

2025 Semi-Annual Report of Zhejiang Huayou Cobalt Co., Ltd.



August 2025

Important Notes

I. The Board of Directors, Board of Supervisors, directors, supervisors and senior officers of the Company guarantee that this semi-annual report is truthful, accurate, complete and free from false representation, misleading statement or material omission, and they will assume joint and several liabilities with respect thereto.

II. All directors have attended the Board meeting.

III. This semi-annual report is unaudited.

IV. Chen Xuehua, the person in charge of the Company, Wang Jun, the accounting principal, and Ma Xiao, the head of the accounting department (accounting officer) guarantee that the financial statements in this semi-annual report are true, accurate and complete.

V. The profit distribution plan or the plan for converting provident fund to share capital for the reporting period adopted by the Board of Directors

None

VI. Risk related to forward-looking statements

☒ Applicable ☐ Not applicable

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

None

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

None

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

None

X. Major risks warnings

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

XI. Others

☐Applicable ☒Not applicable

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Directory of reference documents	2025 Semi-Annual Report with the signature of the Company's legal representative
	Financial statements with the signatures and seals of the person in charge of the Company, the accounting principal, and the head of the accounting department (accounting officer)
	Original copies of all corporate documents and announcements publicly disclosed on the websites designated by the China Securities Regulatory Commission (CSRC) during the reporting period

Section I Definitions

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

Commonly used words		
The Company, Company, or Huayou Cobalt	mean(s)	Zhejiang Huayou Cobalt Co., Ltd.
Huayou Holding	mean(s)	Huayou Holding Group Co., Ltd.
DRC	mean(s)	the Democratic Republic of the Congo
CDM Company	mean(s)	CONGO DONGFANG INTERNATIONAL MINING SAS, with the Chinese name “刚果东方国际矿业简易股份有限公司”
MIKAS Company	mean(s)	LA MINIERE DE KASOMBO SAS, with the Chinese name “卡松波矿业简易股份有限公司”
Huayou Hong Kong	mean(s)	HUAYOU (HONGKONG) CO., LIMITED, with the Chinese name “华友（香港）有限公司”
OIM Company	mean(s)	ORIENT INTERNATIONAL MINERALS & RESOURCE (PROPRIETARY) LIMITED, with the Chinese name “东方国际矿业有限公司”
Huayou Import & Export	mean(s)	Zhejiang Huayou Import & Export Co., Ltd.
Huayou Quzhou	mean(s)	Quzhou Huayou Cobalt New Materials Co., Ltd.
Huayou Mining Hong Kong	mean(s)	HUAYOU INTERNATIONAL MINING (HONGKONG) LIMITED, with the Chinese name “华友国际矿业（香港）有限公司”
Huayou International Holding	mean(s)	HUAYOU INTERNATIONAL MINING HOLDING LIMITED, with the Chinese name “华友国际矿业控股有限公司”
Huayou International Cobalt	mean(s)	Huayou International Cobalt (Hong Kong) Company Limited
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	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
KNI Company	mean(s)	PT KOLAKA NICKEL INDONESIA
IPIP Company	mean(s)	PT.INDONESIA POMALAA INDUSTRY PARK
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 Science and Technology Co., Ltd.
Chengdu B&M	mean(s)	Chengdu B&M Science and Technology Co., Ltd.
Tianjin B&M	mean(s)	Tianjin B&M Science and Technology Co., Ltd.
Zhejiang B&M	mean(s)	Zhejiang B&M Science and Technology Co., Ltd.
Guangxi Huayou New	mean(s)	Guangxi Huayou New Materials Co., Ltd.

Materials		
Guangxi Lithium Industry	mean(s)	Guangxi Huayou Lithium Industry Co., Ltd.
GDR	mean(s)	GLOBAL DEPOSITARY RECEIPTS

Section II Company Overview and Major Financial Indicator

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
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III. Change of basic information

Registered address	18 Wuzhen East Road, Tongxiang Economic Development Zone Phase II, Zhejiang Province
Change history of the registered address	Not applicable
Office address	18 Wuzhen East Road, Tongxiang Economic Development Zone Phase II, Zhejiang Province
Postal code of the office address	314500
Website	www.huayou.com
E-mail	Information@huayou.com

IV. Information disclosure and location change

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

V. Company stock

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

VI. Other relevant information

☐Applicable ☒Not applicable

VII. Major accounting data and financial indicators of the Company

(I) Major accounting data

Monetary unit: Yuan Currency: RMB

Major accounting data	Current period (January to June)	Same period last year	Increase/decrease compared with the same period last year (%)
Operating income	37,196,514,112.78	30,050,314,564.41	23.78
Total profit	3,742,277,517.89	2,487,539,767.09	50.44
Net profit attributable to shareholders of the listed company	2,710,936,108.53	1,670,732,131.17	62.26
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses	2,587,193,981.43	1,751,932,466.61	47.68
Net cash flow from operating activities	1,618,070,841.20	2,763,581,330.49	-41.45
	As of the end of the current period	As of the end of the previous year	Increase/decrease compared with that at the end of the last year (%)
Net assets attributable to the shareholders of the listed company	39,080,909,499.37	36,945,607,483.36	5.78
Total assets	146,272,919,251.58	136,591,394,324.44	7.09

(II) Major financial indicators

Major financial indicators	Current period (January to June)	Same period last year	Increase/decrease compared with the same period last year (%)
Basic earnings per share (RMB/share)	1.61	1.00	61.00
Diluted earnings per share (RMB/share)	1.51	1.00	51.00
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	1.53	1.04	47.12
Weighted average return on net assets (%)	7.05	4.74	2.31
Weighted average return on net assets after deducting non-recurring gains and losses (%)	6.73	4.97	1.76

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Non-recurring gains/losses	Amount	Remark (if applicable)
Gains/losses from disposal of non-current assets, including the write-offs of provision for assets impairment	102,342,368.43	
Government subsidies included in current gains/losses except for those that are closely related to the	58,043,403.21	

Company's normal operation, granted in line with national policies and in accordance with defined criteria, and have a continuing impact on the Company's profits/losses		
Gains/losses from changes in the fair value of financial assets and liabilities held by non-financial enterprises and gains/losses from the disposal of financial assets and liabilities, except for effective hedging business related to the Company's normal operation	-3,162,984.17	
Fund occupancy fees charged to non-financial enterprises included in the current profit or loss	4,516,473.12	
Gains/losses from entrusting others to invest or manage assets		
Gains/losses from external entrusted loans		
Various asset losses arising from force majeure events, such as natural disasters		
Reversal of provision for accounts receivable impairment subject to individual impairment test		
Gains arising from the excess of the enterprise's share of the fair value of the identifiable net assets of the subsidiaries, associates and joint ventures as at the time of acquisition over its investment costs of acquiring such investees		
Current net profit and loss of subsidiaries arising from business combination under common control from the beginning of the period to the combination date		
Gains/losses from exchange of non-monetary assets		
Gains/losses from debt restructuring		
One-time expenses incurred due to the cessation of the relevant business activities, such as expenses for the placement of employees		
Impact amount of one-time adjustment to current profit or loss in accordance with requirements of tax, accounting, and other laws and regulations on current profit or loss		
One-time share-based payment expense recognized due to cancellation or modification of equity incentive plans		
For share-based payments settled in cash, gains/losses arising from changes in the fair value of employee compensation payable after the vesting date		
Gains/losses arising from changes in the fair value of investment real estate that are subsequently measured at fair value		
Gains/losses arising from transactions where the transaction price is obviously unfair		
Gains/losses arising from contingent events unrelated to the normal operation of the Company		
Custody fee income from entrusted operations		
Other non-operating income and expenses except for the abovementioned items	-2,222,361.74	
Other gain/loss items that meet the definition of non-recurring gains/losses		
Less: impact amount of income tax	14,101,542.41	
Impact amount of minority equity (after-tax)	21,673,229.34	
Total	123,742,127.10	

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

X. Companies with equity incentives or employee stock ownership plans may choose to disclose their net profits after deducting the impact of share-based payments

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Major accounting data	Current period (January to June)	Same period last year	Increase/decrease compared with the same period last year (%)
Net profit after deducting the impact of share-based payments	3,512,432,069.26	2,525,447,916.39	39.08

XI. Others

☐Applicable ☒Not applicable

Section III Management Discussion and Analysis

I. Overall situation of the Company's industry and primary business during the reporting period

(I) Main business conditions

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 the first, second and fourth 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.

(III) Industry situation

The global automotive industry is undergoing a major transformation unseen in a century. Electrification, intelligence and connectivity have become irreversible development trends. Under this general trend, the global new energy vehicle industry continues to develop. According to Rho Motion, the global sales of new energy vehicles reached 9.1 million in the first half of 2025, increasing by 28% year-on-year. The overall transformation of the industry towards electrification is positive. However, due to differences in regional development levels, policy orientations, industrial structures and technical paths, the industrial development in various regions shows relatively obvious characteristics of difference. China has taken the leading position by virtue of its policy and industrial chain advantages, with sales reaching 5.5 million units, increasing by 32% year-on-year; the European market has seen a moderate recovery due to the coexistence of policy flexibility and carbon emission pressure, with sales reaching 2 million units, increasing by 26% year-on-year; the sales growth rate in the United States has significantly slowed down due to the dual impact of subsidy reduction and additional tariffs, increasing by 6% year-on-year.

Thanks to the development of the new energy vehicle industry, the market for lithium battery cathode materials has maintained a steady growth. However, affected by a combination of factors such as the reduction of subsidies, fluctuations in the prices of cobalt and nickel materials, and technological innovations in lithium iron phosphate batteries, lithium iron phosphate has dominated the mid-to-low-end vehicle market, while high-end vehicles have a clear demand for high energy density and long-range batteries. Ternary materials (especially high-nickel ternary materials) remain the best choice at present. According to ICC, the global output of ternary materials in the first half of 2025 was 455,000 tons, a year-on-year decrease of 4.5%, while China's output of ternary materials was 321,000

tons, a year-on-year increase of 7.3%. In the future, as the prices of core metal raw materials such as nickel, cobalt and lithium decline and stabilize, the price gap between ternary batteries and lithium iron phosphate batteries will gradually narrow. Coupled with the mass production of 46 series cylindrical batteries and the gradual industrialization of solid-state batteries, as well as the pursuit of high energy density in emerging markets such as humanoid robots and eVTOL low-altitude aircraft, the market share of ternary materials is expected to recover.

During the reporting period, the overall overcapacity situation in the global nickel market remained, but the overcapacity gradually decreased. The nickel price generally showed a sideways consolidation trend. According to SMM, from January to June 2025, the global supply of primary nickel was approximately 1.8 million tons and the demand was about 1.74 million tons. In the future, with the recovery of the macroeconomy and the growth of infrastructure demand in emerging markets, the development of 46 series cylindrical batteries and solid-state battery technologies, as well as the rise of emerging industries such as humanoid robots and e-VTOL low-altitude aircraft, new growth points will be brought to the demand for stainless steel, high-nickel ternary materials, nickel-based alloys and high-end nickel materials, thus strongly driving the growth of nickel market demand.

During the reporting period, the supply and demand pattern of the global cobalt market improved significantly. The cobalt price bottomed out and rebounded. The price of MB cobalt steadily rose from USD 9.81 per pound at the beginning of the year to USD 15.16 per pound at the end of the reporting period, with an increase of nearly 55% during the period. On the supply side, DRC imposed a four-month ban on cobalt exports starting from February 2025 and extended it again until September 22 in June. According to USGS, the global cobalt production reached 290,000 tons in 2024, with DRC producing 220,000 tons, accounting for 76% of the global total, making it the world's largest cobalt supplier. Due to the changes in supply-side policies, it is estimated that the global cobalt supply will decrease significantly in 2025. On the demand side, power batteries for new energy vehicles and consumer electronic batteries are the main application fields of cobalt. During the reporting period, the market for new energy vehicles continued to grow, contributing to a stable demand for cobalt. The consumer electronics market continues to recover. According to IDC, global smartphone shipments reached 600 million units, increasing by 1.5% year-on-year, maintaining a recovery trend for six consecutive quarters. The cobalt content of individual units has also significantly increased compared to traditional models, driving the growth in demand for lithium cobalt oxide. In the first half of 2025, domestic lithium cobalt oxide production was 53,700 tons, increasing by 27.8% year-on-year. In addition, benefiting from the development of high-end equipment manufacturing fields such as aerospace and military industry, the demand for cobalt-based superalloys and high-purity cobalt has increased significantly. In the future, with the continuous development of the new energy vehicle and consumer electronics sectors, the continuous commercial application of various new technologies such as 5G, 6G, AI, the Internet of Things, and satellite communication, coupled with the cobalt supply contraction, it is expected that the cobalt market will enter into a new round of a cycle of both volume and price increase.

To sum up, against the backdrop of the rapid development of the new energy lithium battery industry and the intelligent terminal industry, the new energy lithium battery materials industry and the cobalt-nickel new materials industry that the Company is engaged in are emerging industries supported by the national development strategy and industrial policies. The prospects of the industries the Company is involved in are very bright, and the management is very confident about this. While maintaining its leading position in the cobalt industry, the Company has rapidly risen to become a significant force in the global nickel industry. Currently, it is committed to comprehensively deepening its business pattern of overseas resources, international manufacturing, and global markets, continuously building a technological Huayou, green Huayou, open Huayou, responsible Huayou and enterprising Huayou, and building a world-class enterprise that is “outstanding in products, renowned in brands, leading in innovation and modern in governance”, 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.

