Indonesia	USD	Local major currencies

82. Lease

(1) As Lessee

 Applicable Not Applicable

Variable lease payments not included in the measurement of lease liabilities

 Applicable Not Applicable

Rental charges for simplified treatment of short-term leases or low-value asset leases

 Applicable Not Applicable

For the details on accounting policies for short term leases and low value asset leases of the Company, please see the particulars contained in “38. Lease”, “V. Significant Accounting Policies and Estimates”, “Section X Financial Report”. The amounts of short-term lease expenses and low-value asset lease expenses recognized in the current period's profit and loss are as follows:

Items	Amount in the current period	Amount of Corresponding Period of the Previous Year
Short term rental fee	18,767,070.09	18,895,541.19
Low value asset leasing fees (except for short term rental fee)	1,523,057.03	17,301,295.23
Total	20,290,127.12	36,196,836.42

Sale and leaseback transaction

 Applicable Not Applicable

Total cash outflows related to leases 59,153,357.38 (Unit: Yuan Currency: RMB)

(2) As Lessor

Operating lease as a lessor

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Lease income	Including: Income related to variable lease payments not included in rental receipts
Lease income	1,924,855.90	
Total	1,924,855.90	

Financial lease as a lessor

 Applicable Not Applicable

Reconciliation table of undiscounted lease receivables and net lease investments

 Applicable Not Applicable

Undiscounted lease receipts for the next five years

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Undiscounted lease receipts for each year	
	Closing balance	Opening balance
First Year	297,003.27	25,000.00
Second Year	317,384.93	
Third Year	93,441.60	
Fourth Year		
Fifth Year		
Total undiscounted lease receipts for the next five years	707,829.80	25,000.00

(3) Profit or loss on sales of finance leases recognized as a producer or distributor

 Applicable Not Applicable

Other explanations:

N/A

83. Data resources

 Applicable Not Applicable

84. Others

 Applicable Not Applicable

VI. Research and development expenses

1. Presented by nature of expenses

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
R&D expenditures	1,300,157,406.08	1,440,592,932.96
Total	1,300,157,406.08	1,440,592,932.96
Including: expensed R&D expenditures	1,300,157,406.08	1,440,592,932.96
Capitalized research and development expenses		

Other explanations:

The R&D expenses of the Company are all expensed. For relevant details, please see the particulars contained in “65. R&D Expenses”, “VII. Notes to the Consolidated Financial Accounts”, “Section X Financial Report”.

2. Development expenditure of R&D projects eligible for capitalization

 Applicable Not Applicable

Significant capitalized R&D projects

 Applicable Not Applicable

Provision for impairment of development expenditure

 Applicable Not Applicable

Other explanations:

N/A

3. Significant outsourced R&D projects

 Applicable Not applicable

VII. Change of combination scope

1. Business combination not under common control

 Applicable Not Applicable

(1). Business combination transactions not under common control incurred in the current period

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Acquiree	Date of equity acquisition	Cost of equity acquisition	Proportion 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
Chongjing Holding	January 2024	USD190,032,992.00	50.15	Acquisition	January 2024	See other explanations for details	1,318,006,459.51	124,996,983.11	-78,522,280.03
Controlway Industrial Park	May 2024	IDR8,400,000,000.00	70	Acquisition	May 2024	See other explanations for details		58,583.79	58,583.79

Other explanations:

1) Pursuant to the resolution of the Sixth Session of the Seventh Board of Directors of the Company, a subsidiary, Huayou Mining Hong Kong, acquired 50.15% equity interest in Chongjing Holding held by Perlux Limited and the corresponding shareholders' loan at a price of USD 200.4 million (of which the consideration for the purchase of the equity interest was USD 190,032,992.00 and that for the purchase of the shareholders' loan was USD 10,367,008.00) to indirectly acquire 50.10% equity interest in AMI, a subsidiary of Chongjing Holding. As of January 8, 2024, the Company has paid for the equity interest, completed the corresponding procedures for the transfer of property rights and obtained substantive control over it, and therefore it has been included in the scope of the consolidated financial statements since that date.

2) The subsidiary Huabo Singapore acquired 70.00% of the equity of Controlway Industrial Park for 8.4 billion Indonesian Rupiah (converted to USD at the exchange rate on the date of investment). As of Friday, May 24, 2024, the Company has paid for the equity interest, completed the corresponding

procedures for the transfer of property rights and obtained substantive control over it, and therefore it has been included in the scope of the consolidated financial statements since that date.

(2). Combined costs and goodwill

Applicable Not Applicable

Unit: Yuan Currency: RMB

Combined cost	Chongjing Holding
--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	
--Other	
Total combined costs	1,358,861,496.21
Less: Share of fair value of identifiable net assets acquired	1,022,482,739.78
Goodwill/combined cost less than share of fair value of identifiable net assets acquired	336,378,756.43

Combined cost	Controlway Industrial Park Co., Ltd.
--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	
--Other	
Total combined costs	3,711,637.44
Less: Share of fair value of identifiable net assets acquired	3,711,637.44
Goodwill/combined cost less than share of fair value of identifiable net assets acquired	

Combined cost	Hangzhou Haoyue
--Cash	
--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	
--Other	
Total combined costs	
Less: Share of fair value of identifiable net assets acquired	
Goodwill/combined cost less than share of fair value of identifiable net assets acquired	

Method for determining the fair value of the combined cost:

Applicable Not Applicable

Completion status of performance commitments:

Applicable Not Applicable

Main reason for the formation of the goodwill with large amount:

Applicable Not Applicable

Other explanations:

N/A

(3). Identifiable assets and liabilities of the acquiree on the acquisition date

Applicable Not Applicable

Unit: Yuan Currency: RMB

	Chongjing Holding	
	Fair value on acquisition date	Book value on acquisition date
Assets:	2,631,259,092.02	1,265,279,674.60
Monetary funds	185,189,350.34	185,189,350.34
Accounts receivable	190,212,266.20	190,212,266.20
Inventories		
Fixed assets	635,689,436.82	591,587,832.09
Intangible assets	1,322,746,180.00	868,367.31
	297,421,858.66	297,421,858.66
Liabilities:	589,899,981.82	589,899,981.82
Borrowings		
Accounts payable	111,161,327.37	111,161,327.37
Deferred income tax liabilities		
Other liabilities	478,738,654.45	478,738,654.45
Net assets	2,041,359,110.20	675,379,692.78
Less: Minority equity	1,018,876,370.42	337,250,592.16
Net assets acquired	1,022,482,739.78	338,129,100.62

	Controlway Industrial Park	
	Fair value on acquisition date	Book value on acquisition date
Assets:	5,302,339.20	5,302,339.20
Monetary funds	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:

1) Chongjing Holding

Based on the valuation results of the asset-based method in the Valuation Report on the Valuation Project on the Value of Identifiable Assets and Liabilities of PT Andalan Metal Industry Involved in the Proposed Merger Consideration Apportionment by Zhejiang Huayou Cobalt Industry Co. Ltd. (K. Y. P. Z [2024] No. 152) issued by Kunyuan Asset Appraisal Co., Ltd. with January 31, 2024 as the valuation reference date, and after appropriate review, the Company confirmed that the fair value of the identifiable assets and liabilities of Chongjing Holding as at the Purchase Date were USD 370,396,414.93 and USD 83,038,891.57, equivalent to RMB 2,631,259,092.02 and RMB 589,899,981.82, respectively.

2) Controlway Industrial Park

Fair value of the acquiree's identifiable assets and liabilities recognized at the date of purchase based on the purchase consideration and the acquiree's assets and liabilities

Fair value

Contingent liability of the acquiree undertaken in a business combination:

N/A

Other explanations:

N/A

(4). Profit and 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 on 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 explanations

Applicable Not Applicable

2. Business combinations under common control

Applicable Not Applicable

3. Counter purchase

Applicable Not Applicable

4. Disposal of subsidiaries

Whether there were any transactions or events during the period in which control of the subsidiary was lost

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

Is there a multistep disposal of investments in subsidiaries through multiple transactions and loss of control during the current period

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

5. Change of combination scope for other reasons

Explain the changes in the combination scope caused by other reasons (for example, newly established subsidiaries, liquidation subsidiaries, etc.) and the specific information:

Applicable Not Applicable

Name of company	Method of equity acquisition	Date of equity acquisition	Amount of contribution	Contribution ratio (%)
Guangxi Huajin	Establishment	May 2024	10,000,000.00	100
Huayou Catering Management	Establishment	May 2024	28,000,000.00	100
Huayou Property Management	Establishment	May 2024	21,000,000.00	100
Guangxi Youde	Establishment	July 2024	Unfunded	100
Zhejiang New Materials	Establishment	March 2024	180,500,000.00	100
Huayou supply chain	Establishment	January 2024	1,000,000.00	100
Chengdu Energy	Establishment	May 2024	15,000,000.00	51
Huaneng Indonesia	Establishment	February 2024	USD 55,000,000.00	100
Xunli Singapore	Establishment	February 2024	Unfunded	100
Green Energy Singapore	Establishment	February 2024	Unfunded	100
Huayou Morocco	Establishment	May 2024	Unfunded	100
Huaxing Indonesia	Establishment	January 2024	USD 1,000,000.00	100
Huashuo Indonesia	Establishment	January 2024	USD 1,000,000.00	100

Huamei Indonesia	Establishment	January 2024	USD 15,300.00	100
Indonesia Hua'an	Establishment	June 2024	IDR 11,000,000,000.00	100
CAN Company	Establishment	June 2024	IDR 11,000,000,000.00	100
TSS Company	Establishment	June 2024	IDR 11,000,000,000.00	100
ATZ Company	Establishment	May 2024	Unfunded	100
Brook Resources	Establishment	June 2024	USD 103,000.00	90
Huai'an Energy	Establishment	December 2024	73,076,000.00	100
Taize International Investment	Establishment	June 2024	Unfunded	100
Huayou Green Energy Technology Netherlands	Establishment	May 2024	Unfunded	100
Huayouxun Lithium Netherlands	Establishment	May 2024	Unfunded	100
Huayou Japan	Establishment	August 2024	Unfunded	100
Huayou Energy Storage	Establishment	November 2024	Unfunded	100

6. Others

Applicable Not Applicable

VIII. Interests in other entities
1. Interests in subsidiaries
(1). Composition of enterprise group

√ Applicable □ Not Applicable

Unit: Ten thousand yuan Currency: RMB

Subsidiary Name	Main place of business	Registered capital	Registration place	Business nature	Shareholding ratio (%)		Mode of acquisition
					Direct	Indirect	
Huayou Quzhou	Quzhou City, Zhejiang Province	240,124.36	Quzhou City, Zhejiang Province	Manufacturing industry	83.96		Establishment
Huayou Hong Kong	Hong Kong	HKD55,099.20	Hong Kong	Trade, wholesale	100.00		Establishment
Huayou Singapore	Singapore	USD1,500.00	Singapore	Trade, wholesale	70.00		Establishment
Huayue Company	Indonesia	USD26,000.00	Indonesia	Manufacturing industry	57.00		Establishment
Chengdu B&M	Jintang County, Sichuan Province	103,000.00	Jintang County, Sichuan Province	Manufacturing industry	36.86		Business combination not under common control
Indonesia Huafei	Indonesia	USD54,000.00	Indonesia	Manufacturing industry	51.00		Establishment

Explanation of the shareholding ratio in subsidiaries different from the voting ratio:

N/A

Basis for holding half or less voting rights but still controlling the investee, and holding more than half voting rights but not controlling the investee:

The Company directly holds 36.86% of the equity of Tianjin B&M. Huayou Holdings has entrusted the voting rights and other rights of its 25.20% equity in Tianjin B&M to the Company for exercise.

Therefore, Tianjin B&M is included in the scope of consolidation. Chengdu B&M is a wholly-owned subsidiary of Tianjin B&M.