Description of the Company's new significant non-primary business during the reporting period

☐Applicable ☒Not applicable

II. Business discussion and analysis

In the first half of 2025, in the face of a complex and volatile macro environment, a highly competitive industrial situation, and the increasing uncertainties in the process of internationalization, the Company has always remained steadfast in its strategic determination, implemented the work requirements of seeking progress while maintaining stability and achieving victory through progress, adhered to the business essence of putting customers at the center and creating value for them, implemented the business philosophy of innovation-driven, market first, benefit orientation, structural optimization and strong guarantee, and seized market opportunities, broadened development space, expanded open cooperation, deepened management reform and promoted cost reduction and efficiency improvement, thus achieving the efficient operation of production, supply, sales and transportation, steadily enhancing profitability and continuously strengthening business resilience. As a result, the Company achieved the best business performance in the same period of history, effectively promoting its high-quality development.

In the first half of 2025, the Company mainly completed the following tasks in line with its development strategy and annual business plan:

(1) Continuously released its integrated advantages, so that the business performance has reached a record high

The Company has fully leveraged its advantages of industrial integration, seized opportunities, expanded markets and increased orders, and focused on enhancing the three key elements of quality, cost, and efficiency. As a result, the operational quality has steadily improved, and its business performance has reached a new high for the same period in history. During the reporting period, the Company achieved operating income of RMB 37.197 billion and net profit attributable to the parent company of RMB 2.711 billion, both setting a new high for the same period in history. In the first half of 2025, the shipment volume of ternary cathode materials reached 39,600 tons, increasing by 17.68% year-on-year. Among them, the proportion of ultra-high nickel 9-series products rose to over 60%. The export volume of ternary cathode materials accounts for 57% of the total export volume of ternary cathode materials in China. The shipment volume of ternary precursors was 42,100 tons, which declined compared with the same period last year due to the initiative to reduce the shipment of some low-profit products and optimize the product structure. The shipment volume of cobalt products was 20,800 tons, a year-on-year decrease of 9.89%. The shipment volume of nickel products was 139,400 tons, increasing by 83.91% year-on-year, providing strong support for the Company's performance growth. In the upstream region, the MHP HPAL production capacity has been fully released, maintaining stable and excessive production, providing highly competitive raw material guarantees for downstream nickel and cobalt products. At the downstream lithium battery materials end, the Company focused on strategic core customers, closely followed the mainstream technology path, adhered to the high-end, global and differentiated route, actively promoted in-depth cooperation in new application scenarios, achieved large-scale mass production of large cylindrical battery materials, and reached in-depth cooperation with leading enterprises such as EVE, LGES, CATL, AESC, and CALB; the Company also achieved joint development of solid-state battery materials in the upstream and downstream of the industrial chain, had in-depth cooperation with leading domestic battery enterprises, reached strategic synergy with key customers such as Farasis Energy, WeLion, Qingtao, and Jinyu, and carried out all-round cooperation in the research and development, mass production, and market expansion of solid-state and semi-solid battery materials, establishing its leading position in the fields of large cylindrical battery materials and solid-state battery materials.

(2) Empowered industries with technological innovation, so that remarkable achievements have been made in technological progress

During the reporting period, the Company vigorously implemented the scientific and technological innovation strategy of "supporting industries and leading the future", strengthened scientific research management, improved the scientific and technological innovation system, continued to implement the "330" scientific research program, accelerated the cultivation and development of new quality productive forces characterized by innovation, and achieved remarkable results in technological progress. In the first half of the year, the Company completed 115 patent applications and obtained 42 patent authorizations. Currently, the total number of patent applications has reached 1,488, and the total number of patent authorizations has reached 604. Two nickel and cobalt raw material standards led by

the Company have been approved and released by the Ministry of Industry and Information Technology of the People's Republic of China, filling the gap in the standard system of nickel smelting intermediate products in China. The national-level *"Research and Industrialization Project of Cathode Materials for High Safety and High Specific Energy Solid-State Batteries"* led by the Company has been approved, and phased progress has been made. During the reporting period, the Company further strengthened the research and development of new products and new processes around the integrated industrial chain, achieving a series of results. In the field of resource development, relying on a complete set of independent design capabilities, the Company integrated its technical advantages in processes, equipment, production and management, and formed a systematic and engineering-oriented technical system to support the high-quality construction and operation of multiple projects, effectively reducing construction and operation costs. In the field of non-ferrous metallurgy, the Company focused on the technological innovation of material flow balance in electro-nickel integration and efficiency improvement in electro-cobalt, achieving obvious results in cost reduction through process; it also promoted the development of multiple high-end nickel products and achieved mass production, forming a diversified layout covering all mainstream nickel-based products; a number of 4.55V high-voltage cobalt oxide products have been mass produced. In the field of precursors, the Company strengthened the technological leading edge and market penetration, took the leading position in the global certification of over 50 medium and high-nickel ternary precursors, standardized the process of sodium-ion polyanion and the first generation of lithium-rich manganese-based precursors, with the second generation under pre-research, and entered the solid-state/low-altitude/robot supply chain. In the field of cathode materials, the Company continuously expanded the cathode material range, and achieved large-scale shipments and continuous increase in volume of several 9-series ultra-high nickel ternary cathode materials used in large cylindrical batteries, e-VTOL low-altitude aircraft and humanoid robots, with semi-solid battery cathode materials applied to terminal customers' 1,000-kilometer ultra-long range models, ternary cathode materials for all-solid-state batteries covering the entire route of development, and many 9-series products having a capacity of 230-235 mAh/g and being in the first echelon in client testing; for the lithium-rich manganese-based materials, the Company closely followed the technological iterations of customers' solid-state batteries and have successfully developed ultra-high-capacity all-solid-state lithium-rich manganese-based materials. The nickel-manganese spinel material has entered the ton-level verification stage.

(3) Continuously deepened the global layout, so that the development momentum has been constantly enhanced

During the reporting period, the Company continuously strengthened its business pattern of overseas resources, international manufacturing and global markets, further magnified its advantages of industrial integration, internationalized operation and ecological development, and its development momentum was constantly enhanced. In the upstream resource sector, in Indonesia, the Company has newly taken stakes in two laterite nickel mines, furthering increasing its reserves of nickel and cobalt resources. HPAL projects continued to lead, with MHP shipments reaching approximately 120,000 tons, representing a year-on-year growth of over 40%. The Pomalaa HPAL project with an annual output of 120,000 tons of nickel metal has started construction, the preparatory work for the Sorowako HPAL project with an annual output of 60,000 tons of nickel metal is advancing in an orderly manner, and the construction of the Pomalaa park has also begun. In Zimbabwe, through supplementary exploration, the remaining resources of the Arcadia lithium mine have increased from 1.5 million tons of lithium carbonate equivalent to 2.45 million tons, and the grade has risen to 1.34%. The production and operation indicators of the project have been continuously optimized, and the production cost has been continuously decreasing. The lithium sulfate project with an annual output of 50,000 tons has entered the equipment installation stage and is expected to be completed by the end of the year. After the project is completed, it will fully leverage the advantages of integrated mining and metallurgy, further reducing the production cost of lithium salts. At the downstream lithium battery material end, the first phase of the 50,000-ton ternary precursor project of Huaneng Indonesia has achieved batch supply, entering the North American market, and the first phase of the 25,000-ton cathode material project in Hungary is progressing smoothly and is expected to be completed within this year. This will help the Company deeply integrate into the European electric vehicle industry chain and seize the market opportunities of the lithium battery industry chain in Europe and even globally.

(4) Made in-depth progress in management reform, so that remarkable results have been achieved in cost reduction and efficiency improvement

The Company adhered to taking business as its essence and financial management as its core, made in-depth progress in management reform, further enhancing management capabilities, and significantly improving the operational efficiency, so that it achieved remarkable results in cost reduction and efficiency improvement. In terms of production and operation, the Company further promoted the ultimate manufacturing with extremely low costs, extremely high efficiency and ultimate energy efficiency, strengthened standard cost accounting and monthly cost dynamic analysis, reduced accounting units and solidified responsibilities to further lower production costs. In terms of cost control, the Company further strengthened budget management, focused on target management, dynamically adjusted the budget preparation and strengthened cost management in light of the actual business development of the Company to ensure the rigid implementation of the budget control targets, and as a result, the management expenses has been continuously decreasing. In terms of supply chain management, the Company benchmarked against advanced enterprises in the industry to promote supply chain management transformation, strengthened the closed-loop management of category operation plans, enhanced the professional level of supply chain management, and deeply explored and fully leveraged the advantages of large-scale procurement of the group, further enhancing its supply chain competitiveness. In terms of fund management, through multiple measures such as accelerating the efficiency of fund turnover, optimizing the structure of long-term and short-term financing, and accurately seizing the interest rate window period to expand diversified financing channels, the average financing cost in the first half of the year decreased by 30 basis points compared with the previous year, and financial expenses decreased by 14.8% year-on-year. In addition, the Company has been vigorously implementing the “increase, save and reduce” campaign. In the first half of 2025, it advanced nearly 300 “increase, save and reduce” projects. By activating the internal drive and innovation vitality of the grassroots level, it has promoted the increase of income, reduction of expenditure and reduction of consumption for all employees.

(5) Comprehensively enhanced ESG management to lead the sustainable development of the industry

During the reporting period, the Company continuously deepened its ESG practices, promoting high-quality and low-carbon development of the industry through technological innovation and global collaboration. The Company strengthened the responsible management of the mineral supply chain and raw material suppliers, systematically built a green supply chain ecosystem, and was awarded the title of “National Green Supply Chain Management Enterprise” by the Ministry of Industry and Information Technology, establishing a benchmark position in the green supply chain. Actively responding to the risks of global climate change, the Company established a full-process greenhouse gas emission and product carbon footprint management system, and continuously advanced the three major projects of “carbon drop, carbon reduction and low carbon”. During the reporting period, the Company achieved a carbon reduction of about 690,000 tons. In collaboration with the United Nations Global Compact and its partners, the Company launched the “China-Indonesia Community Sustainable Development Action Network”, and initiated the Goromonzi community development project in Zimbabwe, which was successfully selected as one of the “2025 Business for Good Innovation Cases”, demonstrating the Company’s initiative and influence in sustainable development. During the reporting period, the Company’s S&P rating was upgraded. It was selected for the first time in the S&P Global *Sustainability Yearbook (China Edition) 2025*, ranked among the leading sustainable development enterprises, and was consecutively listed on the *Fortune* China ESG Impact List (2025) and *Forbes* China Sustainable Development Industrial Enterprises (2024-2025).

(6) Implemented special actions and shared the fruits of development

The Company actively practiced the development concept of “putting investors first”, implemented the special action plan of “improving quality, increasing efficiency and emphasizing returns”, and shared the fruits of enterprise development with investors.

First, it focused on the main business to achieve high-quality development of the Company. The Company focused on the integrated industrial chain of new energy lithium battery materials, adhered to the business essence of “putting customers at the center and creating value for them”, sought progress while maintaining stability and strived for victory while making progress, and achieved a favorable

situation of stable production, efficient operation, steady development, and rising benefits. During the reporting period, the Company achieved operating income of RMB 37.197 billion and net profit attributable to the parent company of RMB 2.711 billion, both setting a new high for the same period in history.

Second, it attached importance to cash dividends and shared the fruits of enterprise development. The Company has always attached great importance to reasonable returns for investors and insisted on rewarding shareholders with real money. During the reporting period, the Company completed the 2024 annual equity distribution, distributing a cash dividend of RMB 5 (including tax) for every 10 shares, with a total cash dividend amounting to RMB 839 million. The proportion of the cumulative cash dividend amount in the past three years to the average net profit of the last three accounting years has reached 74.51%.

Third, it adopted a dual approach of increasing holdings and providing incentives to effectively enhance investors' confidence. Based on confidence in the Company's future development prospects and high recognition of its value, in order to safeguard the interests of the majority of investors and enhance their confidence, Huayou Holding, the Company's controlling shareholder, has cumulatively increased its holdings by 17.4844 million shares, corresponding to an increase amount of RMB 539.9909 million (including transaction fee). In addition, to improve the Company's long-term incentive mechanism, fully mobilize the enthusiasm of the Company's employees, enhance cohesion, and promote the Company's long-term development, the Company has implemented a new round of equity incentive plan and granted 9,349,300 restricted shares, covering over 1,100 employees. This plan aims to achieve consistency in the interests of the Company, shareholders, and employees, encourage all parties to jointly focus on the Company's long-term development and interests, and thereby enhance investor confidence in multiple dimensions.

Fourth, it was investor demand-oriented and strengthened information disclosure and investor relations management. The Company strictly adhered to relevant laws, regulations and regulatory requirements on information disclosure, took the needs of investors as the orientation, enhanced the quality and transparency of information disclosure, disclosed key information such as production and sales, finance, R&D, investment and development strategy in detail through regular reports, and strengthened the management of temporary announcements to convey major information of the Company in a timely manner and provide comprehensive references for investors' decision-making. The Company attaches great importance to investor relations management and has established a diversified investor communication mechanism. Through various communication channels such as organizing earnings briefings, receiving investors for on-site research and online exchanges, participating in investment strategy meetings, responding to investors' questions on the SSE e-Interaction platform, and answering investors' hotlines, it has actively responded to investors' concerns and proactively conveyed the Company's long-term investment value, establishing a good investor interaction ecosystem.

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

☐Applicable ☒Not applicable

III. Core competence analysis during the reporting period

☒Applicable ☐Not applicable

During the reporting period, the Company established 5 new subsidiaries and deregistered 1 subsidiary, as detailed in item IX 1, 4 and 5 of Section VIII hereof. The Company had 5 new participating companies, as detailed in item VII 17 and 18 of Section VIII hereof.

IV. Main operation status during the reporting period

(I) Analysis of primary business

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

Monetary unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the same period of last year	Change ratio (%)
Operating income	37,196,514,112.78	30,050,314,564.41	23.78
Operating costs	31,296,256,401.59	25,113,384,429.25	24.62
General and administrative expenses	855,850,477.89	878,870,348.63	-2.62
Financial expenses	911,739,863.17	1,070,089,436.67	-14.80
R&D expenses	535,828,646.85	707,219,725.30	-24.23
Net cash flow from operating activities	1,618,070,841.20	2,763,581,330.49	-41.45
Net cash flow from investing activities	-4,879,739,278.82	-4,664,287,691.76	-4.62
Net cash flow from financing activities	1,015,546,155.30	5,095,391,106.74	-80.07

Reasons for changes in operating income: Mainly due to an increase in the amount of operating income caused by the increase in the product sales

Reasons for changes in operating costs: Mainly due to an increase in the amount of operating costs caused by the increase in the product sales

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

Reasons for changes in financial expenses: Mainly due to a decrease in the financing cost and decrease in the interest expenses in the current period. In addition, due to the impact of exchange rate fluctuations, exchange gains were generated in the current period

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

Reasons for changes in net cash flow from operating activities: Mainly due to the Company locking in raw material prices based on market conditions and making advance payments for raw materials

Reasons for changes in net cash flow from investing activities: Mainly due to the year-on-year increase in the investment scale of construction in progress

Reasons for changes in net cash flow from financing activities: Mainly due to the optimization of the Company's capital structure, and a decrease in the net inflow of interest-bearing liabilities

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(III) Analysis of assets and liabilities

☒Applicable ☐Not applicable

1. Assets and liabilities conditions

Monetary unit: Yuan

Item	Amount as at the end of the current period	Proportion in the total assets (%)	Amount as at the end of the previous year	Proportion in the total assets (%)	Proportion of change (%)	Detailed description
Prepayment	7,223,412,598.21	4.94	2,950,454,862.65	2.16	144.82	Mainly due to an increase in prepayment for raw materials and goods
Other equity instrument investment	388,506,682.81	0.27	176,379,882.81	0.13	120.27	Mainly due to an additional external equity investment
Other non-current assets	3,027,710,046.08	2.07	2,259,180,048.30	1.65	34.02	Mainly due to an increase in prepayment for engineering equipment
Notes payable	6,475,766,460.43	4.43	4,209,819,518.55	3.08	53.83	Mainly due to an increase in the amount of payment for goods in the form of an

						invoice
Contract liabilities	2,004,559,035.86	1.37	867,721,977.01	0.64	131.01	Mainly due to an increase in payment for goods
Other current liabilities	3,053,926,373.78	2.09	2,338,401,435.83	1.71	30.60	Mainly due to the issuance of ultra-short-term financing bonds in the current period

Other remarks
None

2. Overseas assets

☒Applicable ☐Not applicable

(1) Asset size

Including: overseas assets of 70,588,106,104.95 (Monetary unit: Yuan Currency: RMB), accounting for 48.26% 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
Indonesia Huafei	New establishment	Self-operation	6,801,427,313.59	458,444,393.94
Huayou Hong Kong	New establishment	Self-operation	21,417,599,216.44	1,130,487,308.08
Huayue Company	New establishment	Self-operation	3,843,631,182.66	798,360,579.20

Other remarks
None

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

☒Applicable ☐Not applicable

Item	Ending book balance	Reason for restriction
Cash and cash equivalents	5,195,666,417.93	The bank acceptance deposit of RMB 2,635,024,196.64, letter of credit deposit of RMB 491,274,963.36, letter of guarantee deposit of RMB 104,013,347.67, loan deposit of RMB 1,925,944,900.15, forward foreign exchange settlement and sales margin of RMB 29,876,135.00, environmental impact assessment deposit of RMB 7,150,946.17, frozen in the lawsuit totals of RMB 234,348.94, and other deposits of RMB 2,147,580.00.
Financial assets held for hedging	101,406,600.00	Being used as pledge guarantee for bank financing
Receivables financing	11,015,365.07	Being used as pledge guarantee for bank financing
Accounts receivable	643,650,130.23	Being used as pledge guarantee for bank financing
Inventories	1,057,236,360.51	Being used as pledge guarantees for bank financing
Fixed assets	21,223,045,423.87	Being used as mortgage guarantees for bank financing, and the fixed assets for after-sales leaseback

Item	Ending book balance	Reason for restriction
Fixed assets	186,499,006.52	As a result of a dispute related to a construction contract, the Company 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.
Intangible assets	32,390,952.50	
Construction in progress	322,895,575.41	
Construction in progress	29,391,538.08	Being used as mortgage guarantees for bank financing, and the construction in progress for after-sales leaseback
Intangible assets	303,314,756.28	Being used as mortgage guarantees for bank financing, and the intangible assets for after-sales leaseback
Long-term equity investment	185,165,716.69	Provide equity pledge guarantees for bank financing of Eternal Nickel
Total	29,291,677,843.09	

4. Other information

☐ Applicable ☒ Not applicable

(IV) Analysis of investments

1. Overall analysis of equity investments

☒ Applicable ☐ Not applicable

During the reporting period, the Company established 5 new subsidiaries and deregistered 1 subsidiary, as detailed in item IX 1, 4 and 5 of Section VIII hereof. The Company had 5 new participating companies, as detailed in item VII 17 and 18 of Section VIII hereof.

(1) Major equity investments
☐Applicable ☒Not applicable

(2) Major non-equity investments
☒Applicable ☐Not applicable

The major non-equity investments during the reporting period primarily comprised construction in progress. As of the end of the reporting period, the balance of the construction in progress was RMB 10,210,900,400, representing an increase of RMB 308,653,900 or 3.12%, compared with the end of the previous period. For further details, please refer to "22. Construction in Progress," under "VII. Notes to Consolidated Financial Statements" of this report.

(3). Financial assets measured at fair value
☐Applicable ☒Not applicable

Please refer to the contents of "XIII. Disclosure of Fair Value" in "Section VIII 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

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

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

Major subsidiaries and participating companies that have an impact of more than 10% on the Company's net profit

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Huayou Quzhou	Subsidiary	R&D, production and sales of cobalt, copper and nickel products	RMB 2,401.2436 million	23,241,519,927.03	6,040,659,016.20	10,428,110,171.67	597,056,770.09	447,861,849.43
Huayou Hong Kong	Subsidiary	Trade of cobalt and copper raw materials and products	HKD 550.992 million	23,248,078,353.94	7,386,593,047.44	21,417,599,216.44	1,126,403,647.70	1,130,487,308.08
Huayou Mining Hong	Subsidiary	Overseas investment platform	HKD 10,000	23,907,787,248.89	13,759,052,040.06	12,283,519.67	223,458,188.50	222,739,411.09

Kong								
Huayue Company	Subsidiary	MHP	USD 260 million	12,477,441,983.28	7,672,915,548.09	3,843,631,182.66	814,632,453.99	798,360,579.20
Indonesia Huafei	Subsidiary	MHP	USD 540 million	17,895,450,405.63	5,037,222,813.00	6,801,427,313.59	466,451,609.16	458,444,393.94

Acquisition and disposal of subsidiaries during the reporting period

☐Applicable ☒Not applicable

Please refer to the contents of “IX. Change of Combination Scope” in “Section VIII Financial Report” of this report for details.

Other remarks

☐Applicable ☒Not applicable

(VII) Structural entities controlled by the Company

☐Applicable ☒Not applicable

V. Other disclosures

(I) Possible risks

☒Applicable ☐Not applicable

1. Market risk

The Company’s main products include lithium-ion cathode materials, precursor products, nickel, cobalt and lithium new material products, and copper products. Due to the influence of various factors such as global economy, supply and demand, market expectations and speculative speculation, the prices of nickel, cobalt, lithium and copper metals present high volatility feature, which in turn leads to product market price fluctuations. During the reporting period, the prices of cobalt products have risen sharply since the end of February due to policy influence, the prices of nickel products generally fluctuated at a low level, the prices of lithium products slightly rebounded and then continued to decline, while the prices of copper products was at a high level. 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 headquartered in Tongxiang 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.

(II) Other disclosures

☐Applicable ☒Not applicable

Section IV Corporate Governance, Environment and Society

I. Changes of directors, supervisors and senior officers of the Company

☐Applicable ☒Not applicable

Further information about changes of directors, supervisors and senior officers of the Company

☐Applicable ☒Not applicable

II. Plan for profit distribution or conversion of capital reserve into share capital

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

Is there any profit distribution or conversion of capital reserve into share capital	No
Number of bonus shares distributed per 10 shares	0
Amount of dividends distributed per 10 shares (RMB) (tax inclusive)	0
Number of additional shares converted per 10 shares	0
Relevant information of the plan for profit distribution or conversion of capital reserve into share capital	
The Company will not carry out any profit distribution or conversion of capital reserve into share capital in the second half of 2025.	

III. The Company's equity incentive plans, employee stock ownership plans or other employee incentive measures, as well as their impacts

(I) Equity incentive matters which have been disclosed in an interim announcement and there is no progress or change in subsequent implementation thereof

☒Applicable ☐Not applicable

Overview of the matter	Query index
On January 23, 2025, the Company completed the procedures for repurchase and cancellation of restricted shares first granted under the 2023 Restricted Stock Incentive Plan. The repurchase and cancellation involved a total of 5,033,840 restricted shares that had been granted to 1,440 incentive recipients but not yet unlocked.	For more information, please refer to the <i>Announcement of Huayou Cobalt on the Repurchase and Cancellation of Restricted Shares under the Equity Incentive Plan</i> (Announcement No.: 2025-008) disclosed by the Company on January 21, 2025.
On January 23, 2025, the Company held the 26th meeting of the sixth Board of Directors, at which the <i>Proposal on the First Grant of Restricted Shares to Incentive Recipients</i> was deliberated and approved. The Board of Directors believed that the conditions for the first grant of restricted shares stipulated in the <i>Company's 2024 Restricted Stock Incentive Plan (Draft)</i> have been met, and agreed to determine January 23, 2025 as the date of first grant to grant 10.4193 million restricted shares to 1,298 incentive recipients.	For more information, please refer to the <i>Announcement of Huayou Cobalt on the Adjustment of Matters Related to the First Grant under the 2024 Restricted Stock Incentive Plan</i> (Announcement No.: 2025-014) disclosed by the Company on January 24, 2025. For more information, please refer to the <i>Announcement of Huayou Cobalt on the First Grant of Restricted Shares to Incentive Recipients</i> (Announcement No.: 2025-015) disclosed by the Company on January 24, 2025.
On March 7, 2025, the Company completed the registration procedures for the shares first granted under the 2024 Restricted Stock Incentive Plan. A total of 9.3493 million restricted shares were granted to 1,161 incentive recipients.	For more information, please refer to the <i>Announcement of Huayou Cobalt on the Results of First Grant of Restricted Shares to Incentive Recipients</i> (Announcement No.: 2025-028) disclosed by the Company on March 11, 2025.
On June 11, 2025, the Company held the 30th meeting of the sixth Board of Directors and the 21st meeting of the	For more information, please refer to the <i>Announcement of Huayou Cobalt on</i>

sixth Board of Supervisors. In accordance with the relevant provisions of the *Administrative Measures for Equity Incentive of Listed Companies*, the *2023 Restricted Stock Incentive Plan of Zhejiang Huayou Cobalt Co., Ltd.* and the *2024 Restricted Stock Incentive Plan of Zhejiang Huayou Cobalt Co., Ltd.*, and with the authorization of the Company's second extraordinary general meeting of shareholders in 2023 and the first extraordinary general meeting of shareholders in 2025, the *Proposal on the Proposed Repurchase and Cancellation of Some Restricted Shares* was deliberated and approved. Given that among the incentive recipients involved in the first grant of shares under the 2023 Restricted Stock Incentive Plan, 10 resigned due to job transfers beyond their personal control or company layoffs, 2 resigned due to retirement, 59 resigned voluntarily for personal reasons, and 1 was dismissed by the Company due to personal fault, it was agreed to repurchase and cancel the 271,500 restricted shares that have been granted to the above-mentioned incentive recipients but not yet unlocked. In addition, as the company performance assessment for the second unlocking period of shares first granted under the 2023 Restricted Stock Incentive Plan failed, it was agreed to repurchase and cancel the 2,784,780 restricted shares that have been granted to the incentive recipients but not yet unlocked. In light of the fact that among the incentive recipients under the 2024 Restricted Stock Incentive Plan, 2 resigned due to job transfers beyond their personal control or company layoffs, and 15 resigned voluntarily for personal reasons, it was agreed to repurchase and cancel the 118,700 restricted shares that have been granted to the above-mentioned incentive recipients but not yet unlocked.

Proposed Repurchase and Cancellation of Some Restricted Shares (Announcement No.: 2025-064) disclosed by the Company on June 12, 2025.