Basis for controlling the important structured entities included in the combination scope:

N/A

Basis for determining whether a company is an agent or a principal:

N/A

Other explanations:

N/A

(2). Important non-wholly-owned subsidiary

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Name of subsidiary	Shareholding ratio of the minority shareholder Proportion (%)	Gain or loss attributable to minority shareholders in the current period	Dividends declared and distributed to minority shareholders in the current period	Balance of minority interest at the end of the period
Huayou Quzhou	16.04	9,274,895.09	90,000,000.00	987,240,185.76
Huayou	30	53,010,610.05		114,182,764.52

Resources			
Huayue	43	629,417,589.17	2,844,313,845.42
Chengdu B&M	63.14	144,557,145.63	1,681,777,712.01
Indonesia Huafei	49	251,637,320.24	2,253,274,716.74

Explanation of the shareholding ratio of minority shareholder in subsidiaries different from the voting ratio:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

(3). Major financial information of important non-wholly-owned subsidiaries

Applicable Not Applicable

Unit: Yuan Currency: RMB

Name of subsidiary	Closing balance						Opening 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
Huayou Quzhou	13,861,812,480.49	7,655,754,861.42	21,517,567,341.91	11,903,476,237.00	3,460,293,937.25	15,363,770,174.25	14,210,418,987.51	7,412,472,428.35	21,622,891,415.86	12,335,451,891.51	2,630,455,868.63	14,965,907,760.14
Huayou Singapore	1,550,897,529.23		1,550,897,529.23	1,170,288,314.18		1,170,288,314.18	2,360,026,360.44	0.00	2,360,026,360.44	2,160,468,656.89		2,160,468,656.89
Huayue Company	3,987,809,613.95	8,424,077,607.68	12,411,887,221.63	1,433,341,915.69	4,323,835,018.97	5,757,176,934.66	3,173,164,569.54	8,916,321,965.98	12,089,486,535.52	1,520,146,066.21	5,465,077,203.56	6,985,223,269.77
Chengdu B&M	5,479,694,960.33	3,535,650,511.17	9,015,345,471.50	5,794,298,289.63	557,397,476.08	6,351,695,765.71	8,672,241,262.39	3,129,887,733.72	11,802,128,996.11	8,921,626,479.11	445,806,730.43	9,367,433,209.54
Indonesia Huafei	4,744,596,208.62	13,757,893,860.96	18,502,490,069.58	5,457,051,683.49	8,446,918,556.00	13,903,970,239.49	2,574,875,129.11	14,123,462,712.36	16,698,337,841.47	3,085,046,197.54	9,592,740,897.56	12,677,787,095.10

Name of subsidiary	Amount incurred in the current period				Amount incurred in the previous period			
	Operating income	Net profits	Total comprehensive income	Cash flows generated from operating activities	Operating income	Net profits	Total comprehensive income	Cash flows generated from operating activities
Huayou Quzhou	21,898,503,850.39	57,813,512.83	57,813,512.83	1,978,716,582.73	22,132,537,831.49	252,105,399.21	252,105,399.21	-217,435,308.73
Huayou Singapore	14,886,424,023.34	176,702,033.49	181,051,511.50	248,826,182.12	12,062,522,635.38	47,971,464.29	51,145,534.15	480,285,115.26
Huayue Company	6,949,262,432.48	1,463,761,835.28	1,550,447,021.22	2,134,284,361.96	6,788,427,872.44	926,624,042.09	1,004,423,104.65	2,194,545,995.27
Chengdu B&M	7,995,748,986.64	228,953,919.22	228,953,919.22	937,151,441.60	18,531,721,073.28	529,066,944.80	529,066,944.80	1,672,039,688.93
Indonesia Huafei	8,568,054,406.02	513,545,551.52	577,969,083.72	1,217,540,798.71	2,303,454,972.76	223,436,863.47	243,061,395.32	481,833,360.45

Other explanations:

N/A

(4). Major restrictions on using enterprise group assets and paying off enterprise group debts
 Applicable Not Applicable

(5). Financial support or other support provided to structured entities included in the scope of consolidated financial statements
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

2. The share of owner's equity in the subsidiary has changed and still controls the transactions of the subsidiary
 Applicable Not Applicable

(1). Explanation of changes in the share of owners' equity in subsidiaries on equity
 Applicable Not Applicable

Name of subsidiary	Time of change	Shareholding before change	ratio	Shareholding after change	ratio
Zhejiang New Energy	February 2024		84.04		100.00
Huayou New Energy	December 2024		83.86		100.00
Huaxiang Indonesia	October 2024		98.00		49.00
KNI Company	December 2024		73.20		85.72

(2). The impact of transactions on minority shareholders' equity and the equity attributable to the parent company
 Applicable Not Applicable

Unit: Yuan Currency: RMB

	Zhejiang New Energy
Purchase cost/disposal consideration	526,022,354.88
--Cash	526,022,354.88
--Fair value of non-cash assets	
Total purchase cost/disposal consideration	526,022,354.88
Less: The net asset share of a subsidiary calculated according to the proportion of the equity acquired/disposed of	468,117,621.56
Difference	57,904,733.32
Including: adjustment of capital reserves	-57,904,733.32
Adjusted surplus reserve	
Undistributed profits after adjustment	

	Huayou New Energy
Purchase cost/disposal consideration	825,950,684.93
--Cash	825,950,684.93
--Fair value of non-cash assets	

Total purchase cost/disposal consideration	825,950,684.93
Less: The net asset share of a subsidiary calculated according to the proportion of the equity acquired/disposed of	550,414,753.69
Difference	275,535,931.24
Including: adjustment of capital reserves	-275,535,931.24
Adjusted surplus reserve	
Undistributed profits after adjustment	

	Huaxiang Indonesia
Purchase cost/disposal consideration	174,562,500.00
--Cash	174,562,500.00
--Fair value of non-cash assets	
Total purchase cost/disposal consideration	174,562,500.00
Less: The net asset share of a subsidiary calculated according to the proportion of the equity acquired/disposed of	171,814,123.33
Difference	2,748,376.67
Including: adjustment of capital reserves	-2,748,376.67
Adjusted surplus reserve	
Undistributed profits after adjustment	

	KNI Company
Purchase cost/disposal consideration	260,917,740.00
--Cash	260,917,740.00
--Fair value of non-cash assets	
Total purchase cost/disposal consideration	260,917,740.00
Less: The net asset share of a subsidiary calculated according to the proportion of the equity acquired/disposed of	217,212,691.82
Difference	43,705,048.18
Including: adjustment of capital reserves	43,705,048.18
Adjusted surplus reserve	
Undistributed profits after adjustment	

Other explanations:

Applicable Not Applicable

3. Rights and interests in cooperative enterprises or joint ventures

Applicable Not Applicable

(1). Important joint ventures and affiliated enterprises

Applicable Not Applicable

Name of joint venture or associate	Main place of business	Registration place	Business nature	Shareholding ratio (%)		Accounting treatment method for investment in joint ventures or associates
				Direct	Indirect	
Leyou	Wuxi City,	Wuxi City,	Non-metallic	49		Accounted under

Company	Jiangsu Province	Jiangsu Province	mineral products industry			the equity method
Xinyue Technology	Hong Kong	Hong Kong	Industrial investment	30		Accounted under the equity method

Remarks on the circumstance where shareholding proportion in joint ventures or associates are different from the voting right proportion:

N/A

Basis for determining the voting rights below 20% but with significant influence, or the voting rights over 20% (inclusive) without significant influence:

N/A

(2). Main financial information of important cooperative enterprises

Applicable Not Applicable

(3). Major financial information of important joint ventures

Applicable Not Applicable

Unit: Yuan Currency: RMB

	Ending balance/amount incurred in current period		Beginning balance/amount incurred in previous period	
	Leyou Company	Xinyue Technology	Leyou Company	Xinyue Technology
Current assets	3,334,839,675.22	6,623,013,966.01	3,336,862,998.26	5,719,469,010.88
Including : Cash and cash equivalents				
Non-current assets	1,597,973,973.52	6,188,373,896.66	1,756,454,218.95	5,869,547,461.97
Total assets	4,932,813,648.74	12,811,387,862.67	5,093,317,217.21	11,589,016,472.85
Current liabilities	1,085,744,925	2,102,665,866	950,039,159.11	2,085,305,279.76
Non-current liabilities	152,054,385.4	79,894,059.85	136,226,679.59	57,579,449.78
Total liabilities	1,237,799,310	2,182,559,926	1,086,265,838.70	2,142,884,729.54
Minority equity	3,695,014,338.35	3,883,614,540.27		3,319,313,390.56
Equity attributable to shareholders of the parent company		6,745,213,396.74	4,007,051,378.51	6,126,818,352.75
Shares of net assets calculated according to				

the shareholding ratio				
Adjusting events				
-- Goodwill				
-- Unrealized profits of internal transactions				
--Other				
Book value of equity investment in joint venture				
Fair value of equity investment in joint venture with a public quotation				
Operating income				
Financial costs				
Income tax expenses				
Net profits	573,217,914.96	2,867,440,091.26	843,182,016.80	5,297,875,106.01
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	573,217,914.96	2,958,472,449.82	843,182,016.80	5,469,351,355.24
Dividend received from joint venture for the year				

Other explanations:

N/A

Other explanations:

N/A

(4). Summary financial information of unimportant joint ventures and affiliates

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Ending balance/amount incurred	Beginning balance/amount
-------	--------------------------------	--------------------------

	in current period	incurred in previous period
Joint ventures:		
Total book value of investment	237,658,162.61	6,130,740.58
The total of the following items calculated according to the shareholding ratio		
--Net profit	-1,926,826.66	166,175.75
--Other comprehensive income	-570,576.74	209,880.30
--Total comprehensive income	-2,497,403.40	376,056.05
Joint ventures:		
Total book value of investment	8,429,409,065.17	6,038,249,538.12
The total of the following items calculated according to the shareholding ratio		
--Net profit	70,094,595.45	-158,310,628.94
--Other comprehensive income	51,336,536.09	9,692,177.05
--Total comprehensive income	121,431,131.54	-148,618,451.89

Other explanations:

N/A

(5). Statement of important restrictions on the ability of joint ventures or associates to transfer capital to the Company

Applicable Not Applicable

(6). Excess losses incurred by joint ventures or affiliated enterprises

Applicable Not Applicable

Unit: Yuan Currency: RMB

Name of joint venture or associate	Losses unrecognized and accumulated in the previous period	Losses unrecognized at this period (or net profits shared in the period)	Losses unrecognized and accumulated at the end of the period
PHC Company		49,720,394.11	49,720,394.11

Other explanations:

N/A

(7). Unconfirmed commitments related to the investment to joint ventures

Applicable Not Applicable

(8). Contingent liabilities related to investments in joint ventures or associates

Applicable Not Applicable

4. Important joint operation

Applicable Not Applicable

5. Rights and interests in structured entities not included in the scope of consolidated financial statements

Explanation of structured entities not included in the scope of consolidated financial statements:

Applicable Not Applicable

6. Others
 Applicable Not Applicable

IX. Government subsidies
1. Government subsidies recognized based on receivable amounts at the end of the reporting period
 Applicable Not Applicable

Reasons for not receiving the expected amount of government subsidies at the anticipated time

 Applicable Not Applicable

2. Liability items involving government subsidies
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Financial statements items	Opening balance	Amount of new subsidies in the current period	Amount included in non-operating revenue of the current period	Transferred in other income in the current period	Other variations in the current period	Closing balance	As set-related/income-related
Deferred income	664,731,907.02	102,228,170.07		54,492,529.30		712,467,547.79	Asset-related
Deferred income	1,818,624.94	1,682,537.65		1,060,974.93		2,440,187.66	Related to income
Total	666,550,531.96	103,910,707.72		55,553,504.23		714,907,735.45	/

3. Government subsidies included incurrent profits and losses
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Type	Amount incurred in the current period	Amount incurred in the previous period
Asset-related	54,492,529.30	46,600,403.87
Related to income	117,650,953.38	200,903,660.04
Others	3,199,406.86	635,426.00
Total	175,342,889.54	248,139,489.91

Other explanations:

Other items are the financial subsidies received during this period.

X. Risks related to financial instruments

1. Risks related to financial instruments

Applicable Not Applicable

The Company's risk management aims to reach balancing between risks and benefits, to minimize the negative impact of risks on the Company's operating results, and to maximize the interests of shareholders and other equity investors. Based on these risk management goals, the Company's basic strategy for risk management is to determine and analyze various risks faced by the Company, establish an appropriate risk tolerance bottom line and conduct risk management, and supervise various risks in a timely and reliable manner to control the risks within a limited scope.

The Company faces various risks related to financial instruments in its daily activities, including credit risk, liquidity risk and market risk. The management has deliberated and approved the policing governing these risks as outlined below:

(I) Credit risk

Credit risk refers to the risk that one party of a financial instrument fails or is unable to fulfill its obligations, resulting in financial losses to the other party.

1. Approach to credit risk

(1) Assessment method of credit risk

The Company, on each balance sheet date, assesses whether the credit risk of relevant financial instruments has increased significantly since initial recognition. In determining whether the credit risk has increased significantly since initial recognition, the Company takes into account the reasonable and well-founded information available without unnecessary additional costs or efforts, including qualitative and quantitative analysis based on historical data, external credit risk rating and forward-looking information. The Company determines the changes that may result in default risk of financial instruments within their expected duration by comparing the default risk of the financial instruments on the balance sheet date and the initial recognition date based on an individual financial instrument or the combined financial instruments with similar credit risk characteristics.

The Company deems that the credit risk of the financial instruments has increased significantly if any one or more of the following quantitative and qualitative standards are triggered:

- 1) The main quantitative standard is that the probability of default within the remaining duration on the balance sheet date has increased by more than certain proportion compared with that at the initial recognition;
- 2) The main qualitative standard is that there are material adverse changes occurring to the business or financial conditions of the debtor and changes in the exiting or anticipated technology, market, economic or legal environment which have a material adverse effect on the debtor's ability to make repayment to the Company.

(2) Definitions of default and assets with credit impairment

If the financial instruments meet any one or more of the following conditions, the Company defines the financial assets as in default, with its standard consistent with the definition of credit impairment:

- 1) The debtor faces major financial difficulties;
- 2) The debtor breaches the provisions governing it in the contract;
- 3) The debtor is very likely to become bankrupt or go into other financial restructuring proceedings;
- 4) The creditor makes a concession to the debtor which it will not make under any other circumstances for the economic or contractual considerations in connection with the debtor's financial difficulties.

2. Measurement of expected credit loss

The key parameters for measurement of expected credit loss include the probability of default, loss given default and default risk exposure. The Company builds the models of probability of default, loss given default and default risk exposure considering the quantitative analysis of historical statistical data (such as counterparty rating, guarantee type, category of collateral and pledge, repayment method) and forward-looking information.

3. For the details on the Reconciliation Statement of Beginning Balance and Ending Balance of Financial Instrument Loss Reserve, please see the particulars contained in "5. Account Receivable; 7. Receivable Financing; and 9. Other Receivables", "VII. Notes to the Consolidated Financial Accounts", "Section X Financial Report".

4. Credit risk exposure and credit risk concentration

The credit risk of the Company is derived mainly from the monetary capital and accounts receivable. To control the above related risk, the Company has respectively taken the following measures.

(1) Monetary capital

The bank deposit and other monetary capitals of the Company were deposited with financial institutions with high credit rating; therefore, the credit risk was low.

(2) Receivable and contracted assets

The Company continuously carries out credit assessment on customers who trade in credit. According to the result of credit assessment, the Company deals with approved and credible customers, and monitors the balance of its accounts receivable, so as to prevent significant bad debt risk.

Net profits guarantee is required as the Company only transacts with recognized and reputable third parties. Credit risk concentration is managed as per customers. As at Tuesday, December 31, 2024, there was certain credit concentration risk in the Company and 36.94% (December 31, 2023: 36.40%) of the accounts receivable of the Company were concentrated on top five customers in the balance of account receivable. The Company had no guarantee or other credit enhancement on the balance of the accounts receivable.

The maximum credit risk exposure of the Company is the carrying value of the financial assets in the balance sheet.

(II) Liquidity risk

Liquidity risk refers to the risk of shortage of funds when the Company fulfills its obligation to settle by delivering cash or other financial assets. Liquidity risk may arise from the inability to sell financial assets at fair value as soon as possible, the counterparty's inability to pay off its contractual debt, the acceleration of debt or the inability to generate expected cash flow.

To control such risk, the Company applies various financing methods, such as bill settlement and bank loans, in appropriate combination of long-term and short-term financing ways to optimize the financing structure and keep the balancing between financing sustainability and flexibility. The Company has obtained lines of credit from several commercial banks to satisfy its working capital demand and capital expenditure.

Classification of financial liabilities by the remaining due days

Items	Ending balance				
	Book value	Undiscounted contract value	Within 1 year	1-3 years	Over 3 years
Bank loans	47,206,470,330.13	49,485,780,288.93	28,821,978,524.31	14,193,446,809.79	6,470,354,954.83
Notes payable	4,209,819,518.55	4,209,819,518.55	4,209,819,518.55		
Accounts payable	12,041,543,179.65	12,041,543,179.65	12,041,543,179.65		
Other payables	1,805,454,346.03	1,825,527,508.42	1,825,527,508.42		
Other Current liabilities	2,319,406,114.26	2,319,406,114.26	2,319,406,114.26		
Bonds payable	6,940,139,194.75	7,349,697,590.15	103,719,333.90	283,043,603.50	6,962,934,652.75
Lease liabilities	64,102,350.00	67,396,609.31	40,225,630.47	25,445,978.84	1,725,000.00
Long-term payables	6,677,564,071.92	7,351,649,760.49	2,276,965,658.64	2,060,062,943.96	3,014,621,157.89
Subtotal	81,264,499,105.29	84,650,820,569.76	51,639,185,468.20	16,561,999,336.09	16,449,635,765.47

(Continued)

Items	Balance at the end of the previous year				
	Book value	Undiscounted contract value	Within 1 year	1-3 years	Over 3 years
Bank loans	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
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		

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	1,413,233,847.44	1,413,233,847.44		
Bonds payable	6,631,718,848.37	7,084,593,918.37	43,311,877.50	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
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
Subtotal	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 refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market prices. Market risks include interest rate risk and foreign exchange risk.

1. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market interest rates. The interest-bearing financial instruments with a fixed interest rate put the Company at the interest rate risk of fair value, and those with a floating interest rate put the Company at the interest rate risk of cash flow. The Company determines the proportion of financial instruments with a fixed interest rate and financial instruments with a floating interest rate according to the market environment, and maintains an appropriate combination of financial instruments through regular review and monitoring. The Company's exposure to cash flow interest rate risk relates primarily to the Company's bank borrowings which bear interest at floating rates.

As of December 31, 2024, the Company's bank loans with floating interest rates totaled RMB 23,369,916,939.26 (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, this would result in a/an decrease/increase in the Company's shareholders' equity of RMB 116,849,600 (December 31, 2023: a/an decrease/increase of RMB 90,288,500) and a/an decrease/increase in net profit of RMB 116,849,600 (2023: a/an decrease/increase of RMB 90,288,500).

2. Foreign exchange risk

Foreign exchange risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to the change of foreign exchange rate. The risk of changes in foreign exchange rates faced by the Company is mainly related to the Company's foreign currency assets and liabilities. For foreign currency assets and liabilities, if there is a short-term imbalance, the Company will buy and sell foreign currency at market exchange rates as necessary to ensure that the net risk exposure is maintained at an acceptable level.

For the details on the monetary assets and liabilities in foreign currency of the Company at the end of the period, please see the particulars contained in "81. Monetary Items in Foreign Currency", "VII. Notes to the Consolidated Financial Accounts", "Section X Financial Report".

2. Hedging

(1) The Company conducts hedging activities for risk management.

√ Applicable □ Not Applicable

Items	Corresponding risk management strategies and objectives	Qualitative and quantitative information on the hedged risks	Economic relationship between the hedged items and related hedging instruments	Effective achievement of expected risk management objectives	Impact of corresponding hedging activities on risk exposure.
Fair value hedge - Futures contracts	To avoid the risks to the Company's production and operations	The hedging risk is the price fluctuation risk of nickel, lithium, and	The hedged item and the hedging instrument generally fluctuate in	Gains or losses on hedging instruments can offset the value changes of the	Effectively reduce the risk exposure

	caused by price changes of commodity metals such as nickel, lithium and cobalt, so as to achieve stable operations	cobalt. Quantitative information can be found in "3. Derivative Financial Assets", "10. Inventory", "68. Investment Income", and "Gain from Changes in Fair Value" under "VII. Notes to Consolidated Financial Statements" of "Section X Financial Report" of the report.	opposite directions, which indicates that the hedging is effective, otherwise the hedging is ineffective.	hedged items, and the expected risk management objectives are effectively achieved.	
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Other explanations:

 Applicable Not Applicable

(2) The Company conducts qualified hedging activities and applies hedge accounting.
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Carrying amount related to hedged items and hedging instruments	Cumulative fair value hedge adjustments of hedged items included in the carrying amount of recognized hedged items	Hedge effectiveness and sources of ineffective portion	Relevant effects of hedge accounting on the Company's financial statements
Types of hedging risk				
Price fluctuation risk of nickel, lithium, and cobalt		-1,318,261,258.57	Whether the hedging instrument and hedged item fluctuate in the opposite directions	Gains on hedging instruments in the current period were RMB 1,645,726,711.94, losses on the hedged items arising from hedging risks were RMB 1,318,261,258.57, and gains on ineffective hedges were RMB 327,465,453.37 (including gains from close position of RMB 276,926,293.51 and gains from open position of RMB 50,539,159.86).
Hedging category				
Fair value hedge		-1,318,261,258.57	Whether the hedging instrument and hedged item fluctuate	Gains on hedging instruments in the current period were

			in the opposite directions	RMB 1,645,726,711.94, losses on the hedged items arising from hedging risks were RMB 1,318,261,258.57, and gains on ineffective hedges were RMB 327,465,453.37 (including gains from close position of RMB 276,926,293.51 and gains from open position of RMB 50,539,159.86).
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Other explanations:

Applicable Not Applicable

For relevant details of the book value of hedged items and hedging instruments, please see the particulars contained in “3. Derivative Financial Assets”, and “10. Inventory”, “VII. Notes to the Consolidated Financial Accounts”, “Section X Financial Report”.

(3) The Company engages in hedging activities for risk management purposes and expects to achieve its risk management objectives, but has not applied hedge accounting.

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

3. Transfer of financial assets

(1) Classification of transfer method

Applicable Not Applicable

Unit: Yuan Currency: RMB

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition situation	Basis for determining derecognition
Notes discount	Financing funds receivables	5,491,512,024.67	Derecognition	Nearly all the risks and rewards have been transferred
Notes endorsement	Financing funds receivables	3,199,270,279.62	Derecognition	Nearly all the risks and rewards have been transferred
Total	/	8,690,782,304.29	/	/

(2) Financial assets with termination of recognition due to transfer

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Transfer method of financial assets	Amount of financial assets with termination of recognition	Gains or losses related to termination recognition
Financing funds	Endorsed/discount	8,690,782,304.29	19,223,149.85

receivables			
Total	/	8,690,782,304.29	19,223,149.85

(3) Transfer of financial assets continuing to be involved
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

XI. Disclosure of fair value
1. The ending fair value of assets and liabilities measured at fair value
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Ending fair value			
	The first level of fair value measurement	The second level of fair value measurement	The third level of fair value measurement	Total
I. Continuous fair value measurement				
(I) Trading financial assets			388,285,406.17	388,285,406.17
1. Financial assets measured at fair value with changes included in current profits and losses			388,285,406.17	388,285,406.17
(1) Debt instrument investment				-
(2) Equity instrument investment			6,573,600.00	6,573,600.00
(3) Derivative financial assets				-
(4) Short-term bank financial products			381,711,806.17	381,711,806.17
2. Financial assets that are designated to be measured at fair value through profit or loss in this period				
(1) Debt instrument investment				
(2) Equity instrument investment				
(II) Other debt investments				
(III) Other equity instrument investments				
(IV) Investment real				

estate				
1. Land use right for lease				
2. Leased buildings				
3. Land use rights that are held for transfer upon appreciation				
(V) Biological assets				
1. Consumable biological assets				
2. Productive biological assets				
(VI) Derivative financial assets	969,759,509.31		31,633,811.11	1,001,393,320.42
(VII) Receivables Financing			1,428,306,241.20	1,428,306,241.20
(VIII) Investment in Other Equity Instruments			176,379,882.81	176,379,882.81
(IX) Inventories - Changes in fair value of hedged items		431,109,751.60		431,109,751.60
Total amount of assets measured at fair value on a continuous basis	969,759,509.31	431,109,751.60	2,024,605,341.29	3,425,474,602.20
(VI) Financial liabilities held for trading				
1. Financial liabilities measured at fair value through profit or loss				
Including: Trading bonds issued				
Derivative financial liabilities				
Others				
2. Financial liabilities designated to be measured at fair value through profit or loss				
Total liabilities continuously measured in terms of fair value				
II. Non-continuous Fair Value Measurement				
(1) Assets held for sale				

Total assets measured by non-continuous fair value				
Total liabilities not continuously measured in terms of fair value				

2. Determination basis for the market price of continuous and non-continuous first-level fair value measurement items

Applicable Not Applicable

Items	Ending fair value	Valuation techniques
Derivative financial assets	969,759,509.31	The fair value of futures contracts is determined based on the closing settlement price determined in futures transactions.
Inventory - Changes in the fair value of hedged items	431,109,751.60	The fair value of hedged items is determined based on closing quoted price in spot market.

3. Qualitative and quantitative information on the valuation techniques and important parameters used in continuous and non-continuous second-level fair value measurement items

Applicable Not Applicable

Items	Ending fair value	Valuation techniques
Inventory - Changes in the fair value of hedged items	431,109,751.60	The fair value of hedged items is determined based on closing quoted price in spot market.