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

Equity incentives

☐Applicable ☒Not applicable

Other remarks

☐Applicable ☒Not applicable

Employee stock ownership plan

☐Applicable ☒Not applicable

Other incentive measures

☐Applicable ☒Not applicable

I. Environmental information of listed companies and their major subsidiaries included in the list of enterprises subject to legal disclosure of environmental information

☒Applicable ☐Not applicable

Number of enterprises included in the list of enterprises subject to legal disclosure of environmental information		9
S/N	Enterprise name	Query index for report on legal disclosure of

		environmental information
1	Zhejiang Huayou Cobalt Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=913300007368873961&uniqueCode=7c490410729d02cd&date=2024&type=true&isSearch=true
2	Zhejiang Huayou Puxiang New Energy Materials Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330483MA2BA0Q86C&uniqueCode=3d9f1432e9432031&date=2024&type=true&isSearch=true
3	Huayou New Energy Technology (Quzhou) Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330800MA28F4L393&uniqueCode=2142c465a735270f&date=2024&type=true&isSearch=true
4	Huajin New Energy Materials (Quzhou) Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330800MA29UNE71X&uniqueCode=18f540e42f7b79d2&date=2024&type=true&isSearch=true
5	Quzhou Huayou Resource Recycling Technology Company Limited	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330800MA28FWG5XR&uniqueCode=d46b70535f05c7a0&date=2024&type=true&isSearch=true
6	Quzhou Huayou Cobalt New Materials Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330800575349959F&uniqueCode=eaba8a802a832ba6&date=2024&type=true&isSearch=true
7	Guangxi Huayou Lithium Industry Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/enterpriseInfo?XTXH=447d38b0-b45f-4901-bff2-ca91d4fbc1f9&XH=1714963969800027787264&year=2024
8	Guangxi Huayou New Materials Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/enterpriseInfo?XTXH=7aa4959c-a227-46c0-b28c-7cc86fe64377&XH=1714963969789027787264&year=2024
9	Guangxi B&M Science and Technology Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/enterpriseInfo?XTXH=6e8f3809-50d6-4263-b661-01ecb262358e&XH=1714963969775027787264&year=2024

Other remarks

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

The Company has actively assumed its corporate social responsibility, participated in social public welfare undertakings, and built a three-dimensional social responsibility system of “education support + employment assistance + community care”, demonstrating the responsibility and humanistic warmth of enterprises in the new era.

The prosperity of education leads to the prosperity of the country. The Company has always regarded promoting education and assisting students as the core mission of its corporate social responsibility. In early 2024, the Company established the “Huayou Tongxiang Alumni Innovation Fund” of the Beijing Branch of the Tongxiang Senior High School Alumni Association, with an initial fund of RMB 1 million. Through a precise incentive mechanism, it has promoted scientific and educational innovation and specifically supported Tongxiang Senior High School alumni in Beijing to conduct cutting-edge research projects. During the reporting period, the fund awarded RMB 140,000 in bonuses to seven outstanding students who achieved breakthrough innovative results, effectively stimulating the scientific research vitality of young people.

In the field of basic education, the Company has established a multi-dimensional support system. During the reporting period, the Guangxi region delved into five village-level schools including Tanlian Village in Songwang Town to carry out the activity themed by “Love by Your Side to Celebrate

Children's Day", investing a special fund of RMB 52,250 to provide sports equipment for over 3,700 students. The Quzhou team visited Dacheng Primary School and provided a total of RMB 50,000 in cash and educational resources to 25 outstanding students, establishing a dual-track model of "material assistance + spiritual cultivation".

In terms of employment assistance, the Company's Guangxi Industrial Park has established a dynamic assistance mechanism, continuously providing job matching services for 225 people from poverty alleviation monitoring households. Through "skills training + job customization", it has achieved "high-paying employment at home", which not only ensures stable family income but also effectively alleviates the problem of left-behind children and avoids the possibility of poverty alleviation monitoring households falling back into poverty. The Quzhou Regional Management Center has extended its assistance radius by organizing visits to 11 families, 8 outstanding students and 9 village cadres in the surrounding villages, donating RMB 69,000 in cash and daily necessities, thus forming a three-dimensional assistance model of "intellectual support + spiritual support".

In addition, the Party organization and trade union of the Company in Tongxiang have deepened the paired assistance mechanism. They have established "one household, one policy" files for 8 families in difficulty, and distributed RMB 1,000 in consolation money and customized living supplies packages to each household. They have earnestly fulfilled the dual responsibility of "economic responsibility + social responsibility", demonstrating the responsibility and warmth of enterprises in the new era. The trade union has specially designated a sick leave care plan for an employee suffering from a serious illness. On the basis of the sick pay of RMB 2,260 per month, the trade union will also provide an additional living allowance of RMB 2,500 per month to help the employee focus on recuperating and meet his/her basic living needs.

Looking ahead, the Company will continue to deepen and expand its three-dimensional responsibility system of "education + employment + community", empower education with technology, and give back to society through industry. It will promote the in-depth development of social responsibility practices and adhere to the investment concept of "making contributions to the local economy and society wherever it invests".

Section V Major Matters

I. Performance of commitments

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

√Applicable □Not applicable

Background of commitment	Type of commitment	Party making the commitment	Content of commitment	Date of commitment	Whether there is fulfillment period	Commitment period	Whether it is strictly fulfilled in a timely manner	Explain the specific reasons if it is not fulfilled in a timely manner	Explain the next step if it is not fulfilled in a timely manner
Commitments related to initial public offerings	About horizontal competition	Note 1	Note 1	Note 1	Yes	Note 1	Yes	Not applicable	Not applicable
Commitments related to refinancing	About horizontal competition	Note 2	Note 2	Note 2	Yes	Note 2	Yes	Not applicable	Not applicable
	About related-party transactions	Note 3	Note 3	Note 3	Yes	Note 3	Yes	Not applicable	Not applicable
	Others	Note 4	Note 4	Note 4	Yes	Note 4	Yes	Not applicable	Not applicable
Commitments related to equity incentives	Others	Note 5	Note 5	Note 5	Yes	Note 5	Yes	Not applicable	Not applicable

Note 1: Commitments related to initial public offerings and about horizontal competition

For the purpose of avoiding possible horizontal competition with the Company in the future, safeguarding the interests of all shareholders of the Company and ensuring the Company's long-term and stable development, Huayou Holding, the controlling shareholder of the Company, and Mr. Chen Xuehua, the person acting in concert (collectively, the "Commitment Makers"), have respectively issued a Letter of Commitment on Avoiding Horizontal Competition (hereinafter "Letter of Commitment") to the Company. The main contents of the Letter of Commitment are as follows:

1. As of the date of the Letter of Commitment, neither the Commitment Makers nor any entity under their control has engaged in or participated in any business or activity that competes directly or indirectly in any manner with the Company's principal business;
2. As of the date of the Letter of 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 listed in domestic or foreign securities exchange institutions.

Note 2: Commitments related to refinancing and about horizontal competition

Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller) make the following commitments:

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.

Note 3: Commitments related to refinancing and about related-party transactions

Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller) make the following commitments:

1. After the completion of the transaction, the Company/I and other holding enterprises will try our best to avoid any related-party transactions with Huayou Cobalt and its holding and shareholding companies; Inevitable related business dealings or transactions shall be conducted on an equal and voluntary basis in accordance with the principles of justice, fairness and compensation for equal value, and the transaction price shall be determined based on a reasonable price recognized by the market.
2. The Company/I will strictly abide by the avoidance provisions on related-party transactions in the Articles of Association of Huayou Cobalt and other normative documents, and all related-party transactions involved will be conducted in accordance with the prescribed decision-making procedures. We will also disclose information on related-party transactions in a timely manner in accordance with the legal procedures; We will not use related-party transactions to transfer profits or harm the legitimate rights and interests of Huayou Cobalt and other shareholders.

3. If the Commitment Makers cause any loss to Huayou Cobalt and its relevant shareholders as a result of failure to perform or improper performance of the above commitments, they shall bear such loss in full in cash and be held jointly and severally liable.

Note 4: Other commitments related to refinancing

I. Huayou Holding (the controlling shareholder of the Company) and Chen Xuehua (the actual controller) make the following commitments:

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.

II. Upon completion of the non-public offering, the directors and senior officers of the Company will continue to faithfully and diligently perform their duties, safeguard the legitimate rights and interests of the Company and all shareholders, and make the following commitments to the effective performance of the Company's measures to make up the gap in accordance with the relevant regulations of the China Securities Regulatory Commission:

1. I undertake to perform my duties faithfully and diligently and to protect the legitimate rights and interests of the Company and all shareholders;

2. I undertake not to give benefits to other entities or individuals free of charge or on unfair terms, and not to harm the interests of the Company in any other way;

3. I undertake to restrict my job-related consumption behavior;

4. I undertake not to use the Company's assets to engage in investment and consumption activities unrelated to the performance of duties;

5. I undertake that the remuneration system established by the Board of Directors or the Nomination and Remuneration Committee is linked to the implementation of the Company's measures to make up the gap;

6. I undertake that the vesting conditions of any equity incentive plans announced will be linked to the implementation of the Company's measures to make up the gap;

7. I undertake to effectively implement the Company's measures to make up the gap and fulfill any commitments I have made regarding the measures to make up the gap. If I violate any of these commitments and cause losses to the Company or its investors, I am willing to bear the liability for compensation to the Company or its investors in accordance with the law;

8. From the date of issuance of the commitments to the completion of the Company's non-public offering of the shares, if the China Securities Regulatory Commission formulates any other new regulatory requirements regarding the measures to make up the gap and their commitments and the above commitments cannot satisfy such provisions of the China Securities Regulatory Commission, I undertake to issue a supplementary commitment in accordance with the latest regulations of the China Securities Regulatory Commission at that time.

III. 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 commitment in accordance with the latest regulations of the China Securities Regulatory Commission at that time.

IV. 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 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.

V. 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 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.

Note 5: Other commitments related to equity incentives

I. 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.

II. 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.

II. Controlling shareholder's and other related parties' occupation of the Company's funds for non-operation purpose during the reporting period

☐Applicable ☒Not applicable

III. Illegal guarantee

☐Applicable ☒Not applicable

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

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

VI. Matters related to bankruptcy and reorganization
☐Applicable ☒Not applicable

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

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

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

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

Overview of the matter	Query index
The <i>Proposal on Estimations of Continuing Related-Party Transactions in 2025</i> was deliberated and approved at the 29th meeting of the sixth Board of Directors of the Company and at the 2024 annual general meeting of shareholders.	For more information, please refer to the <i>Announcement of Huayou Cobalt on Review of Continuing Related-Party Transactions in 2024 and Estimations of Continuing Related-Party Transactions in 2025</i> (Announcement No.: 2025-043) disclosed by the Company on April 19, 2025.

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

On August 16, 2025, the Company held the 31st meeting of the sixth Board of Directors, deliberating and approving the *Proposal on the Addition of Related-Party Transactions and the Adjustments to the Continuing Related-Party Transactions in 2025*. Due to the actual needs of the Company and its subsidiaries in daily operations and business development, beyond the scope of the *Proposal on Estimations of Continuing Related-Party Transactions in 2025* that has been deliberated, the Company and its subsidiaries are expected to have additional related-party transactions with related parties amounting to RMB 409.969 million. For detailed information, please refer to the *Announcement of Huayou Cobalt on the Addition of Related-Party Transactions and the Adjustments to the Estimations of Continuing Related-Party Transactions in 2025* (Announcement No.: 2025- 083).