4. Qualitative and quantitative information on the valuation techniques and important parameters used in continuous and non-continuous third-level fair value measurement items

Applicable Not Applicable

Items	Ending fair value	Valuation techniques
Derivative financial asset	31,633,811.11	
Other non-current financial assets - Investments in equity instruments	6,573,600.00	The carrying amount is used as the fair value as there is little difference between them.
Financial assets held for trading - Short-term bank financial products	381,711,806.17	The principal plus expected income as of the balance sheet date.

Financing funds receivables	1,428,306,241.20	The carrying amount is used as the fair value as there is little difference between them.
Investment in other equity instruments	176,379,882.81	For Inner Mongolia Sinuo, Hanaq Company, Shengyin Technology, and China General Nuclear New Energy, the carrying amount is used as the fair value as there is little difference between them.

5. Adjustment information and sensitivity analysis of non-observable parameters between beginning and ending book value for continuous third-level fair value measurement items

Applicable Not Applicable

6. For continuous fair value measurement items, if the conversion occurs among different levels within the current period, the reasons for the conversion and the policy for determining the conversion time point

Applicable Not Applicable

7. Changes in valuation techniques during the current period and the reasons for the changes

Applicable Not Applicable

8. Fair value of financial assets and financial liabilities not measured at fair value

Applicable Not Applicable

9. Others

Applicable Not Applicable

XII. Related parties and related transactions

1. Information about the parent company of the Company

Applicable Not Applicable

Unit: Ten thousand yuan Currency: RMB

Parent company name	Registration place	Business nature	Registered capital	Shareholding ratio of parent company to the Company (%)	Proportion of parent company's voting rights to the Company (%)
Huayou Holding	Tongxiang City, Zhejiang Province.	Commercial service	7,009.20	16.96	16.96

Explanation of the parent company of the Company

N/A

Other explanations:

The ultimate controlling party of this company is Chen Xuehua, who directly holds and indirectly holds a total of 21.88% of the company's equity through Huayou Holdings.

2. Information on subsidiaries of the Company

For the details on subsidiaries of the Company, please see the particulars contained in "X. Interests in Other Entities", "Section X Financial Report".

Applicable Not Applicable

3. Information on joint ventures and associated enterprises of the Company

For details of significant joint ventures and associates of the Company, see Note "X. Equities in other entities", "Section X Financial Report".

Applicable Not Applicable

Information about other joint ventures or associated enterprises that have related transactions with the Company in the current period, or have balance resulting from related transactions with the Company in the previous period is as follows

Applicable Not Applicable

Name of joint ventures and associated enterprises	Relationship with the Company
Qingshan Lvshui	Joint ventures
Puhua Company	Joint ventures
Leyou Company	Joint ventures
Hunan Yacheng.	Joint ventures
Ningbo Ruihua	Joint ventures
Zhejiang Times Li-ion Material Co., Ltd. (the "Times Li-ion Company")	The associates Quzhou Xinhua and Quzhou Anyou hold 35.30% and 17.88% of Times Li-ion Company, respectively, making them the first and second largest shareholders of Times Li-ion Company.
Zhejiang Huayou Li-ion Material Co., Ltd. (the "Huayou Li-ion Company")	Subsidiary of the associate Tongxiang Lithium Times
Quzhou Electric Investment Huayou Smart Energy Co., Ltd. (the "Quzhou Electric Investment")	Subsidiary of the associate Zhejiang Electric Investment.
Tongxiang Electric Investment Huayou Smart Energy Co., Ltd. (the "Tongxiang Electric Investment").	Subsidiary of the associate Zhejiang Electric Investment.
Guangxi Times Huineng Lithium Battery Material Technology Co., Ltd. (the "Guangxi Times Huineng")	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Juneng Thermal Energy Co., Ltd. (the "Yulin Times Juneng")	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Green Water Environmental Technology Co., Ltd. (the "Yulin Times Green Water")	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Blue Sky Gas Co., Ltd. (the "Yulin Times Blue Sky")	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
IWIP Company	Joint ventures
Xinyue Technology	Joint ventures
PT.WEDABAY NICKEL INDONESIA (the "WBN Company").	Subsidiary of the associate Newstride Technology
Veinstone	Joint ventures
PT.WEDA BAY ENERGI (the "WBE Company")	Subsidiary of a joint venture of Veinstone
Indonesia Huatuo	Joint ventures
Yongheng Nickel	Joint ventures
WKM Company	Joint ventures
PT SULAWESI CAHAYA MINERAL (the "SCM Company")	Subsidiary of a joint venture of MBM Company
LG-HY BCM.	Joint ventures
PHC Company	Joint ventures

Other explanations:

Applicable Not Applicable

4. Information of other related parties

Applicable Not Applicable

Name of other related parties	Relationship between other related parties and the Company
Guangxi Huayou Construction Operation Management Co., Ltd. (the "Guangxi Huayou Construction")	Controlled by the controlling shareholder Huayou Holdings
Yunnan Youtian New Energy Technology Co., Ltd. (the "Yunnan Youtian")	Controlled by the controlling shareholder Huayou Holdings
Inner Mongolia Shengfan Technology New Energy Co., Ltd. (the "Inner Mongolia Shengfan")	Controlled by the controlling shareholder Huayou Holdings
Guangxi Huachuang New Material Copper Foil Co., Ltd. (the "Guangxi Huachuang")	Controlled by the controlling shareholder Huayou Holdings
Guangxi Times New Energy Lithium Battery Material Technology Co., Ltd. (the "Guangxi Times New Energy")	Controlled by the controlling shareholder Huayou Holdings
Guangxi Times Chuangneng New Material Technology Co., Ltd. (the "Guangxi Times Chuangneng")	Controlled by the controlling shareholder Huayou Holdings
Guangxi Huayou Resource Recycling Technology Company Limited (hereinafter referred to as Guangxi Recycling)	Controlled by the controlling shareholder Huayou Holdings
Zhejiang Youshan New Materials Technology Co., Ltd. (the "Youshan New Materials")	Controlled by the controlling shareholder Huayou Holdings
Anhui Huachuang New Material Co., Ltd. Zhejiang Branch (the "Anhui Huachuang Zhejiang Branch")	Controlled by the controlling shareholder Huayou Holdings
Guizhou Yayou New Material Co., Ltd. (the "Guizhou Yayou")	Originally an associate of the controlling shareholder Huayou Holdings, in May 2024, Huayou Holdings acquired its remaining equity, and from June 2024, it was controlled by the controlling shareholder Huayou Holdings.
Youshan New Material Technology (Guizhou) Co., Ltd. (the "Guizhou Youshan New Material")	Controlled by the controlling shareholder Huayou Holdings
Inner Mongolia Huajing New Material Co., Ltd. (the "Huajing New Material")	Controlled by the controlling shareholder Huayou Holdings
Jiangxi Huachuang New Material Co., Ltd. (the "Jiangxi Huachuang")	Controlled by the controlling shareholder Huayou Holdings
Zhejiang Youshan New Energy Technology Co., Ltd. (the "Youshan New Energy")	Controlled by the controlling shareholder Huayou Holdings
Hubei Xingfa New Energy Technology Co., Ltd. (formerly known as Hubei Youxing New Energy Technology Co., Ltd., hereinafter referred to as Hubei Xingfa)	Originally controlled by the controlling shareholder Huayou Holdings, in July 2024, Huayou Holdings transferred all of its equity in the company, thus from August 2024, the company was no longer be an affiliate of this company.
PT YOUSHAN NICKEL INDONESIA (the "Youshan Nickel")	An associate of the controlling shareholder Huayou Holdings
Zhejiang Beilinde Enterprise Management Co., Ltd. (the "Beilinde Company")	An associate of the controlling shareholder Huayou Holdings
Zhejiang Xinhua Polymer Materials Co.,	An associate of the controlling shareholder Huayou

Ltd. (the "Xinhua Polymer Materials")	Holdings
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Other explanations:

N/A

5. Information on related transactions

(1). Related transactions of purchasing and selling goods, providing and receiving labor services

Statement of purchasing goods/accepting labor services

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Related parties	Related transaction content	Amount incurred in the current period	Approved trading limit (if applicable)	Exceed the trading limit or not (if applicable)	Amount incurred in the previous period
IWIP Company	Service charges	356,926,342.36			164,236,627.55
IWIP Company	Goods				31,909,026.74
Puhua Company	Goods	1,956,919.56			7,485,182.88
Leyou Company	Goods	33,264,378.71			94,034,739.63
WBE Company	Energy Fees	436,003,331.33			125,096,847.68
Guangxi Times Huineng	Goods	451,377,462.27			171,572,185.08
Guangxi Times Huineng	Charges for processing	12,304,914.36			15,863,673.46
Guangxi Times Huineng	Service charges	1,664,989.26			3,070,823.41
Guangxi Times Huineng	Energy Fees	4,130,634.54			
Inner Mongolia Shengfan	Goods	3,615.04			3,162,700.88
Times Li-ion Company	Goods	341,253,860.39			282,845,497.44
Times Li-ion Company	Charges for processing	123,211.73			266,439.98
Times Li-ion Company	Use fee				1,117,398.23
Times Li-ion Company	Service charges	3,373,945.78			261,273.35
Times Li-ion Company	Energy Fees	937,559.49			3,485,608.20
WBN Company	Goods	1,752,499,358.02			1,614,958,656.14
Guangxi Times New Energy	Goods	1,053,788.58			115,085.10
Guangxi Times New Energy	Service charges	61,080.85			
Guangxi Times New Energy	Energy Fees	11,282,672.33			
Hunan Yacheng.	Goods	2,801,769.91			99,955.75
Quzhou Electric Investment	Energy Fees	4,245,718.36			1,230,200.69
Youshan Nickel	Goods	317,571,306.51			162,908,632.77
Yulin Times Juneng	Energy Fees	86,734,148.97			33,138,035.40

Yulin Times Juneng	Goods	10,354.00			
Yulin Times Green Water	Service charges	25,807,027.26			4,840,001.09
Yulin Times Green Water	Energy Fees	152,352.62			
Yulin Times Green Water	Goods	23,896.09			
Yulin Times Sky Blue	Energy Fees	157,754,899.66			101,229,337.25
Yulin Times Sky Blue	Service charges	1,227,312.29			
PHC Company	Goods	20,005,197.71			
SCM Company	Goods	1,270,500,731.99			
Guangxi Huachuang	Service charges	63,792.51			
Guangxi Huachuang	Energy Fees	168,198.59			
Huayou Li-ion Company	Service charges	472,989.49			
Tongxiang Electric Investment	Energy Fees	668,252.07			
Total		5,296,426,012.63			2,822,927,928.70

[Note] In addition, the company has sold raw materials to Guangxi Times Huineng, Times Li-ion Company, and Hunan Yacheng, and then repurchased processed finished products or raw materials from them. In this period, the company sold raw materials to Guangxi Times Huineng, Times Li-ion Company, and Hunan Yacheng for amounts of 286,765,408.01 yuan, 1,559,433,476.70 yuan, and 177,514,159.29 yuan respectively, and repurchased finished products or raw materials from them for amounts of 669,832,632.73 yuan, 1,568,410,474.09 yuan, and 177,514,159.27 yuan respectively. In the same period last year, the company sold raw materials to Guangxi Times Huineng, Times Li-ion Company, and Ningbo Ruihua for amounts of 287,280,972.54 yuan, 1,900,164,196.90 yuan, and 1,236,307,161.00 yuan respectively, and repurchased finished products from them for amounts of 225,540,737.14 yuan, 1,794,744,331.55 yuan, and 1,253,771,117.56 yuan respectively. As of the end of the period, there are still some finished products that have not been repurchased. The financial statements have been presented on a net basis.