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

(II) Related-party transactions related to the acquisition of assets or acquisition or sale of equity**1. Those that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation**☐Applicable ☒Not applicable**2. Those that have been disclosed in the interim announcement but have progress or changes in subsequent implementation**☐Applicable ☒Not applicable**3. Those that are not disclosed in the interim announcement**☐Applicable ☒Not applicable**4. Where there is any agreement on business performance in respect of any related-party transactions above, the situation of achievement of the business performance during the reporting period shall be disclosed.**☐Applicable ☒Not applicable**(III) Major related-party transactions related to joint external investments****1. Those that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation**☐Applicable ☒Not applicable**2. Those that have been disclosed in the interim announcement but have progress or changes in subsequent implementation**☐Applicable ☒Not applicable**3. Those that are not disclosed in the interim announcement**☐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) Other major related-party transactions**☐Applicable ☒Not applicable**(VII) Others**☐Applicable ☒Not applicable

XI. Major contracts and their performance**(I) Trusteeship, contracting, lease matters**

☐Applicable ☒Not applicable

(II) Major guarantees fulfilled or not yet fully fulfilled during the reporting period

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Guarantee provided by the Company (excluding those provided for its subsidiaries)															
Guarantor	Relationship between the guarantor and the Company	Guaranteed party	Guarantee amount	Guarantee occurrence date (date of signing agreement)	Guarantee start date	Guarantee expiry date	Guarantee category	Principal debt	Collateral (if any)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)								0							
Total balance of guarantee at the end of the reporting period (A) (excluding those provided for subsidiaries)								0							
Guarantees provided by the Company for subsidiaries															
Total amount of guarantee provided for subsidiaries during the reporting period								19,723,538,905.96							
Total balance of guarantee provided for subsidiaries at the end of the reporting period (B)								44,727,342,502.08							
Total amount of guarantees provided by the Company (including those provided for subsidiaries)															
Total amount of guarantee (A+B)								44,727,342,502.08							
Proportion of the total amount of guarantee in the Company’s net assets (%)								86.61%							
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)								28,049,056,816.96							
Amount of the part where the total amount of guarantee exceeds 50% of net assets (E)								18,906,069,770.46							
Total amount of the above three guarantees (C+D+E)								46,955,126,587.42							
Description of any possible joint and several liabilities for repayment of								None							

unexpired guarantees	
Notes on guarantees	None

(III) Other major contracts
☐Applicable ☒Not applicable

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

(I) Overall use of raised funds
☒Applicable ☐Not applicable

Monetary unit: Yuan

Source of raised funds	Time of payment of raised funds	Total amount of raised funds	Net amount of raised funds (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 specific parties	February 1, 2021	601,800	595,500.37	595,500.37	0	540,531.60		90.77	Not applicable	754.93	0.13	0
Issuance of convertible bonds	March 2, 2022	760,000	755,383.96	755,383.96	0	704,312.31		93.24	Not applicable	37,901.97	5.02	171,000
Total	/	1,361,800	1,350,884.33	1,350,884.33		1,244,843.92		/	/	38,656.91	/	171,000

Other remarks

☐Applicable ☒Not applicable

(II) Details of investment projects with raised funds
☒Applicable ☐Not applicable

1. Detailed use of raised funds
☒Applicable ☐Not applicable

Monetary unit: Yuan

Source of raised funds	Project name	Project nature	Committed investment project in the 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 specific parties	Nickel matte project with an annual output of 45,000 tons of nickel metal	Production	Yes	No	295,604.91	16.82	245,811.76	83.16		Yes	Yes		-28,313.85			49,793.15
Offering shares to specific 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	738.11	122,805.76	95.87		Yes	Yes		10,262.56			5,289.70
Offering shares to specific parties	Construction project of the Research Institute of Huayou Headquarters	R&D	Yes	No	30,000.00		30,114.08	100.38		Yes	Yes		Not applicable			0
Offering shares to specific parties	Replenishment of working capital	Other	Yes	No	141,800.00		141,800.00	100.00	Not applicable	Yes	Yes		Not applicable			0
Issuance of 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	Production	Yes	Yes. This project has not been cancelled; the total investment of raised funds has been adjusted	285,695.32	5,129.74	249,401.72	87.30	The plant has been converted into fixed assets, with its production line for sulfate nickel sub-project being	No	Yes		2,156.76		No	36,293.60

	annual output of 100,000 tons								converted into fixed assets in March 2024							
Issuance of 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 plant has been converted into fixed assets, with its production lines being converted into fixed assets from November 2022 to May 2023	No	Yes		-2,477.76		No	0
Issuance of 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	11,303.43	112,811.25	99.51	The plant has been converted into fixed assets, with its production lines in the commissioning stage	No	Yes		25.81		No	558.69
Issuance of 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	21,468.80	42,044.14	74.65	The plant has been converted into fixed assets, with its production lines being converted into fixed assets in December 2024	No	Yes		13,662.46		No	14,274.55
Issuance of convertible bonds	Replenishment of working capital	Other	Yes	No	200,000.00		200,000	100.00	Not applicable	No	Yes		Not applicable		No	
Total	/	/	/	/	1,350,884.33	38,656.91	1,244,843.92	/	/	/	/	/	-4,684.02	/	/	106,209.69

Note: The surplus funds do not include the income from wealth management and interest on raised funds

2. Detailed use of over-raised funds

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

2. Temporary replenishment of working capital using idle raised funds
☒Applicable ☐Not applicable

1. Pursuant to the resolution of the 27th meeting of the sixth Board of Directors held by the Company on March 10, 2025, the Company was approved to use up to RMB 550 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 June 30, 2025, the Company still has RMB 434.9 million of the temporary working capital to be repaid.

2. Pursuant to the resolution of the 28th meeting of the sixth Board of Directors held by the Company on April 7, 2025, the Company was approved to conclude the non-public offering of shares in 2021 and permanently supplement the remaining raised funds to the working capital. As of the end of the reporting period, the Company has transferred all the remaining raised funds from the special account for funds raised from the non-public offering of shares in 2021 and the net income and interest from the raised funds' wealth management, totaling RMB 585,385,198.71, to the Company's general settlement account, and has completed the cancellation procedures of the relevant special account for raised funds.

3. Cash management of idle raised funds, and investment in related projects
☒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	Start date	End 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 remarks

According to the resolution of the 24th meeting of the sixth Board of Directors of the Company on November 25, 2024, it is agreed that the Company will use idle raised funds of no more than RMB 400 million for cash management for a term not exceeding 12 months from the date of approval by the Board of Directors. As of the end of the reporting period, the Company had not yet used the raised funds for cash management.

4. Others
☐Applicable ☒Not applicable

(V) Conclusive opinion of the intermediary agency on the special verification and authentication of the storage and use of raised funds

☐Applicable ☒Not applicable

Explanation of the relevant circumstances for abnormal verification

☐Applicable ☒Not applicable

(VI) Follow-up rectification regarding unauthorized change of the purpose of raised funds and illegal occupation of raised funds

☐Applicable ☒Not applicable

XIII. Other major events

☐Applicable ☒Not applicable

Section VI Change in Shares and Information of Shareholders

I. Change in share capital

(I) Table of change in shares

1. Table of change in shares

Unit: share

	Before the change		Increase/decrease in the change (+, -)					After the change	
	Number of shares	Proportion (%)	Shares newly issued	Shares granted	Shares converted from capital reserve	Others	Sub-total	Number of shares	Proportion (%)
I. Restricted shares	10,877,900	0.64				4,315,460	4,315,460	15,193,360	0.89
1. Shares held by the state									
2. Shares held by state-owned legal persons									
3. Shares held by other domestic subjects	10,877,900	0.64				4,315,460	4,315,460	15,193,360	0.89
Including: shares held by domestic non-state legal persons									
Shares held by domestic natural persons	10,877,900	0.64						15,193,360	0.89
4. Shares held by overseas subjects									
Including: shares held by overseas legal persons									
Shares held by overseas natural persons									
II. Unrestricted shares	1,686,337,028	99.36				17,715	17,715	1,686,354,743	99.11
1. RMB ordinary shares	1,686,337,028	99.36				17,715	17,715	1,686,354,743	99.11
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	1,697,214,928	100.00				4,333,175	4,333,175	1,701,548,103	100.00

2. Description of changes in shares

☒Applicable ☐Not applicable

1. It is agreed upon deliberation at the 23rd meeting of the sixth Board of Directors and the 14th meeting of the sixth Board of Supervisors of the Company that, given that some incentive recipients involved in the first grant under the 2023 Restricted Stock Incentive Plan were no longer eligible for incentives, and the company performance assessment for the first unlocking period of shares first granted under the 2023 Restricted Stock Incentive Plan failed, the Company repurchased and cancelled a total of 5,033,840 restricted shares granted to the above-mentioned 1,440 incentive recipients but not unlocked. For more details, please see the *Announcement of Huayou Cobalt on the Repurchase and Cancellation of Restricted Shares under the Equity Incentive Plan* (Announcement No.: 2025-008);

2. It is agreed upon deliberation at the 26th meeting of the sixth Board of Directors of the Company that, in accordance with the relevant provisions of the *2024 Restricted Stock Incentive Plan (Draft)* and, with the authorization of the first extraordinary general meeting of shareholders in 2025, the Company has completed the registration procedures for the shares first granted under the 2024 Restricted Stock Incentive Plan. A total of 9.3493 million restricted shares were granted to 1,161 incentive recipients. For more details, please see the *Announcement of Huayou Cobalt on the Results of First Grant of Restricted Shares to Incentive Recipients* (Announcement No.: 2025-028);

3. The cumulative number of shares converted from convertible bonds by Huayou from January 1, 2025 to March 31, 2025 was 17,343. 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.: 2025-033);

4. On June 23, 2025, the Company disclosed the *Announcement of Huayou Cobalt on Changing the Source of Shares for Conversion of 'Huayou Convertible Bonds'* (Announcement No.: 2025-069). The source of shares for conversion of "Huayou Convertible Bonds" was changed from "newly added shares" to "repurchased shares first, and then newly added shares if insufficient". The use of repurchased shares as the source took effect on June 23, 2025.

5. The cumulative number of shares converted from convertible bonds by Huayou from April 1, 2025 to June 30, 2025 was 430 (where 58 shares were from the Company's dedicated securities account for share repurchase). 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.: 2025-072)

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

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

Based on its confidence in the Company's future development, protect corporate value and the interests of investors, and enhance investors' confidence in the Company, Huayou Holding, the controlling shareholder of the Company, plans to increase its shareholding in the Company through centralized bidding system of the Shanghai Stock Exchange within one year starting from January 16, 2025., with the total amount of intended shareholding increase no less than RMB 200 million and no more than

RMB 400 million. In February, Huayou Holding successfully completed the shareholding increase, with 13,422,769 shares purchased at a total consideration of RMB 399.9981 million. In the same month, Huayou Holding announced another shareholding increase plan, with the total amount of intended shareholding increase no less than RMB 300 million and no more than RMB 600 million. As of the end of the reporting period, Huayou Holding had purchased 17,484,400 shares of the Company through the centralized bidding trading system of Shanghai Stock Exchange, with a total consideration of RMB 539.9909 million (including transaction fee). After the shareholding increase, Huayou Holding holds 305,299,851 shares of the Company, representing 17.94% of the total share capital of the Company. The shareholding increase plan has not yet been fully implemented.

(II) Change in restricted shares

√Applicable □Not applicable

Unit: Share

Name of shareholder	Number of restricted shares at the beginning of the period	Number of restricted shares released during the reporting period	Number of restricted shares newly added during the reporting period	Number of restricted shares at the end of the reporting period	Reason for sales restriction	Date of unlocking
Incentive recipients of the grant of the reserved part of the restricted shares in 2022	3,000	0	0	3,000	Restricted stock incentive plan	/
Incentive recipients of the first grant of the restricted shares in 2023	10,874,900	0	-5,033,840	5,841,060	Restricted stock incentive plan	See Note 1
Incentive recipients of the first grant of the restricted shares in 2024	0	0	9,349,300	9,349,300	Restricted stock incentive plan	See Note 2
Total	10,877,900	0	4,315,460	15,193,360	/	/

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 First Grant of Restricted Shares to Incentive recipients* (Announcement No.: 2023-142) published by the Company on the website of the Shanghai Stock Exchange (<https://www.sse.com.cn>) on September 29, 2023.

Note 2: For more information of the unlocking time of the restricted shares for the first grant in 2024, please refer to the *Announcement of Huayou Cobalt on the Results of 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 (<https://www.sse.com.cn>).

II. Information of shareholders

(I) Total number of shareholders:

Total number of ordinary shareholders by the end of the reporting period	195,093
Total number of preferred shareholders with resumed	0

voting rights as of the end of the reporting period

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

Unit: Share

Shareholding status of top 10 shareholders (excluding shares lent through refinancing)							
Full name of shareholder	Increase/decrease of shares during the reporting period	Number of shares held at the end of the period	Proportion (%)	Number of shares with sales restrictions held	Pledge, mark or freezing		Nature of shareholder
					Share status	Number of shares	
Huayou Holding Group Co., Ltd.	17,484,369	305,299,851	17.94		Pledge	182,119,994	Domestic non-state-owned legal person
Hong Kong Securities Clearing Co., Ltd.	85,466,308	149,510,135	8.79				Other
Chen Xuehua	0	82,504,946	4.85		Pledge	32,270,000	Domestic natural person
Hangzhou Youyou Enterprise Management Partnership (Limited Partnership)	-5,989,570	68,006,723	4.00				Other
Industrial and Commercial Bank of China Limited – Huatai-PineBridge HS300 Exchange-Traded Open-End Index Securities Investment Fund	758,922	24,255,203	1.43				Other
China Construction Bank Corporation – E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund	1,122,600	17,301,558	1.02				Other
CITIC Securities Company Limited	81,945	12,740,341	0.75				Other
Industrial and Commercial Bank of China Limited – Huaxia HS300 Exchange-Traded Open-End Index Securities Investment Fund	1,939,072	12,682,342	0.75				Other

Bank of China Limited — Jiashi HS300 Exchange-Traded Open-End Index Securities Investment Fund	747,300	10,931,087	0.64				Other
Citibank, National Association	0	10,448,456	0.61				Other
Shareholding status of the top 10 shareholders holding shares without sales restrictions (excluding shares lent through refinancing)							
Name of shareholder	Number of tradable shares without sales restrictions held	Class and number of shares					
		Class	Number				
Huayou Holding Group Co., Ltd.	305,299,851	RMB ordinary shares	305,299,851				
Hong Kong Securities Clearing Co., Ltd.	149,510,135	RMB ordinary shares	149,510,135				
Chen Xuehua	82,504,946	RMB ordinary shares	82,504,946				
Hangzhou Youyou Enterprise Management Partnership (Limited Partnership)	68,006,723	RMB ordinary shares	68,006,723				
Industrial and Commercial Bank of China Limited – Huatai-PineBridge HS300 Exchange-Traded Open-End Index Securities Investment Fund	24,255,203	RMB ordinary shares	24,255,203				
China Construction Bank Corporation – E Fund HS300 Exchange-Traded Open-End Index Securities Investment Fund	17,301,558	RMB ordinary shares	17,301,558				
CITIC Securities Company Limited	12,740,341	RMB ordinary shares	12,740,341				
Industrial and Commercial Bank of China Limited – Huaxia HS300 Exchange-Traded Open-End Index Securities Investment Fund	12,682,342	RMB ordinary shares	12,682,342				
Bank of China Limited — Jiashi HS300 Exchange-Traded Open-End Index Securities Investment Fund	10,931,087	RMB ordinary shares	10,931,087				
Citibank, National Association	10,448,456	RMB ordinary shares	10,448,456				
Special repurchase account among the top 10 shareholders	The dedicated securities account for share repurchase of Zhejiang Huayou Cobalt Co., Ltd. is held by the top 10 shareholders of the Company. As of the end of the reporting period, the number of shares held was 22,703,002, accounting for 1.33% of the Company's total share capital						
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. Except for this, the Company is not aware of whether there is any related relationship among the above-mentioned shareholders.						

Preferred shareholders with resumed voting rights and the number of shares held by them	None
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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

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	240,000			Restrictions on equity incentives
2	Wang Jun	160,000			Restrictions on equity incentives
3	Fang Qixue	160,000			Restrictions on equity incentives
4	Chen Yaozhong	160,000			Restrictions on equity incentives
5	Zhang Binghai	136,000			Restrictions on equity incentives
6	Wu Mengtao	83,000			Restrictions on equity incentives
7	Li Tiancheng	83,000			Restrictions on equity incentives
8	ZHANG DAHUI	83,000			Restrictions on equity incentives
9	Liu Xiuqing	80,000			Restrictions on equity incentives
10	Su Dan	77,800			Restrictions on equity incentives
Related relationship or concerted action of the above shareholders		It is not aware of whether there is any related relationship among the above-mentioned shareholders and whether they are persons acting in concert			

(III) Strategic investors or general legal persons become the top 10 shareholders due to the placement of new shares

☐Applicable ☒Not applicable

III. Directors, supervisors, and senior officers

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

☒Applicable ☐Not applicable

Unit: Share

Name	Position	Shares held at the beginning of the period	Shares held at the end of the period	Change in shares during the reporting period	Reason for the change
Chen Hongliang	Director, President	423,000	513,000	90,000	Repurchase, cancellation and grant of shares under equity incentive plan
Fang Qixue	Vice Chairman, Vice President	269,000	329,000	60,000	Repurchase, cancellation and grant of shares under equity incentive plan
Wang Jun	Director, Vice President, Chief Financial Officer	100,000	160,000	60,000	Repurchase, cancellation and grant of shares under equity incentive plan
Chen Yaozhong	Vice President	184,500	244,500	60,000	Repurchase, cancellation and grant of shares under equity incentive plan
Xu Wei	Vice President	184,500	144,500	-40,000	Repurchase and cancellation of shares under equity incentive plan
Qian Xiaoping	Vice President	0	53,000	53,000	Grant of shares under equity incentive plan
Fang Yuan	Vice President	117,600	97,600	-20,000	Repurchase and cancellation of shares under equity incentive plan
Wu Mengtao	Vice President	94,200	127,200	33,000	Repurchase, cancellation and grant of shares under equity incentive plan
Zhang Bing	Vice President	800	53,800	53,000	Grant of shares under equity incentive plan
Li Rui	Secretary of the Board of Directors	64,640	77,840	13,200	Repurchase, cancellation and grant of shares under equity incentive plan

Other relevant information

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

☒Applicable ☐Not applicable Unit: Share

Name	Position	Restricted shares held at the beginning of the period	Restricted shares granted during the reporting period	Shares unlocked	Shares not yet unlocked	Restricted shares held at the end of the period
Chen Hongliang	Director	150,000	150,000	0	240,000	240,000
Fang Qixue	Director	100,000	100,000	0	160,000	160,000
Wang Jun	Director	100,000	100,000	0	160,000	160,000
Chen Yaozhong	Senior officer	100,000	100,000	0	160,000	160,000
Xu Wei	Senior officer	100,000	0	0	60,000	60,000
Qian Xiaoping	Senior officer	0	53,000	0	53,000	53,000
Fang Yuan	Senior officer	50,000	0	0	30,000	30,000
Wu Mengtao	Senior officer	50,000	53,000	0	83,000	83,000
Zhang Bing	Senior officer	0	53,000	0	53,000	53,000
Li Rui	Senior officer	22,000	22,000	0	35,200	35,200
Total	/	672,000	631,000	0	1,034,200	1,034,200

(III) Other relevant information

☒Applicable ☐Not applicable

- On January 23, 2025, the Company completed the procedures for the repurchase and cancellation of restricted shares first granted under the 2023 Restricted Stock Incentive Plan, and repurchased and cancelled a total of 50,338,400,000 shares. For more information, please refer to the *Announcement of Huayou Cobalt on the Repurchase and Cancellation of Restricted Shares under the Equity Incentive Plan* (Announcement No.: 2025-008) disclosed by the Company on January 21, 2025;
- On March 7, 2025, the Company completed the procedures for the registration of shares first granted under the 2024 Restricted Stock Incentive Plan, granting a total of 9.3493 million restricted shares to 1,161 incentive recipients. For more information, please refer to the *Announcement of Huayou Cobalt on the Results of First Grant of Restricted Shares to Incentive Recipients* (Announcement No.: 2025-028) disclosed by the Company on March 11, 2025.

IV. Change in the controlling shareholder or the actual controller

☐Applicable ☒Not applicable

V. Preferred shares

☐Applicable ☒Not applicable

Section VII 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: '0,000 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	24 Huayou Cobalt SCP005 (Science and	012483924.IB	2024/12/12	2024/12/13	2025/9/9	50,000	3.66	Repayment of principal and	Interbank market	Institutional investors in the interbank market	Dialogue quotation, anonymous quotation,	No

V) of Zhejiang Huayou Cobalt Co., Ltd. in 2024 (Science and Technology Innovation Notes)	Technology Innovation Notes)							interest in one lump sum at maturity			inquiry	
Ultra-short Term Financing Bonds (Phase I) of Zhejiang Huayou Cobalt Co., Ltd. in 2025 (Science and Technology Innovation Notes)	25 Huayou Cobalt SCP001 (Science and Technology Innovation Notes)	012580773.IB	2025/3/26	2025/3/27	2025/12/12	50,000	3.45	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 II) of Zhejiang Huayou Cobalt Co., Ltd. in 2025 (Science and Technology Innovation Notes)	25 Huayou Cobalt SCP002 (Science and Technology Innovation Notes)	012580892.IB	2025/4/14	2025/4/15	2026/1/9	60,000	3.24	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

Science and Technology Innovation Bonds (Phase III) of Zhejiang Huayou Cobalt Co., Ltd. in 2025	25 Huayou Cobalt SCP003 (Science and Technology Innovation Bonds)	012581208.IB	2025/5/22	2025/5/23	2026/2/6	70,000	2.9	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
Science and Technology Innovation Bonds (Phase IV) of Zhejiang Huayou Cobalt Co., Ltd. in 2025	25 Huayou Cobalt SCP004 (Science and Technology Innovation Bonds)	012581318.IB	2025/6/9	2025/6/10	2026/3/6	70,000	2.7	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

Description of the overdue bonds

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

3. Adjustment of credit rating result

☐Applicable ☒Not applicable

Other information

None

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

☐Applicable ☒Not applicable

Other information

None

5. 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) Major accounting data and financial indicators

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Key indicators	End of the reporting period	End of last year	Increase/decrease compared with the end of last year (%)	Reason for the change
Current ratio	1.02	1.03	-0.67	
Quick ratio	0.69	0.70	-1.97	
Asset-liability ratio (%)	64.69%	64.38%	0.31	
	The reporting period (January to June)	The same period of last year	Increase/decrease compared with the same period last year (%)	Reason for the change
Net profit after deducting non-recurring profits and losses	2,587,193,981.43	1,751,932,466.61	47.68	
EBITDA to total debt ratio	0.11	0.10	13.96	
Interest coverage ratio	3.91	2.88	35.64	
Cash interest coverage ratio	1.26	2.09	-39.87	
EBITDA interest coverage ratio	5.83	4.70	24.02	
Loan repayment rate (%)	100	100	0	
Interest coverage ratio (%)	100	100	0	

II. Convertible corporate bonds

☒Applicable ☐Not applicable

(I) Issuance of convertible bonds

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

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

Name of convertible corporate bonds	Huayou Convertible Bonds	
Number of holders of convertible bond as at the end of the period	20,696	
Guarantor of the Company’s convertible bonds	None	
Significant changes in the profitability, assets and credit standing of the guarantor	Not applicable	
Top 10 holders of convertible corporate bonds are as follows:		
Name of holder of convertible corporate bonds	Amount of convertible corporate bonds held as at the	Holding ratio (%)

	end of the period (Yuan)	
Guosen Securities Co., Ltd.	478,057,000	6.29
China Merchants Bank Co., Ltd. – Bosera CSI Convertible Bonds and Exchangeable Bonds Exchange-Traded Open-End Index Securities Investment Fund	334,934,000	4.41
China Merchants Bank Co., Ltd. – Hua'an Convertible Bonds Securities Investment Fund	238,000,000	3.13
China Securities Co., Ltd.	153,189,000	2.02
Li Yiming	151,570,000	1.99
Bank of China Limited – Guangfa Juxin Bond Securities Investment Fund	149,069,000	1.96
CITIC Securities Company Limited – HFT SSE Investment-grade Convertible Bonds and Exchangeable Bonds Exchange-Traded Open-End Index Securities Investment Fund	110,039,000	1.45
Agricultural Bank of China Limited - Penghua Convertible Bonds Securities Investment Fund	107,104,000	1.41
Industrial Bank Co., Ltd. - Tianhong Diversified Income Bonds Securities Investment Fund	104,853,000	1.38
MERRILL LYNCH INTERNATIONAL	100,000,000	1.32

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

Monetary unit: Yuan					Currency: RMB
Name of convertible corporate bonds	Before the change	Increase/decrease in the change			After the change
		Conversion into shares	Redemption	Resale	
Huayou Convertible Bonds	7,598,486,000	621,000			7,597,865,000

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

Name of convertible corporate bonds	Huayou Convertible Bonds
Amount of convertible corporate bonds converted into shares during the reporting period (Yuan)	621,000
Number of shares converted from convertible corporate bonds during the reporting period	17,773
Cumulative number of shares converted from convertible corporate bonds	36,888
Proportion of the cumulative number of shares converted in the total number of issued shares of	0.00231

the Company before the conversion (%)	
Amount of convertible corporate bonds that are not converted into shares (Yuan)	7,597,865,000
Proportion of convertible corporate bonds that are not converted into shares in the total issued convertible bonds (%)	99.97191

(V) Previous adjustments in conversion prices

Monetary unit: Yuan Currency: RMB

Name of convertible corporate bonds		Huayou Convertible Bonds		
Date of conversion price adjustment	Adjusted conversion price	Disclosure date	Disclosure media	Description of conversion price adjustment
February 5, 2025	35.03	January 25, 2025	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	Due to the completion of the procedures for repurchase and cancellation of the restricted shares granted but not yet unlocked that are held by the incentive recipients who do not meet the conditions for unlocking, the conversion price of Huayou Convertible Bonds was adjusted from RMB 35.00 per share to RMB 35.03 per share on February 5, 2025. For details, please refer to the <i>Announcement of Huayou Cobalt on the Completion of Repurchase and Cancellation of Some Restricted Shares, the Adjustment of Conversion Price of Convertible Bonds and the Suspension and Resumption of Trading</i> (Announcement No.: 2025-016) disclosed by the Company on January 25, 2025.
March 12, 2025	34.92	March 11, 2025	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	Due to the implementation of the 2024 Restricted Stock Incentive Plan and the completion of registration of shares first granted by the Company, the conversion price of Huayou Convertible Bonds was adjusted from RMB 35.03 per share to RMB 34.92 per share on March 12, 2025. For details, please refer to the <i>Announcement of Huayou Cobalt on the Adjustment of Conversion Price of Convertible Bonds and the Suspension and Resumption of Trading</i> (Announcement No.: 2025-029) disclosed by the Company on March 11, 2025.
June 11, 2025	34.43	June 4, 2025	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	Due to the implementation of the 2024 Equity Distribution Plan by the Company, the conversion price of Huayou Convertible Bonds was adjusted from RMB 34.92 per share to RMB 34.43 per share on June 11, 2025. For details, please refer to the <i>Announcement of Huayou Cobalt on the Implementation of the 2024 Equity Distribution Plan and the Adjustment of Conversion Price of Convertible Bonds</i> (Announcement No.: 2025-059) disclosed by the Company on June 4, 2025.
February 5, 2025	35.03	January 25, 2025	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	Due to the completion of the procedures for repurchase and cancellation of the restricted shares granted but not yet unlocked that are held by the incentive recipients who do not meet the conditions for unlocking, the conversion price of Huayou Convertible Bonds was adjusted from RMB 35.00 per share to RMB 35.03 per share on February 5, 2025. For details, please refer to the <i>Announcement of Huayou Cobalt on the Completion of Repurchase and Cancellation of Some Restricted Shares, the Adjustment of Conversion Price of Convertible Bonds and the Suspension</i>

				<i>and Resumption of Trading</i> (Announcement No.: 2025-016) disclosed by the Company on January 25, 2025.
March 12, 2025	34.92	March 11, 2025	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	Due to the implementation of the 2024 Restricted Stock Incentive Plan and the completion of registration of shares first granted by the Company, the conversion price of Huayou Convertible Bonds was adjusted from RMB 35.03 per share to RMB 34.92 per share on March 12, 2025. For details, please refer to the <i>Announcement of Huayou Cobalt on the Adjustment of Conversion Price of Convertible Bonds and the Suspension and Resumption of Trading</i> (Announcement No.: 2025-029) disclosed by the Company on March 11, 2025.
June 11, 2025	34.43	June 4, 2025	www.sse.com.cn Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily	Due to the implementation of the 2024 Equity Distribution Plan by the Company, the conversion price of Huayou Convertible Bonds was adjusted from RMB 34.92 per share to RMB 34.43 per share on June 11, 2025. For details, please refer to the <i>Announcement of Huayou Cobalt on the Implementation of the 2024 Equity Distribution Plan and the Adjustment of Conversion Price of Convertible Bonds</i> (Announcement No.: 2025-059) disclosed by the Company on June 4, 2025.
Latest conversion price as of the end of the reporting period		34.43		

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

1. Liabilities: As of June 30, 2025, the Company's total liabilities were RMB 94,630,373,788.33, including current liabilities of RMB 59,804,207,373.11 and non-current liabilities of RMB 34,826,166,415.22.
2. Credit status: On June 17, 2025, China Lianhe Credit Rating Co., Ltd. issued a rating report numbered "[Lian He [2025] No. 4571]". 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.