Statement of sales of goods/provision of services
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Related parties	Related transaction content	Amount incurred in the current period	Amount incurred in the previous period
Puhua Company	Goods		405,981,654.04
Puhua Company	Service charges and use fee	11,352,698.72	12,241,546.12
Leyou Company	Goods	176,819,883.87	371,923,924.50
Leyou Company	Service charges	380,579.29	338,873.44
Beilinde Company	Service charges	2,874.11	871.5
Times Li-ion Company	Goods	149,640,494.31	23,669,765.36
Times Li-ion Company	Service charges	51,872,285.89	131,217,035.44

Times Li-ion Company	Charges for processing	2,797,684.96	6,780,175.72
Huayou Holding	Goods	9,970.14	23,544.31
Huayou Holding	Service charges	634,575.90	862,508.00
PHC Company	Service charges		4,273,549.54
Inner Mongolia Shengfan	Goods	29,320.35	191,473,451.33
Inner Mongolia Shengfan	Service charges	125.26	56
Inner Mongolia Shengfan	Charges for processing		748,852.43
Guangxi Huayou Construction	Service charges		20,069,340.89
WBE Company	Charges for processing	23,354,754.98	38,406,992.15
Guangxi Huachuang	Service charges	820,885.85	
Guangxi Times Huineng	Goods	103,283,590.07	60,215,940.43
Guangxi Times Huineng	Service charges	27,962,967.97	101,719,437.67
Guangxi Times Huineng	Charges for processing	1,363,421.02	7,377,360.01
Guangxi Times New Energy	Goods	1,755,604.97	5,478,499.85
Guangxi Times New Energy	Service charges	14,230,038.42	19,187,751.06
Guangxi Times New Energy	Charges for processing		1,319,192.92
Yulin Times Juneng	Goods	41,331.19	32,577.76
Yulin Times Juneng	Service charges	10,406,412.22	18,168,334.75
Yulin Times Green Water	Goods	16,442.54	8,440.71
Yulin Times Green Water	Service charges	3,062,001.03	3,563,095.35
Yulin Times Sky Blue	Goods	2,867.24	2,097.35
Yulin Times Sky Blue	Service charges	6,735,842.96	11,275,872.70
LG-HY BCM.	Goods	709,045,210.39	37,972,651.92
LG-HY BCM.	Service charges	2,917,947.03	
Guangxi Times Chuangneng	Service charges		960,000.00
Guangxi Regeneration	Goods	3,386,194.96	2,542,095.77
Guangxi Regeneration	Service charges	1,660,422.88	8,199,248.09
Hubei Youxing	Service charges		196,038.65
Huayou Li-ion Company	Goods	5,419.09	1,564,965.90
Huayou Li-ion Company	Service charges	20,703,212.61	18,038,084.38
Xinhua Polymeric Materials	Goods	489,665.73	258,960.18
Youshan New Material	Goods	477,276,657.42	138,892,496.53
Youshan New Material	Service charges	3,050,613.68	15,085,859.76
Yunnan Youtian	Service charges	136,460.94	69,637.62
Yunnan Youtian	Goods	4,964.60	
Yongheng Nickel	Goods	55,506,999.26	
SCM Company	Service charges	466,321.68	
Anhui Huachuang Zhejiang Branch	Service charges	1,000.47	
Guizhou Yayou	Goods	28,327.43	
Huajing New Material	Service charges	1,146.10	
Huajing New Material	Goods	16,879.65	
Jiangxi Huachuang	Goods	26,982.00	
Guizhou Youshan New Material	Service charges	2,693.28	
Youshan New Energy	Goods	2,601.77	
Total		1,861,306,374.23	1,660,140,780.13

Explanation of related party transactions in purchasing and selling goods, providing and receiving labor services

Applicable Not Applicable

In addition, in the same period last year, the company had a situation where it purchased raw materials from Guangxi Times Huineng, processed them into finished products, and then sold them back to Guangxi Times Huineng. In the same period last year, the company purchased raw materials from Guangxi Times Huineng for an amount of 60,265,312.32 yuan and sold finished products to them for an amount of 61,974,358.89 yuan. The financial statements have been presented on a net basis.

In this period, the company has receivables for energy fees from Puhua Company, Yulin Times Green Water, Guangxi Times Huineng, and Guangxi Regeneration amounting to 6,360,713.96 yuan, 987,492.47 yuan, 132,332.54 yuan, and 75,656.81 yuan respectively. In the same period last year, the company had receivables for energy fees from Puhua Company, Yulin Times Green Water, Times Li-ion Company, and Guangxi Times Huineng amounting to 33,689,387.02 yuan, 1,922,850.84 yuan, 456,865.14 yuan, and 102,184.49 yuan respectively.

(2). Related entrusted management/contracting and entrusted management/outsourcing

Statement of entrusted management/contracting of the Company:

Applicable Not Applicable

Explanation of related trusteeship/contracting

Applicable Not Applicable

Statement of entrusted management/outsourcing of the Company

Applicable Not Applicable

Explanation of related management/outsourcing

Applicable Not Applicable

(3). Information of related lease

The Company acts as the lessor:

Applicable Not Applicable

Unit: Yuan Currency: RMB

Name of lessee	Types of leased assets	Lease income recognized in current period	Lease income recognized in last period
Huayou Li-ion Company	Machinery equipment	24,431.87	
Huayou Holding	Building and construction		387,130.57

The Company acts as the lessee:

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Name of lessor	Types of leased assets	Rental expense on short-term leases and leases of low-value assets with simplified treatment (if applicable)		Variable lease payments not included in the measurement of the lease liability (if applicable)		Rental paid		Interest expense on lease liabilities assumed		Increase in use right assets	
		Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period
Guangxi Huachuang	Houses and buildings	357,798.15									
Guangxi Huachuang	Means of transport	5,907.07									
Guangxi Times Huineng	Houses and buildings	5,973,287.31									
Guangxi Times Huineng	Means of transport	303,600.07									
Guangxi Times New Energy	Means of transport	37,168.16									
Times Li-ion Company	Houses and buildings	167,875.61				6,758,400.00		380,892.91		13,077,949.46	
Times Li-ion Company	Other equipment	279,100.91									
Yulin Times Juneng	Means of transport	45,132.73									
Yulin Times Green Water	Means of transport	124,692.46									
Yulin Times Sky Blue	Means of transport	47,787.58									
Huayou Holding	Means of transport	600,000.00									
Total		7,942,350.05				6,758,400.00		380,892.91		13,077,949.46	

Explanation of related lease
 Applicable Not Applicable

(4). Information of related guarantee

The Company acts as the warrantee

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Secured party	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been performed fully
Yongheng Nickel	416,071,968.00	2024.12.27	2030.12.27	No
Yongheng Nickel	39,897,312.00	2024.12.27	2030.12.27	No

Explanation of related guarantee

 Applicable Not Applicable

Unit: Yuan Currency: RMB

Guarantor	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been performed fully
Xuehua Chen	240,000,000.00	2024.11.12	2025.11.11	
Xuehua Chen	960,000,000.00	2024.6.24	2027.12.9	
Xuehua Chen	624,898,962.01	2024.2.29	2025.2.25	
Xuehua Chen	175,000,000.00	2024.12.6	2025.12.5	
Xuehua Chen	583,443,835.35	2024.3.1	2025.5.21	
Xuehua Chen	145,296,883.26	2024.8.29	2025.4.30	
Xuehua Chen	400,000,000.00	2024.8.30	2025.6.6	
Xuehua Chen	380,000,000.00	2024.10.11	2025.8.7	
Xuehua Chen	718,840,000.00	2023.3.30	2025.3.29	
Xuehua Chen	200,000,000.00	2024.11.29	2025.12.28	
Xuehua Chen	74,000,000.00	2024.12.27	2025.12.29	
Xuehua Chen	100,000,000.00	2024.10.24	2025.10.27	
Xuehua Chen	440,000,000.00	2024.6.28	2026.10.30	
Xuehua Chen	400,000,000.00	2024.12.3	2025.7.8	
Xuehua Chen	600,000,000.00	2024.6.7	2025.6.25	
Xuehua Chen	86,038,140.38	2024.6.17	2025.6.17	
Xuehua Chen	1,025,000,000.00	2023.6.15	2026.12.5	
Xuehua Chen	2,093,566.15	2024.10.12	2025.3.31	
Xuehua Chen	306,900,000.00	2024.8.27	2025.8.19	
Xuehua Chen	187,578,969.57	2024.11.21	2025.12.2	
Xuehua Chen	207,473,540.64	2024.1.18	2025.5.31	
Xuehua Chen	237,460,000.00	2024.1.26	2026.5.27	
Xuehua Chen	180,000,000.00	2024.8.5	2025.6.1	
Xuehua Chen	296,101,536.80	2024.6.30	2025.5.17	
Xuehua Chen	100,000,000.00	2024.5.23	2025.5.23	
Xuehua Chen	20,000,000.00	2024.12.12	2025.6.23	
Xuehua Chen	100,000,000.00	2024.3.8	2025.3.7	
Xuehua Chen	105,800,000.00	2024.9.14	2025.3.28	
Xuehua Chen	167,000,000.00	2024.1.19	2025.10.10	
Xuehua Chen	28,000,000.00	2024.7.29	2025.1.29	
Xuehua Chen	78,000,000.00	2024.12.11	2026.1.9	
Xuehua Chen	359,420,000.00	2023.3.10	2025.3.10	
Xuehua Chen	148,562,000.00	2024.6.5	2028.9.21	
Xuehua Chen	60,139,592.08	2021.11.1	2029.3.21	
Xuehua Chen	864,357,717.20	2021.10.27	2029.3.21	
Xuehua Chen	297,183,000.00	2024.6.13	2028.9.21	
Xuehua Chen	594,312,900.00	2024.5.29	2028.9.21	

Huayou Holding	120,000,000.00	2024.2.7	2025.5.7	
Huayou Holding	298,970,000.00	2023.9.26	2025.6.21	
Chen Xuehua, Huayou Holding	600,000.00	2024.12.12	2025.6.12	
Huayou Holding	438,894,834.42	2024.7.25	2025.6.30	
Huayou Holding	20,000,000.00	2024.4.26	2025.4.25	
Huayou Holding	42,000,000.00	2024.8.24	2025.2.24	
Huayou Holding	174,987,061.13	2024.7.17	2025.4.29	
Huayou Holding	76,403,621.62	2024.11.15	2025.5.11	
Huayou Holding	162,000,000.00	2024.1.25	2025.12.26	
Huayou Holding	545,620,000.00	2021.4.23	2026.4.22	
Huayou Holding	157,130,283.23	2024.7.23	2025.5.11	
Huayou Holding	299,800,000.00	2024.1.4	2026.1.3	
Huayou Holding	100,000,000.00	2024.2.28	2025.12.24	
Huayou Holding	262,453,170.09	2024.8.13	2025.6.30	
Huayou Holding	22,396,716.72	2022.5.12	2025.1.7	
Huayou Holding	55,945,388.89	2022.5.12	2025.5.12	
Chen Xuehua, Huayou Holding	46,056,761.10	2024.12.13	2025.6.13	
Huayou Holding	387,886,188.22	2022.8.4	2026.12.20	
Huayou Holding	90,343,580.63	2024.7.31	2025.4.30	
Huayou Holding	43,710,640.20	2024.8.29	2025.3.29	
Huayou Holding	41,181,554.69	2024.8.27	2025.2.27	
Xuehua Chen	199,280,000.00	2023.7.24	2030.6.21	
Xuehua Chen	797,120,000.00	2023.7.24	2030.6.21	
Xuehua Chen	473,290,000.00	2023.7.20	2030.6.21	
Xuehua Chen	1,394,960,000.00	2023.7.20	2030.6.21	
Xuehua Chen	697,480,000.00	2023.7.21	2030.6.21	
Xuehua Chen	622,750,000.00	2023.7.21	2030.6.21	

[Note] The Company offers guarantees for Chengdu B&M, Tianjin B&M, and Zhejiang B&M, while Huayou Holding extends counter-guarantees to the Company.

Furthermore, pursuant to the sales contract executed by the subsidiary Huachi Hong Kong in December 2024, Huayou Mining Hong Kong assumes a performance commitment for all obligations of Huachi Hong Kong under the master contract, with the commitment period extending until the fulfillment of the master contract. Huayou Holding has provided joint guarantee liability for Huayou Mining Hong Kong (and its affiliates) in accordance with its shareholding ratio.

Information of related guarantee

Applicable Not Applicable

(5). Borrowing of related party funds

Applicable Not Applicable

Unit: Yuan Currency: RMB

Related parties	Borrowing amount	Starting date	Maturity date	Notes
Borrowing				
Xinyue Technology	10,653,674.82	2020/12/31	2025/12/30	
Xinyue Technology	5,326,837.41	2021/4/13	2025/4/12	
Xinyue Technology	181,180,881.41	2022/6/27	2025/6/27	
Xinyue Technology	36,876,512.63	2022/6/1	2025/6/1	
Xinyue Technology	61,460,854.38	2022/7/11	2025/7/11	

Xinyue Technology	49,168,683.50	2022/8/1	2025/8/1	
Xinyue Technology	9,833,736.70	2022/8/8	2025/8/8	
Xinyue Technology	61,460,854.38	2022/9/1	2025/8/31	
Xinyue Technology	36,876,512.63	2022/10/11	2025/10/11	
Xinyue Technology	49,168,683.50	2022/10/31	2025/10/31	
Xinyue Technology	34,725,311.92	2022/12/13	2025/12/13	
Xinyue Technology	105,712,669.53	2023/1/5	2025/1/4	

Related parties	Borrowing amount	Starting date	Maturity date	Notes
Lending				
IWIP Company	199,693,752.00	2023/6/27	2028/6/26	
Veinstone	117,659,731.20	2023/6/27	2028/6/26	
Indonesia Huatuo	3,594,200.00	2023/6/27	2028/6/26	
Qingshan Lvshui	7,790,970.00	2022/1/21	2024/12/5	
Yongheng Nickel	56,069,520.00	2024/8/26	2027/8/25	
Yongheng Nickel	56,069,520.00	2024/8/26	2031/8/25	Note 2

[Note 1] The total amount of borrowing reflects the effects of exchange rate fluctuations that occur during the conversion of foreign currencies.