(VII) Other information of convertible bonds

None

Section VIII Financial Report

I. Auditors' report

☐Applicable ☒Not applicable

II. Financial statements

Consolidated Balance Sheet

June 30, 2025

Prepared by: Zhejiang Huayou Cobalt Co., Ltd

Monetary unit: Yuan Currency: RMB

Item	Note	June 30, 2025	December 31, 2024
Current assets:			
Cash and cash equivalents	VII.1	18,568,265,466.15	19,451,501,604.66
Balances with clearing companies			
Loans to banks and other financial institutions			
Financial assets held for trading	VII.2	285,000,000.00	381,711,806.17
Derivative financial assets	VII.3	759,268,503.23	1,001,393,320.42
Notes receivable			
Accounts receivable	VII.5	7,532,977,812.47	6,802,217,530.22
Financing funds receivables	VII.7	1,228,626,597.01	1,428,306,241.20
Advances to suppliers	VII.8	7,223,412,598.21	2,950,454,862.65
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables	VII.9	308,982,752.35	274,707,951.55
Including: interest receivable			
Dividends receivable			2,587,982.40
Financial assets purchased under resale agreements			
Inventories	VII.10	20,149,128,443.27	17,296,771,331.50
Including: data resource			
Contract assets			
Assets held for sale			
Non-current assets maturing within one year			
Other current assets	VII.13	5,132,616,807.89	4,512,122,865.97
Total current assets		61,188,278,980.58	54,099,187,514.34
Non-current assets:			
Disbursement of loans and advances			
Creditor's right investment			
Other creditor's right investments			
Long-term receivables	VII.16	452,819,682.04	454,704,734.21
Long-term equity investment	VII.17	12,285,540,798.82	12,357,864,730.75
Other equity instrument investment	VII.18	388,506,682.81	176,379,882.81
Other non-current financial assets	VII.19	6,573,600.00	6,573,600.00
Investment properties			

Fixed assets	VII.21	52,506,643,604.05	51,098,211,511.40
Construction in progress	VII.22	10,210,900,388.96	9,902,246,502.50
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII.25	49,333,270.28	58,138,602.83
Intangible assets	VII.26	4,750,908,111.16	4,918,247,132.08
Including: data resource			
Development expenditure			
Including: data resource			
Goodwill	VII.27	596,622,946.31	597,655,163.70
Long-term deferred expenses	VII.28	52,856,092.32	58,106,612.25
Deferred income tax assets	VII.29	756,225,048.17	604,898,289.27
Other non-current assets	VII.30	3,027,710,046.08	2,259,180,048.30
Total non-current assets		85,084,640,271.00	82,492,206,810.10
Total assets		146,272,919,251.58	136,591,394,324.44
Current liabilities:			
Short-term borrowings	VII.32	22,956,405,830.70	20,753,855,937.28
Borrowings from central bank			
Loans from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	VII.35	6,475,766,460.43	4,209,819,518.55
Accounts payable	VII.36	12,319,908,729.61	12,041,543,179.65
Advances from customers			
Contract liabilities	VII.38	2,004,559,035.86	867,721,977.01
Financial assets sold under repurchase agreements			
Absorption of deposits and interbank deposits			
Receiving from vicariously traded securities			
Receiving from vicariously sold securities			
Employee compensation payable	VII.39	532,427,779.67	701,787,373.59
Taxes and surcharges payable	VII.40	788,532,063.47	623,927,519.98
Other payables	VII.41	2,116,441,295.62	1,805,454,346.03
Including: interest payable			
Dividends payable		93,050,271.34	2,984,644.38
Handling charge and commission payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year	VII.43	9,556,239,803.97	9,000,168,165.52

Other current liabilities	VII.44	3,053,926,373.78	2,338,401,435.83
Total current liabilities		59,804,207,373.11	52,342,679,453.44
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings	VII.45	18,519,764,432.00	19,502,224,004.04
Bonds payable	VII.46	7,066,954,525.42	6,940,139,194.75
Including: preferred shares			
Perpetual bonds			
Lease liabilities	VII.47	33,691,752.36	25,510,181.33
Long-term payables	VII.48	4,709,604,155.92	4,666,378,463.88
Long-term employee compensation payable			
Estimated liabilities	VII.50	81,522,678.42	69,467,625.52
Deferred income	VII.51	701,571,758.50	714,907,735.45
Deferred income tax liabilities	VII.29	126,307,112.60	75,262,148.88
Other non-current liabilities	VII.52	3,586,750,000.00	3,594,200,000.00
Total non-current liabilities		34,826,166,415.22	35,588,089,353.85
Total liabilities		94,630,373,788.33	87,930,768,807.29
Owner's equity (or shareholder's equity):			
Paid-in capital (or share capital)	VII.53	1,701,545,103.00	1,692,178,088.00
Other equity instruments	VII.54	1,489,922,163.30	1,490,043,939.84
Including: preferred shares			
Perpetual bonds			
Capital reserves	VII.55	15,568,154,405.81	15,394,817,790.36
Less: treasury shares	VII.56	1,026,031,492.72	892,829,631.62
Other comprehensive income	VII.57	1,669,466,851.27	1,461,436,658.05
Special reserves	VII.58	57,213,645.45	50,835,475.00
Surplus reserves	VII.59	440,135,820.74	440,135,820.74
General risk reserve			
Undistributed profit	VII.60	19,180,503,002.52	17,308,989,342.99
Total equity attributable to owners (or shareholders) of the parent company		39,080,909,499.37	36,945,607,483.36
Minority equity		12,561,635,963.88	11,715,018,033.79
Total owner's equity (or shareholder's equity)		51,642,545,463.25	48,660,625,517.15
Total liabilities and owner's equity (or shareholder's equity)		146,272,919,251.58	136,591,394,324.44

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

Accounting Principal: Wang Jun

Balance Sheet of the Parent Company

June 30, 2025

Prepared by: Zhejiang Huayou Cobalt Co., Ltd

Monetary unit: Yuan Currency: RMB

Item	Note	June 30, 2025	December 31, 2024
Current assets:			
Current assets:		2,598,586,304.53	1,825,879,045.58
Cash and cash equivalents			
Financial assets held for trading		5,817,388.45	31,633,811.11
Derivative financial assets			1,085,000,000.00
Notes receivable	XIX.1	432,667,938.48	1,317,762,733.77
Accounts receivable		38,879,527.78	94,961,274.12
Financing funds receivables		3,001,413,957.58	2,907,931,840.43
Advances to suppliers	XIX.2	4,137,370,023.58	2,965,619,857.86
Other receivables			
Including: interest receivable		1,517,028,308.81	752,587,982.40
Dividends receivable		189,753,185.08	170,978,703.51
Inventories			
Including: data resource			
Contract assets			
Assets held for sale			
Non-current assets maturing within one year		10,261,479.61	62,052,302.90
Other current assets		10,414,749,805.09	10,461,819,569.28
Non-current assets:			
Creditor's right investment			
Other creditor's right investments			
Long-term receivables		363,892,397.95	365,407,218.36
Long-term equity investment	XIX.3	34,699,056,311.41	33,265,737,144.89
Other equity instrument investment		184,504,237.00	172,377,437.00
Other non-current financial assets		6,573,600.00	6,573,600.00
Investment properties			
Fixed assets		731,465,811.41	743,771,118.61
Construction in progress		50,216,603.42	55,695,721.22
Productive biological assets			
Oil and gas assets			
Right-of-use assets		23,244,206.60	22,473,994.87
Intangible assets		64,147,347.03	57,212,154.88
Including: data resource			
Development expenses			
Including: data resource			
Goodwill			
Long-term deferred expenses		49,667,031.38	54,907,097.79
Deferred income tax assets		127,423,537.83	61,970,319.52
Other non-current assets		13,749,967.38	2,847,805.72
Total non-current assets		36,313,941,051.41	34,808,973,612.86
Total assets		46,728,690,856.50	45,270,793,182.14
Current liabilities:			
Short-term borrowings		4,980,302,285.59	5,863,452,856.10
Financial liabilities held for trading			

Derivative financial liabilities			
Notes payable		2,086,104.00	1,986,837.30
Accounts payable		2,377,260,793.66	1,508,828,272.40
Advances from customers			
Contract liabilities		287,513,734.40	1,192,733,724.24
Employee compensation payable		84,056,783.55	118,822,331.36
Taxes and surcharges payable		13,129,850.78	5,631,078.32
Other payables		9,005,311,916.41	6,194,075,443.49
Including: interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities maturing within one year		378,460,616.25	1,029,094,867.59
Other current liabilities		3,019,120,853.75	2,473,699,011.98
Total current liabilities		20,147,242,938.39	18,388,324,422.78
Non-current liabilities:			
Long-term borrowings		1,833,140,833.79	1,721,104,117.79
Bonds payable		7,066,954,525.42	6,940,139,194.75
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		25,656,274.56	13,571,522.76
Long-term payables		94,311,166.64	133,333,333.32
Long-term employee compensation payable			
Estimated liabilities			
Deferred income		10,537,132.36	7,009,425.36
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		9,030,599,932.77	8,815,157,593.98
Total liabilities		29,177,842,871.16	27,203,482,016.76
Owner's equity (or shareholder's equity):			
Paid-in capital (or share capital)		1,701,545,103.00	1,692,178,088.00
Other equity instruments		1,489,922,163.30	1,490,043,939.84
Including: Preferred shares			
Perpetual bonds			
Capital reserves		14,697,923,987.58	14,524,587,372.13
Less: treasury shares		1,026,031,492.72	892,829,631.62
Other comprehensive income		-108,815,232.88	-108,610,597.16
Special reserves			
Surplus reserves		440,135,820.74	440,135,820.74
Undistributed profit		356,167,636.32	921,806,173.45
Total owner's equity (or shareholder's equity)		17,550,847,985.34	18,067,311,165.38
Total liabilities and owner's equity (or shareholder's equity)		46,728,690,856.50	45,270,793,182.14

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

Accounting Principal: Wang Jun

Consolidated Income Statement

January-June 2025

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2025	Second half of 2024
I. Total operating income		37,196,514,112.78	30,050,314,564.41
Including: operating income	VII.61	37,196,514,112.78	30,050,314,564.41
Interest income			
Premiums earned			
Income from handling charges and commissions			
II. Total operating cost		33,888,711,664.79	28,092,420,102.84
Including: operating cost	VII.61	31,296,256,401.59	25,113,384,429.25
Interest expenditure			
Handling charge and commission expenses			
Surrender value			
Net amount of compensation payout			
Withdrawal of insurance liability reserve			
Policy dividend payment			
Reinsurance costs			
Other taxes and surtaxes	VII.62	222,285,482.67	249,009,302.65
Selling expenses	VII.63	66,750,792.62	73,846,860.34
General and administrative expenses	VII.64	855,850,477.89	878,870,348.63
R&D expenditures	VII.65	535,828,646.85	707,219,725.30
Finance costs	VII.66	911,739,863.17	1,070,089,436.67
Including: interest expense		1,081,653,025.17	1,108,253,620.67
Interest income		135,597,029.16	152,737,755.25
Plus: other income	VII.67	156,461,719.92	131,746,500.49
Investment income ("-" for losses)	VII.68	444,730,841.10	434,760,472.08
Including: income from investment in associates and joint ventures		265,554,328.82	472,426,865.12
Income from de-recognition of financial assets measured at amortized cost			
Foreign exchange gains ("-" for losses)			
Income from net exposure hedging ("-" for losses)			
Gains from the changes in fair value ("-" for losses)	VII.70	-21,846,103.49	10,168,786.70
Losses from credit impairment ("-" for losses)	VII.71	-55,574,581.45	30,201,247.88
Losses from asset impairment ("-" for losses)	VII.72	-68,243,887.57	-48,134,564.59
Income from disposal of assets	VII.73	-18,253,650.78	761,008.74