[Note 2] The reduction in Yongheng Nickel is attributed to certain shareholders converting their loans into equity investment funds.

During this period, the usage fee for receivables from Qingshan Lvshui amounts to RMB 1,354,777.00.

(6). Information of asset transfer and debt restructuring of related parties

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Related parties	Related transaction content	Amount incurred in the current period	Amount incurred in the previous period
Huayou Holding	Sales of long-term assets	23,164.62	82,297.37
Huayou Holding	Purchase of long-term assets	16,427.99	
Guangxi Times New Energy	Sales of long-term assets	349,285.65	315,114.95
Guangxi Times New Energy	Purchase of long-term assets		47,787.61
Times Li-ion Company	Sales of long-term assets	3,028,275.74	2,036,373.87
Times Li-ion Company	Purchase of long-term assets	4,137,667.14	445,734.24
Yulin Times Green Water	Sales of long-term assets		50,005.70
Yulin Times Green Water	Purchase of long-term assets	10,799.01	
Guangxi Times Huineng	Sales of long-term assets	257,310.23	621,160.09
Guangxi Times Huineng	Purchase of long-term assets	23,291,631.47	565,959.92

Guangxi Regeneration	Sales of long-term assets	891,561.78	180,644.27
Huayou Li-ion Company	Sales of long-term assets	216,945.00	254,211.54
Huayou Li-ion Company	Purchase of long-term assets	69,513.39	10,248.11
Youshan New Material	Sales of long-term assets	587,910.42	1,931,099.64
Yulin Times Juneng	Sales of long-term assets	130,079.76	7,584.07
Yulin Times Juneng	Purchase of long-term assets	5,202.24	
Yunnan Youtian	Sales of long-term assets	179,009.89	99,660.16
WBN Company	Purchase of land use rights		20,861,333.66
Yulin Times Sky Blue	Sales of long-term assets	40,688.68	
Yulin Times Sky Blue	Purchase of long-term assets	262,555.53	
Total		33,498,028.54	27,509,215.20

(7). Remuneration of key management personnel

Applicable Not Applicable

Unit: Ten thousand yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Remuneration of key management personnel	6,997.25	5,657.41

(8). Other related party transactions

Applicable Not Applicable

6. Status of unsettled items such as receivables and payables from related parties

(1). Accounts receivable items

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Related parties	Closing balance		Opening balance	
		Book balance	Bad-debt provision	Book balance	Bad-debt provision
Accounts receivable	Leyou Company	10,734,909.38	536,745.47	16,711,277.38	835,563.87
Accounts receivable	Puhua Company	3,783,267.42	189,163.37	739,614.45	36,980.72
Accounts receivable	Times Li-ion Company	756,824,231.84	37,841,211.59	540,493,713.28	27,159,151.46
Accounts receivable	Guangxi Huayou Construction	12,672,276.89	2,534,455.38	12,672,276.89	633,613.84
Accounts receivable	Guangxi Times	54,332,664.89	2,720,081.13		

	Huineng				
Accounts receivable	Guangxi Times New Energy	32,632,902.39	3,904,084.47	15,674,061.51	802,584.41
Accounts receivable	Inner Mongolia Shengfan	50.35	2.52		
Accounts receivable	Yulin Times Juneng			128,503.08	6,425.15
Accounts receivable	PHC Company			1,075,825.94	53,791.30
Accounts receivable	Guangxi Regeneration	12,993,120.45	1,596,252.31	7,991,100.21	399,555.01
Accounts receivable	Hubei Youxing			189,622.18	9,481.11
Accounts receivable	Huayou Li-ion Company	4,143,027.73	207,151.39	3,278,857.17	163,942.86
Accounts receivable	Youshan New Material	22,126,884.77	3,601,366.19	18,251,818.09	912,590.90
Accounts receivable	Yunnan Youtian			4.24	0.21
Accounts receivable	Yongheng Nickel	60,660,865.30	3,033,043.27		
Accounts receivable	LG-HY BCM.	125,357,098.66	6,267,854.93		
Accounts receivable	SCM Company	232,985.32	11,649.27		
Accounts receivable	Anhui Huachuang Zhejiang Branch	1,060.50	53.03		
Accounts receivable	Hunan Yacheng.	935,214.17	46,760.71		
Accounts receivable	Huajing New Material	174.71	8.74		
Accounts receivable	Huayou Holding	38,818.20	1,940.91		
Accounts receivable	Jiangxi Huachuang	30,489.66	1,524.48		
Accounts receivable	Guizhou Youshan New Material	2,854.88	142.74		
Subtotal		1,097,502,897.51	62,493,491.90	617,206,674.42	31,013,680.84
Financing funds receivables	Guangxi Times Huineng			39,819,996.81	
Financing funds receivables	Times Li-ion Company	200,672,680.00		20,340,674.74	
Financing funds	Guangxi Times New	39,260,851.94		42,538,969.66	

receivables	Energy				
Financing funds receivables	Inner Mongolia Shengfan			11,677,500.00	
Financing funds receivables	Huayou Holding			2,700,700.00	
Financing funds receivables	Hunan Yacheng.			8,605.02	
Subtotal		239,933,531.94		117,086,446.23	
Prepayments	Qingshan Lvshui			5,312,025.00	
Prepayments	Yulin Times Green Water			388,235.29	
Prepayments	WKM Company	16,335,345.60			
Prepayments	Times Li-ion Company	22,012,096.52			
Prepayments	Yulin Times Sky Blue	3,996,915.20			
Subtotal		42,344,357.32		5,700,260.29	
Dividends receivable	Ningbo Ruihua	2,587,982.40			
Subtotal		2,587,982.40			
Other receivables	Indonesia Huatuo	3,594,200.00	3,594,200.00	3,541,350.00	3,541,350.00
Other receivables	Qingshan Lvshui			7,790,970.00	1,558,194.00
Subtotal		3,594,200.00	3,594,200.00	11,332,320.00	5,099,544.00
Long-term receivables	IWIP Company	199,693,752.00		196,757,406.00	
Long-term receivables	Veinstone	117,659,731.20		115,929,633.60	
Long-term receivables	Yongheng Nickel	56,069,520.00			
Subtotal		373,423,003.20		312,687,039.60	

(2). Payable items

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Related parties	Book balance at the end of the period	Book balance at the beginning of the period
Accounts payable	Times Li-ion Company	1,476,021,906.64	723,893,120.10
Accounts payable	WBN Company	375,891,296.32	421,310,996.70
Accounts payable	Guangxi Times Huineng	204,479,122.71	136,774,475.86
Accounts payable	SCM Company	126,985,707.54	
Accounts payable	WBE Company	56,418,762.66	36,083,948.03
Accounts payable	IWIP Company	16,616,485.70	3,345,472.14
Accounts payable	Yulin Times Juneng	9,965,202.45	7,404,949.56
Accounts payable	Yulin Times Green Water	8,492,332.31	679,768.21

Accounts payable	Guangxi Times New Energy	5,658,847.07	132,141.05
Accounts payable	Leyou Company	4,524,383.25	
Accounts payable	Quzhou Electric Investment	262,755.64	1,030,069.59
Accounts payable	Tongxiang Electric Investment	56,364.32	
Accounts payable	Inner Mongolia Shengfan	33,185.84	59,734.52
Accounts payable	Guangxi Huachuang	14,910.00	
Accounts payable	Yulin Times Sky Blue	12,000.00	20,529,848.89
Accounts payable	Huayou Holding	2,450.69	
Accounts payable	Huayou Li-ion Company	1,388.23	5,789.86
Accounts payable	Youshan Nickel		164,278,256.08
Accounts payable	Puhua Company		2,851,995.04
Accounts payable	Hunan Yacheng.		59,850.00
Subtotal		2,285,437,101.37	1,518,440,415.63
Notes payable	Guangxi Times Huineng	885,342,710.99	113,521,973.81
Notes payable	Times Li-ion Company	382,163,524.12	962,556,720.83
Notes payable	Hunan Yacheng.	161,285,700.00	
Notes payable	Yulin Times Sky Blue	8,367,400.00	
Subtotal		1,437,159,335.11	1,076,078,694.64
Contract liabilities	Guangxi Times Huineng		65,024,415.39
Contract liabilities	Yulin Times Green Water	1,153,149.73	696,365.38
Contract liabilities	Yulin Times Juneng	987,794.67	
Contract liabilities	Yulin Times Sky Blue	590,263.22	1,969,303.29
Contract liabilities	PHC Company	33,789.10	
Subtotal		2,764,996.72	67,690,084.06
Other payables	Xinyue Technology	642,445,212.80	632,998,038.36
Other payables	Times Li-ion Company	873,209.08	630,872.16
Other payables	Guangxi Times Huineng	1,316.60	
subtotal		643,319,738.48	633,628,910.52
Non-current liabilities due within one-year	Guangxi Times Huineng	6,700,442.37	
Subtotal		6,700,442.37	

(3). Other projects

Applicable Not Applicable

7. Commitment of related parties

Applicable Not Applicable

8. Others
 Applicable Not Applicable

XIII. Share-based payment
1. Equity instruments
 Applicable Not Applicable

Stock options and other equity instruments outstanding at the end of the period

 Applicable Not Applicable

2. Equity-settled share-based payment
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Determination method of the fair value of equity instruments on grant date	Based on the closing price of the company's stock on the grant date
Important parameters of the fair value of equity instruments on grant date	Based on the closing price of the company's stock on the grant date
Basis for determining the quantity of feasible equity instruments	Adjustments to the share-based payments are determined based on the granted restricted stock amount, taking into account fluctuations in the number of eligible employees on each balance sheet date, company performance metrics across various vesting periods, and individual performance evaluations.
Reason for significant difference with estimation in the current period and estimation in the previous period	N/A
Cumulative amount of share-based payments settled in equity included in capital reserve	905,477,804.87

Other explanations:

N/A
3. Share-based payment settled in cash
 Applicable Not Applicable

4. Expenses of share-based payment in the current period
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Category of grant recipients	Expenses of equity-settled share-based payment	Expenses of share-based payment settled in cash
Management personnel	93,551,525.07	
R&D personnel	21,069,795.21	
Sales personnel	9,911,427.28	
Production and manufacturing personnel	32,872,815.92	
Total	157,405,563.48	

Other explanations

N/A

5. Modification and termination of share-based payment

Applicable Not Applicable

Following resolutions by the 14th meeting of the 6th Board of Directors and the first extraordinary shareholders' meeting in 2024, the company has decided to terminate the 2021 and 2022 restricted stock incentive plans due to significant changes in the domestic and international macroeconomic environment. The company's stock price has approached or fallen below the grant prices of the restricted stocks issued in 2021 and 2022. As a result, the company will repurchase and cancel 11,135,348 restricted shares that have been granted but not yet vested. For further details, see Note V-(1)41 of this financial statement.

6. Others

Applicable Not Applicable

XIV. Commitments and contingencies

1. Important commitments

Applicable Not Applicable

Important external commitments, nature and amount existing at the balance sheet date

In compliance with the investment agreement and relevant regulations, the Company fulfills its guarantee obligations as a shareholder based on its shareholding ratio in SCM. To meet the aforementioned guarantee obligations, as of December 31, 2024, the Company has issued guarantee letters totaling RMB 83,018,042.85.

2. Contingencies

(1). Important contingencies on the balance sheet date

Applicable Not Applicable

As of December 31, 2024, the progress of the land dispute between GENILAND and the subsidiary CDM is as follows:

GENILAND sued CDM Company for encroaching on its long-term lease rights (land) in the mining area of mining right No. 527, demanding compensation of 22.65 million US dollars from CDM Company. According to the judgment made by the court in the Democratic Republic of the Congo (DRC), CDM Company was ordered to pay GENILAND a total of 9,935,084 US dollars in compensation for losses and fines. In response to the above judgment, CDM Company has filed an objection and an appeal. The aforementioned judgment is currently in a state of suspension. According to a legal opinion issued in August 2020 by Edmond Cibamba Diata of Emery Mukendi Wafwana & Associés regarding Zhejiang Huayou Cobalt Co., Ltd.'s interests in the Democratic Republic of Congo, GENILAND's claim for damages based on CDM's alleged illegal occupation of its long-term lease concession (land) lacks legal basis for the following reasons:

Article 64 of the 2002 Mining Code grants exclusive rights to exploitation license holders to conduct exploration, development, construction, and exploitation activities within the clearly defined mining area during the validity period of the license. As the holder of mining rights No. 527, CDM Company has the right to enter the mining area to carry out mining activities. Since GENILAND obtained its long-term lease rights (land) on May 25, 2012, which is later than the time CDM Company acquired mining rights No. 527, GENILAND cannot consider CDM Company's mining activities or the construction of necessary facilities and infrastructure for mining development in the area where it legally holds the mining rights as illegal activities, nor can it claim any compensation on this basis.

In its lawsuit, GENILAND demanded compensation of 22.65 million US dollars from CDM Company, but according to Article 281 of the *Mining Code* of the Democratic Republic of the Congo, the compensation standard for disputes over land occupation between the holder of mining rights and the land user is the land value during the occupation period plus fifty percent (50%). An investigation at the relevant land registry confirmed that the land price in the disputed area ranges from 500 US dollars to 800 US dollars per hectare. With the disputed land covering 26.83 hectares, the maximum compensation under the statutory standard would not exceed 32,196 US dollars. Thus, the amount claimed by GENILAND is excessively high and lacks legal justification.

Based on the above, the company believes it is not liable for the claimed damages and has therefore not recorded any provision for contingent liabilities.

(2). Even if the Company does not have important contingencies to be disclosed, it shall also state:

Applicable Not Applicable

3. Others

Applicable Not Applicable

XV. Events after balance sheet day

1. Important non-adjustment matters

Applicable Not Applicable

2. Profit distribution

Applicable Not Applicable

Unit: Yuan Currency: RMB

Profits or dividends to be distributed	
Profits or dividend declared after deliberation and approval	839,422,349.50

The company plans to distribute a cash dividend of 5 yuan (including tax) for every 10 shares after extracting 10% of the statutory surplus reserve from the net profit achieved by the parent company in 2024. The proposed profit distribution above still needs to be approved by the general meeting of shareholders.

3. Sales return

Applicable Not Applicable

4. Explanation of other events after the balance sheet date

Applicable Not Applicable

XVI. Other important matters

1. Correction of early accounting errors

(1). Retrospective restatement

Applicable Not Applicable

(2). Prospective application

Applicable Not Applicable

2. Significant debt restructuring

Applicable Not Applicable

3. Asset replacement

(1). Exchange of non-monetary assets

Applicable Not Applicable

(2). Replacement of other assets
 Applicable Not Applicable

4. Annuity plan
 Applicable Not Applicable

5. Termination of operation
 Applicable Not Applicable

6. Segment information
(1). Determination basis and accounting policy of reportable segment
 Applicable Not Applicable

The main business of the company is the production and sale of cobalt products, copper products, nickel products, lithium products, ternary precursors, cathode materials, and nickel intermediates. The company manages and evaluates the operational results of this business as a whole. Therefore, the company is not required to disclose segment information. For details on the company's operating income and operating costs classified by product/region, please refer to the "Section X Financial Report" in this report, specifically "VII. Notes to the Consolidated Financial Statements" under "61. Operating Income and Operating Costs."

(2). Financial information of the reportable segment
 Applicable Not Applicable

(3). If the Company has no reportable segment, or cannot disclose the total assets and liabilities of each reportable segment, the reasons shall be explained
 Applicable Not Applicable

(4). Other explanations
 Applicable Not Applicable

7. Other important transactions and matters that have an impact on investors' decisions
 Applicable Not Applicable

8. Others
 Applicable Not Applicable

XVII. Notes on Main Items in Financial Statements of the Parent Company
1. Accounts receivable
(1). Disclosed by account receivable age
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Aging	Book balance at the end of the period	Book balance at the beginning of the period

Within 1 year		
Including: Subitem within 1 year		
Within 1 year	1,226,292,855.13	921,524,940.66
Sub-total within 1 year	1,226,292,855.13	921,524,940.7
1 to 2 years	6,693,293.84	127,362,796.30
2-3 years	98,062,160.87	
Over 3 years	463,014.77	463,014.77
3 to 4 years		
4 to 5 years		
Over 5 years		
Total	1,331,511,324.61	1,049,350,751.73

(2). Disclosed by the classification of bad debt accrual method

√ Applicable Not Applicable

Unit: Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion (%)	Amount	Provision proportion (%)		Amount	Proportion (%)	Amount	Provision proportion (%)	
Provision for bad debts accrued by item	402,048.00	0.03	402,048.00	100.00		402,048.00	0.04	402,048.00	100.00	
Including:										
Accounts receivable whose single amount is not significant but whose single provision for bad debts is made	402,048.00	0.03	402,048.00	100.00		402,048.00	0.04	402,048.00	100.00	
Provision for bad debts by portfolio	1,331,109,276.61	99.97	13,346,542.84	1.00	1,317,762,733.77	1,048,948,703.73	99.96	1,516,870.74	0.14	1,047,431,832.99
Including:										
Aging portfolio	261,847,052.56	19.67	13,346,542.84	5.10	248,500,509.72	25,244,529.12	2.41	1,516,870.74	6.01	23,727,658.38
Related party group within the scope of consolidation	1,069,262,224.05	80.30			1,069,262,224.05	1,023,704,174.61	97.56			1,023,704,174.61
Total	1,331,511,324.61	/	13,748,590.84	/	1,317,762,733.77	1,049,350,751.73	/	1,918,918.74	/	1,047,431,832.99

Provision for bad debts accrued by item:

Applicable Not Applicable

No important accounts receivable for provision for bad debts on a single basis at the end of the period

Provision for bad debts by portfolio:

Applicable Not Applicable

Provision by portfolio:

Unit: Yuan Currency: RMB

Name	Closing balance		
	Accounts receivable	Bad-debt provision	Provision ratio (%)
Within 1 year	260,477,607.26	13,023,880.36	5
1-2 years	1,308,478.53	261,695.71	20
Over 3 years	60,966.77	60,966.77	100
Total	261,847,052.56	13,346,542.84	5.1

Explanation of provision for bad debts by portfolio:

Applicable Not Applicable

If bad debt provision is accrued according to the general model of expected credit loss

Applicable Not Applicable

Criteria for dividing each stage and the bad-debt reserves calculation and withdrawal proportion

N/A

Explanation of significant changes in book balance of receivables with changes in provision for loss in the current period:

Applicable Not Applicable

(3). Information of bad-debt provision

Applicable Not Applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Provision	Withdrawal or write-back	Charge-off or write-off	Other changes	
Provision for bad debts accrued by item	402,048.00					402,048.00
Provision for bad debts by portfolio	1,516,870.74	11,829,672.10				13,346,542.84
Total	1,918,918.74	11,829,672.10				13,748,590.84

Among them, significant amount of bad-debt provision withdrawn or written back in the current period:

Applicable Not Applicable

Other explanations:

N/A

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

Applicable Not Applicable

Among them, information of accounts receivable significantly written off

Applicable Not Applicable

Explanation of the write-off of the account receivable:

Applicable Not Applicable

(5). The status of accounts receivable and contracted assets in the top five of the ending balance collected according to debtors

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

The aggregate amount of the top five accounts receivable at the end of the period is RMB 1,172,680,716.00, accounting for 88.07% of the total accounts receivable at the end of the period, with the aggregate amount of the corresponding provision for bad debts on accounts receivable and impairment provision for contract assets of RMB 11,392,744.69.

2. Other receivables

List by item

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interests receivable		
Dividends receivable	752,587,982.40	24,906,913.93
Other receivables	2,213,031,875.46	6,626,313,796.61
Total	2,965,619,857.86	6,651,220,710.54

Other explanations:

Applicable Not Applicable

Interests receivable

(1). Classification of interest receivable

Applicable Not Applicable

(2). Significant overdue interest

Applicable Not Applicable

(3). Disclosed by the classification of bad debt accrual method

Applicable Not Applicable

Provision for bad debts accrued by item:

Applicable Not Applicable

Explanation of bad debt provision by item:

Applicable Not Applicable

Provision for bad debts by portfolio:

Applicable Not Applicable

(4). If bad debt provision is accrued according to the general model of expected credit loss
 Applicable Not Applicable

Criteria for dividing each stage and the bad-debt reserves calculation and withdrawal proportion
 N/A

Explanation of significant changes in book balance of interest receivables with changes in provision for loss in the current period:

 Applicable Not Applicable

(5). Information of bad-debt provision
 Applicable Not Applicable

Among them, significant amount of bad-debt provision withdrawn or written back in the current period:

 Applicable Not Applicable

Other explanations:

N/A

(6). Interests receivable actually written off in the current period
 Applicable Not Applicable

Among them, information on interests receivable significantly written off

 Applicable Not Applicable

Explanation of the write-off:

 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

Dividends receivable
(7). Dividends receivable
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Project (or Invested Unit)	Closing balance	Opening balance
Youqing Trading		18,921,427.45
Tongxiang Hua'ang		5,985,486.48
Huayou New Energy	750,000,000.00	
Ningbo Ruihua	2,587,982.4	
Total	752,587,982.40	24,906,913.93

(8). Important dividends receivable with an age of more than 1 year
 Applicable Not Applicable

(9). Disclosed by the classification of bad debt accrual method

Applicable Not Applicable

Provision for bad debts accrued by item:

Applicable Not Applicable

Explanation of bad debt provision by item:

Applicable Not Applicable

Provision for bad debts by portfolio:

Applicable Not Applicable

(10). If bad debt provision is accrued according to the general model of expected credit loss

Applicable Not Applicable

Criteria for dividing each stage and the bad-debt reserves calculation and withdrawal proportion
 N/A

Explanation of significant changes in book balance of dividend receivables with changes in provision for loss in the current period:

Applicable Not Applicable

(11). Information of bad-debt provision

Applicable Not Applicable

Among them, significant amount of bad-debt provision withdrawn or written back in the current period:

Applicable Not Applicable

Other explanations:

N/A

(12). Dividend receivables actually written off in the current period

Applicable Not Applicable

Among them, information on dividend receivables significantly written off

Applicable Not Applicable

Explanation of the write-off:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

Other receivables
(13). Disclosed by account receivable age

Applicable Not Applicable

Unit: Yuan Currency: RMB

Aging	Book balance at the end of the period	Book balance at the beginning of the period
-------	---------------------------------------	---

Within 1 year		
Including: Subitem within 1 year		
Within 1 year	1,382,531,633.07	5,717,557,384.67
Sub-total within 1 year	1,382,531,633.07	5,717,557,384.67
1 to 2 years	622,793,454.73	671,251,450.42
2-3 years	128,346,891.70	238,649,599.11
Over 3 years	81,540,218.46	474,356.07
3 to 4 years		-
4 to 5 years		
Over 5 years		
Total	2,215,212,197.96	6,627,932,790.27

(14). Classification by nature of payment
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Nature of payment	Book balance at the end of the period	Book balance at the beginning of the period
Security deposit	13,575,981.16	9,506,971.94
Temporary loans	2,200,850,930.79	6,615,632,857.95
Reserve fund	777,659.85	1,274,904.42
Others	7,626.16	1,518,055.96
Total	2,215,212,197.96	6,627,932,790.27

(15). Provision for bad debts
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Bad-debt provision	First stage	Second stage	Third stage	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as at Monday, January 1, 2024	420,705.35	646,023.27	552,265.04	1,618,993.66
Balance as at Monday, January 1, 2024 in the current period				
--Transferred to the second stage	-226,361.65	226,361.65		
--Transferred to the third stage		-193,835.66	193,835.66	
--Returned to the second stage				
--Returned to the first stage				
Accrual in the current period	230,633.62	226,897.34	103,797.88	561,328.84
Amount written				

back in the current period				
Current write off				
Amount written off in the current period				
Other changes				
Balance as at Tuesday, December 31, 2024	424,977.32	905,446.60	849,898.58	2,180,322.50

Criteria for dividing each stage and the bad-debt reserves calculation and withdrawal proportion
 Other receivables with an age of less than one year and those owed by related parties within the consolidation scope are considered to have not significantly increased credit risk since initial recognition (Stage One). Other receivables aged between one and two years are deemed to have experienced a significant increase in credit risk but have not yet incurred credit impairment (Stage Two). Lastly, other receivables aged over two years and those for which bad debt provisions are made individually are recognized as having already suffered credit impairment since initial recognition (Stage Three).

Explanation of significant changes in book balance of other receivables with changes in provision for loss in the current period:

Applicable Not Applicable

The amount of bad debt provision in the current period and the basis for evaluating whether the credit risk of financial instruments increases significantly:

Applicable Not Applicable

(16). Information of bad-debt provision

Applicable Not Applicable

Among them, significant amount of bad-debt provision written back or withdrawn in the current period:

Applicable Not Applicable

Other explanations:

N/A

(17). Other receivables actually written off in the current period

Applicable Not Applicable

Wherein, write-off of other important receivables:

Applicable Not Applicable

Explanation on write-off of other receivables:

Applicable Not Applicable

(18). Other receivables of the top five ending balances collected by debtor

Applicable Not Applicable

Unit: Yuan Currency: RMB

Company name	Closing balance	Ratio in the total ending balance of other receivables (%)	Nature of payment	Aging	Bad-debt provision Closing balance

Huayou New Energy	543,499,004.75	24.54	Temporary loans	117,662,589.80 yuan within 1 year, 299,793,308.22 yuan within 1-2 years, 126,043,106.73 yuan within 2-3 years,	
Huayou Import & Export	408,158,259.97	18.43	Temporary loans	Within 1 year	
Like	231,106,896.90	10.43	Temporary loans	Within 1 year	
Guangxi Lithium	210,908,890.44	9.52	Temporary loans	Within 1 year	
Huayou Recycling	180,420,529.81	8.14	Temporary loans	Within 1 year	
Total	1,574,093,581.87	71.06			

(19). Reported under other receivables due to centralized management of funds
 Applicable Not Applicable

Other explanations:

 Applicable Not Applicable

3. Long-term equity investments
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in subsidiaries	28,995,064,44 9.60		28,995,064,44 9.60	24,175,130,09 3.79		24,175,130,09 3.79
Investment in joint ventures and associates	4,270,672,695. 29		4,270,672,695. 29	4,255,904,187. 80		4,255,904,187. 80
Total	33,265,737,14 4.89		33,265,737,14 4.89	28,431,034,28 1.59		28,431,034,28 1.59

(1). Investments in subsidiaries
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Invested entity	Opening balance (book value)	Opening balance of	Increase or decrease in the current period				Ending balance (book value)	Ending balance of provision
			Additional investment	Investment	Provision for	Others		

		impairment provision		decrease	impairment reserve		on for impairment
Like Cobalt Nickel	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	
MIKAS Company	263,815,386.00		-			263,815,386.00	
Huayou Quzhou	2,488,000.00		-			2,488,000.00	
Huayou Mining Hong Kong	10,448,523.870.34		2,380,061.316.00			12,828,585.186.34	
New Energy Quzhou	1,900,000.00		825,950.684.93			2,725,950.684.93	
Huayou Recycling	1,250,000.00		-			1,250,000.00	
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	2,456,000.00		165,000.000.00			2,621,000.000.00	
Tongxiang Hualin	18,040,800.00		-			18,040,800.00	
Tongxia	18,040,800.00		-			18,040,800.00	

ng Huawang	0						0
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 Huazhen g	34,695,000.00		-				34,695,000.00
Guangxi Huayou New Material s	100,000,000.00		470,000,000.00				570,000,000.00
Shanghai Xinsheng g	17,500,000.00		-				17,500,000.00
Tongxiang Huashi	10,000,000.00		-				10,000,000.00
Tongxiang Huaxun	7,000,000.00		-				7,000,000.00
Wenzhou Huake	7,000,000.00		-				7,000,000.00
Huayou Catering Management	-		28,000,000.00				28,000,000.00
Huayou Property Management	-		21,000,000.00				21,000,000.00
Zhejiang New Material s	-		180,500,000.00				180,500,000.00
Huayou Supply Chain	-		1,000,000.00				1,000,000.00
Guangxi Huayou Enterpris	-		10,000,000.00				10,000,000.00

e Investment									
Huayou Jintian	-		10,000,000.00					10,000,000.00	
Hangzhou Haoyue	-		202,400,000.00					202,400,000.00	
Total	24,175,130,093.79	0.00	4,819,934,355.81	0.00	0.00	0.00	0.00	28,995,064,449.60	0.00

(2). Investment in joint ventures and associates

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Investment Unit	Opening balance	Increase or decrease in the current period							Ending balance	Closing balance of impairment provision
		Additonal investment	Investment decrease	Recognized investment gain and loss under equity method	Other comprehensive income adjustments	Other changes in equity	Declared payment of cash dividends or profits	Provision for impairment reserve		
I. Joint ventures										
N/A										
Subtotal										
II. Associates										
Quzhou Anyou	587,288,826.94			-481,030.74						586,807,796.20
Guangxi Times Lithium Battery Investment Management Center	702,935,855.03			-21,774,568.63						681,161,286.40
Guangxi Times Lithium Battery Indust	657,644,871.98			-12,257,919.22						645,386,952.76

ry Fund										
Hunan Yacheng.	118,584,531.44			-21,309,691.51					97,274,839.93	
Quzhou Xinhua	1,169,141,544.85			-436,990.98					1,168,704,553.87	
Zhejiang Electric Investment	5,838,263.13	3,659,900.00		900,805.54					10,398,968.67	
Tongxiang Lithium Times	119,513,527.56	44,000,000.00		-1,007,850.34					162,505,677.22	
Ningbo Ruihua	62,875,176.08			916,159.94			2,587,982.40		61,203,353.62	
Haigang Pingyou	88,665,000.00								88,665,000.00	
LG-HY BCM.	673,133,839.31			89,724,511.66	-67,787,214.87				695,071,136.10	
Quzhou Hangyang	70,282,751.48			3,210,379.04	-				73,493,130.52	
Subtotal	4,255,904,187.80	47,659,900.00		37,483,804.76	-67,787,214.87		2,587,982.40		4,270,672,695.29	
Total	4,255,904,187.80	47,659,900.00		37,483,804.76	-67,787,214.87		2,587,982.40		4,270,672,695.29	

(1). Impairment testing of long-term equity investment
 Applicable Not Applicable

Other explanations:

N/A

The recoverable amount is determined based on the net of fair value less disposal costs.
 Applicable Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows.
 Applicable Not Applicable

Reasons for significant discrepancies between the foregoing information and the information used in previous years' impairment tests or external information:

Applicable Not Applicable

Reasons for significant discrepancies between the information used in the Company's previous years' impairment tests and the actual situation of the year

Applicable Not Applicable

Other explanations:

N/A

4. Operating income and operating cost

(1). Information on operating income and operating costs

Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Main business	5,157,780,238.00	4,668,423,349.80	4,107,801,393.33	3,449,201,204.46
Other business	352,083,035.83	133,250,946.05	380,848,681.46	129,153,174.12
Total	5,509,863,273.83	4,801,674,295.85	4,488,650,074.79	3,578,354,378.58

(2). Breakdown of the operating income and operating cost

Applicable Not Applicable

Unit: Yuan Currency: RMB

Classification of contracts	Parent company		Total	
	Operating income	Operating cost	Operating income	Operating cost
Product types				
Cobalt products	1,641,722,386.38	1,287,488,943.12	1,525,298,498.62	1,265,051,280.71
Nickel products	3,157,510,094.02	3,090,020,991.50	1,674,868,238.74	1,541,796,664.97
Nickel intermediate products	151,878,096.83	150,374,719.50	73,150,472.78	65,518,286.37
Others	550,800,154.33	268,467,044.96	1,214,059,965.19	705,790,226.57
Subtotal	5,501,910,731.56	4,796,351,699.08	4,487,377,175.33	3,578,156,458.62
Classified according to operation regions				
Domestic	5,066,367,492.99	4,492,252,182.14	3,987,436,257.14	3,206,796,841.61
Overseas	435,543,238.57	304,099,516.94	499,940,918.19	371,359,617.01
Subtotal	5,501,910,731.56	4,796,351,699.08	4,487,377,175.33	3,578,156,458.62
Classification by time of transfer of goods				
Income recognized at a certain point	5,501,910,731.56	4,487,377,175.33	5,129,967,451.34	4,487,377,175.33
Subtotal	5,501,910,731.56	4,487,377,175.33	5,129,967,451.34	4,487,377,175.33

Other explanations:

Revenue included in the opening book value of contract liabilities during the reporting period is RMB 542,163,332.05.

(3). Explanation of performance obligations
 Applicable Not Applicable

(4). Explanation of remaining performance obligations allocated
 Applicable Not Applicable

(5). Significant contract changes or significant transaction price adjustments
 Applicable Not Applicable

Other explanations:

N/A

5. Investment income
 Applicable Not Applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income calculated by cost method [Note 1]	1,217,028,308.81	852,864,763.93
Long-term equity investment income accounted by equity method	37,483,804.76	-75,206,317.01
Investment income from disposal of long-term equity investments		
Investment income of tradable financial assets during holding period		
Dividend income from investment in other equity instruments during the holding period		
Interest income from debt investment during the holding period		
Interest income from other debt investments during the holding period [Note 2]	116,922,527.47	216,015,513.40
Investment income from disposal of financial assets held for trading	16,156,566.58	18,872,374.63
Investment income from disposal of investment in other equity instruments		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investment		
Gains of debt restructuring		
Discounted loss of receivables financing	-691,922.50	-1,890,730.96
Losses related to termination recognition of accounts receivable	-4,382,260.00	
Total	1,382,517,025.12	1,010,655,603.99

Other explanations:

N/A

6. Others
 Applicable Not Applicable

XVIII. Supplementary information
1. Statement of non-recurring gains and losses for the current period

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	Amount	Notes
Profits or losses from disposal of non-current assets (including the write-off for the accrued impairment of assets)	-43,760,048.37	
The government subsidies included in the current profits and losses (excluding the government subsidies closely related to regular businesses of the Company, in line with national policies, enjoyed according to established standards, and that have a continuous impact on the Company's profits and losses)	129,113,062.48	
Profit and loss from changes in fair value of financial assets and liabilities held by non-financial enterprises, and profit and loss from the disposal of financial assets and liabilities, except for effective hedging operations related to the Company's normal business operations	606,285,421.45	
Fund possession cost charged to non-financial enterprises included in the current profits and losses	23,394,065.08	
Gains or losses from investment or asset management entrusted to others		
Gains and losses from external entrusted loans		
Losses on assets due to force majeure factors, such as natural disasters		
Reversal of the receivables Provision for impairment for separate impairment test	4,195,844.62	
Income enjoyed by the Company generated by the fair value of the identifiable net assets of the invested entity if the investment cost of acquiring subsidiaries, associates and joint ventures is less than the investments acquired		
Net profit and loss for the current period of subsidiaries from the beginning of the period to the date of merger arising from the business combination under common control		
Gains and losses of non-monetary assets exchange		
Gains or losses from debt restructuring		
One-time expenses incurred by the company due to the discontinuation of related business activities, such as expenditures for employee relocation, etc.		
One-time impact on current profits and losses due to adjustments in laws and regulations related to taxation, accounting, etc.		
One-time recognition of share-based payment expenses due to the cancellation or modification of the equity incentive plan.	-150,647,576.80	
For cash-settled share-based payments, the gains and losses arising from changes in the fair value		

of the payable employee compensation after the exercise date		
Gains and losses arising from changes in the fair value of investment real estate that are subsequently measured by the fair value model		
Profits generated from transactions with unfairly priced transactions		
Gains and losses arising from contingencies unrelated to the normal operation of the Company		
Trustee fee income from entrusted operation		
Non-operating revenue and expenses other than the above	-35,183,843.93	
Other items of profit and loss complying with the definition for non-recurring profit and loss		
Less: Impact of income tax	67,599,153.04	
Affected amount of minority shareholders' equity (after tax)	106,064,680.20	
Total	359,733,091.29	

Other explanations:

Applicable Not Applicable

2. Net assets income rate and earnings per share

Applicable Not Applicable

Profit during the reporting period	Weighted average net assets returns ratio (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	11.69	2.50	2.39
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	10.68	2.28	2.20

3. Differences in accounting data under domestic and foreign accounting standards

Applicable Not Applicable

(1). Differences in the net profit and net assets disclosed in the financial reports under both the international and Chinese accounting standards

Applicable Not Applicable

(2). Differences between the net profits and net assets in the financial reports disclosed according to the overseas accounting standards and Chinese accounting standards

Applicable Not Applicable

(3). **Explanation of differences in accounting data under domestic and foreign accounting standards; if the data audited by an overseas audit firm is adjusted for differences, the name of the overseas firm shall be indicated.**

Applicable Not Applicable

4. Others

Applicable Not Applicable

Chairman: Chen Xuehua

Date of submission approved by the board of directors: April 17,2025

Revision information

Applicable Not Applicable

Report Version No.	Publication time of correction and supplementary announcement	Content of correction and supplementary announcement