("-" for losses)			
III. Operating profits ("-" for losses)		3,745,076,785.72	2,517,397,912.87
Plus: non-operating income	VII.74	17,603,575.57	5,094,360.93
Less: non-operating expense	VII.75	20,402,843.40	34,952,506.71
IV. Total profits ("-" for total losses)		3,742,277,517.89	2,487,539,767.09
Less: income tax expense	VII.76	271,059,545.55	117,547,787.20
V. Net profit ("-" for net losses)		3,471,217,972.34	2,369,991,979.89
(I) Classified by operating sustainability			
1. Net profit from continued operation ("-" for net losses)		3,471,217,972.34	2,369,991,979.89
2. Net profit from discontinued operation ("-" for net losses)			
(II) Classified by ownership			
1. Net profit attributable to the shareholders of the parent company ("-" for net losses)		2,710,936,108.53	1,670,732,131.17
2. Minority interest income ("-" for net losses)		760,281,863.81	699,259,848.72
VI. Other comprehensive income, net of tax	VII.77	378,888,117.00	374,665,101.32
VI. Other comprehensive income, net of tax		208,030,193.22	235,185,973.01
(I) Other comprehensive income, net of tax attributable to owners of the parent company			
1. Other comprehensive income that cannot be reclassified into profit or loss			
(1) Changes in re-measurement of the defined benefit plan			
(2) Other comprehensive income that cannot be transferred to profits or losses under the equity method			
(3) Changes in fair value of other equity instruments investment			
2. Other comprehensive income that will be reclassified into profit or loss		208,030,193.22	235,185,973.01
(1) Other comprehensive income that can be transferred to profits or losses under the equity method		-1,818,865.86	1,492,411.61
(2) Changes in the fair value of investment in other creditor's rights			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for credit impairment of investment in other creditor's rights			
(5) Cash flow hedging reserves			

(6) Translation differences of financial statements denominated in foreign currency		209,849,059.08	233,693,561.40
(7) Others			
(II) Other comprehensive income, net of tax attributable to minority shareholders		170,857,923.78	139,479,128.31
VII. Total comprehensive income		3,850,106,089.34	2,744,657,081.21
(I) Total comprehensive income attributable to owners of the parent company		2,918,966,301.75	1,905,918,104.18
(II) Total comprehensive income attributable to minority shareholders		931,139,787.59	838,738,977.03
VIII. Earnings per share:			
(I) Basic earnings per share (Yuan/share)		1.61	1.00
(II) Diluted earnings per share (Yuan/share)		1.51	1.00

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

Person in charge of the Company: Chen Xuehua

Accounting Principal: Wang Jun

Head of the Accounting Dept.: Ma Xiao

Income Statement of the Parent Company

January-June 2025

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2025	Second half of 2024
I. Operating income	XIX.4	2,170,814,100.80	3,369,305,714.29
Less: operating cost	XIX.4	2,042,154,602.84	3,031,302,097.47
Taxes and surcharges		3,266,832.99	3,824,315.76
Selling expenses		2,038,114.44	-128,923.13
General and administrative expenses		251,253,118.80	264,762,684.29
R&D expenditures		84,548,548.94	78,672,947.47
Financial expenses		522,309,286.24	464,349,281.68
Including: interest expense		516,121,266.50	468,989,111.23
Interest income		6,803,092.51	25,207,812.94
Plus: other income		38,613,118.21	27,950,577.49
Investment income ("-" for losses)	XIX.5	917,919,700.19	630,956,815.05
Including: income from investment in associates and joint ventures		3,605,622.24	73,248,843.39
Income from de-recognition of financial assets measured at amortized cost ("-" for losses)			
Income from net exposure			

hedging ("-" for losses)			
Gains from the changes in fair value ("-" for losses)		-25,816,422.66	8,825,749.75
Losses from credit impairment ("-" for losses)		1,817,577.12	-9,254,873.35
Losses from asset impairment ("-" for losses)		44,197.79	-290,247.64
Income from disposal of assets ("-" for losses)		-15,113.77	187,624.62
II. Operating profits ("-" for losses)		197,806,653.43	184,898,956.67
Plus: non-operating income		10,990,833.76	117,336.12
Less: non-operating expense		466,793.63	11,682,247.33
III. Total profits ("-" for total losses)		208,330,693.56	173,334,045.46
Less: income tax expense		-65,453,218.31	-61,590,840.96
IV. Net profit ("-" for net losses)		273,783,911.87	234,924,886.42
(I) Net profit from continued operation ("-" for net losses)		273,783,911.87	234,924,886.42
(II) Net profit from discontinued operation ("-" for net losses)			
V. Net amount of other comprehensive income after tax		-204,635.72	-36,027.61
(I) Other comprehensive income that cannot be reclassified into profit or loss			
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profits or losses under the equity method			
3. Changes in fair value of other equity instruments investment			
4. Changes in the fair value of the company's own credit risk			
(II) Other comprehensive income that will be reclassified into profit or loss		-204,635.72	-36,027.61
1. Other comprehensive income that can be transferred to profits or losses under the equity method		-204,635.72	-36,027.61
2.Changes in the fair value of investment in other creditor's rights			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of investment in other creditor's rights			
5. Cash flow hedging reserves			
6. Translation differences of financial statements denominated in foreign currency			
7. Others			
VI. Total comprehensive income		273,579,276.15	234,888,858.81
VII. Earnings per share:			

(I) Basic earnings per share (Yuan/share)			
(II) Diluted earnings per share (Yuan/share)			

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

Accounting Principal: Wang Jun

Consolidated Statement of Cash Flows

January-June 2025

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2025	Second half of 2024
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		41,472,039,975.94	33,180,462,145.11
Net increase in deposits from customers and due from banks and other financial institutions			
Net increase in borrowings from central bank			
Net increase in loans from other financial institutions			
Cash received from insurance premium under original insurance contract			
Net cash received from reinsurance business			
Net increase in deposits and investments from policyholders			
Cash received from interests, handling charges and commissions			
Net increase in loans from banks and other financial institutions			
Net capital increase in repurchase business			
Net cash received from vicariously traded securities			
Refunds of taxes and surcharges		826,706,930.92	1,469,612,019.58
Cash received from other operating activities		3,063,006,949.78	1,175,769,323.92
Sub-total of cash inflows from operating activities		45,361,753,856.64	35,825,843,488.61
Cash paid for goods purchased and services received		36,836,237,325.43	29,363,293,963.11
Net increase in loans and advances to customers			
Net increase in deposits in central bank and other banks and financial institutions			
Cash paid for original insurance contract claims			

Net increase in loans to banks and other financial institutions			
Cash paid for interests, handling charges and commissions			
Cash paid for policy dividends			
Cash paid to and on behalf of employees		2,261,571,637.26	2,083,423,890.90
Cash paid for taxes and surcharges		833,994,577.54	920,703,745.35
Other cash paid related to operating activities		3,811,879,475.21	694,840,558.76
Sub-total of cash outflows from operating activities		43,743,683,015.44	33,062,262,158.12
Net cash flows from operating activities		1,618,070,841.20	2,763,581,330.49
II. Cash flows from investing activities			
Cash received from disposal of investments		314,751,609.40	359,484,250.15
Cash received from returns on investments		676,955,304.69	578,497,955.36
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		86,951,285.80	1,697,422.73
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities		101,104,563.82	739,653,203.75
Sub-total of cash inflows from investing activities		1,179,762,763.71	1,679,332,831.99
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		4,561,227,710.03	3,839,888,641.67
Cash paid for investments		732,125,959.13	1,712,306,022.57
Net increase in pledge loans			
Net cash paid for the acquisition of subsidiaries and other business entities			
Cash paid for other investing activities		766,148,373.37	791,425,859.51
Sub-total of cash outflows from investing activities		6,059,502,042.53	6,343,620,523.75
Net cash flows from investing activities		-4,879,739,278.82	-4,664,287,691.76
III. Cash flows from financing activities:			
Cash received from investors		146,278,600.50	40,465,308.77
Including: cash received by subsidiaries from investments by minority shareholders		5,478,142.50	40,465,308.77
Cash received from borrowings		17,681,095,673.61	22,316,866,466.80
Cash received from other financing activities		2,399,593,137.63	1,395,683,520.88
Sub-total of cash inflows from		20,226,967,411.74	23,753,015,296.45

financing activities			
Cash paid for debts repayments		15,175,956,419.38	12,907,681,790.47
Cash paid for distribution of dividends and profits or payment of interests		1,792,506,244.64	2,736,168,862.33
Including: dividends and profits paid to minority shareholders by subsidiaries			5,680,524.23
Cash paid for other financing activities		2,242,958,592.42	3,013,773,536.91
Sub-total of cash outflows from financing activities		19,211,421,256.44	18,657,624,189.71
Net cash flows from financing activities		1,015,546,155.30	5,095,391,106.74
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		101,780,537.50	377,487,609.27
V. Net increase in cash and cash equivalents		-2,144,341,744.82	3,572,172,354.74
Plus: beginning balance of cash and cash equivalents		15,516,940,793.04	10,526,774,769.22
VI. Ending balance of cash and cash equivalents		13,372,599,048.22	14,098,947,123.96

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

Accounting Principal: Wang Jun

Statement of Cash Flows of the Parent Company

January-June 2025

Monetary unit: Yuan Currency: RMB

Item	Note	First half of 2025	Second half of 2024
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		2,810,044,220.02	2,423,742,684.81
Refunds of taxes and surcharges		123,079,981.83	23,897,520.34
Cash received from other operating activities		1,529,406,841.67	790,991,426.56
Sub-total of cash inflows from operating activities		4,462,531,043.52	3,238,631,631.71
Cash paid for goods purchased and services received		3,545,778,521.40	3,280,041,479.90
Cash paid to and on behalf of employees		307,022,322.34	304,349,638.97
Cash paid for taxes and surcharges		31,917,306.89	40,670,566.35
Cash paid for other operating activities		135,625,768.69	909,983,123.65
Sub-total of cash outflows from operating activities		4,020,343,919.32	4,535,044,808.87
Net cash flows from operating activities		442,187,124.20	-1,296,413,177.16
II. Cash flows from investing activities			

Cash received from disposal of investments			
Cash received from returns on investments		122,216,790.56	41,890,033.93
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		1,688,511.46	3,677,023.66
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities		16,422,648,898.75	17,065,940,756.93
Sub-total of cash inflows from investing activities		16,546,554,200.77	17,111,507,814.52
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		7,837,527.90	18,842,862.22
Cash paid for investments		1,442,044,980.00	1,484,745,624.88
Net cash paid for the acquisition of subsidiaries and other business entities			
Cash paid for other investing activities		17,439,407,005.81	14,365,922,650.09
Sub-total of cash outflows from investing activities		18,889,289,513.71	15,869,511,137.19
Net cash flows from investing activities		-2,342,735,312.94	1,241,996,677.33
III. Cash flows from financing activities:			
Cash received from investors		140,800,458.00	
Cash received from borrowings		6,285,196,493.58	7,428,113,207.19
Cash received from other financing activities		5,684,023,400.53	3,590,540,584.32
Sub-total of cash inflows from financing activities		12,110,020,352.11	11,018,653,791.51
Cash paid for debts repayments		5,596,948,302.62	4,595,944,621.22
Cash paid for distribution of dividends and profits or payment of interests		1,053,981,919.25	1,884,560,722.11
Cash paid for other financing activities		3,317,999,920.90	4,960,875,198.57
Sub-total of cash outflows from financing activities		9,968,930,142.77	11,441,380,541.90
Net cash flows from financing activities		2,141,090,209.34	-422,726,750.39
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		4,902,898.04	-27,920,366.30
V. Net increase in cash and cash equivalents		245,444,918.64	-505,063,616.52
Plus: beginning balance of		1,139,228,965.27	1,991,193,482.56

cash and cash equivalents			
VI. Ending balance of cash and cash equivalents		1,384,673,883.91	1,486,129,866.04

Person in charge of the Company: Chen Xuehua

Accounting Principal: Wang Jun

Head of the Accounting Dept.: Ma Xiao

Consolidated Statement of Changes in Owner's Equity

January-June 2025

Monetary unit: Yuan Currency: RMB

Item	First half of 2025														
	Equity attributable to owners of the parent company													Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profit	Others	Sub-total		
I. Ending balance of last year	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
Plus: adjustments for changes in accounting policies															
Adjustments for correction of accounting errors in prior periods															
Others															
II. Beginning balance of this year	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	0.00	17,308,989,342.99		36,945,607,483.36	11,715,018,033.79	48,660,625,517.15
III. Increases/decreases in	9,367,015.00			-121,776.54	173,336,615.45	133,201,861.10	208,030,193.22	6,378,170.45	0.00	0.00	1,871,513,659.53		2,135,302,016.01	846,617,930.09	2,981,919,946.10

the current period ("-" for decreases)															
(I) Total comprehensive income							208,030,193.22				2,710,936,108.53		2,918,966,301.75	931,139,787.59	3,850,106,089.34
(II) Capital contributed or reduced by owners	9,367,015.00			-121,776.54	173,336,615.45	140,798,541.10							41,783,312.81	5,478,142.50	47,261,455.31
1. Common stock contributed by owners	9,349,300.00				131,451,158.00	140,800,458.00								5,478,142.50	5,478,142.50
2. Capital invested by holders of other equity instruments															
3. Amounts of share-based payments recognized in owners' equity					41,214,096.92								41,214,096.92		41,214,096.92
4. Others	17,715.00			-121,776.54	671,360.53	-1,916.90							569,215.89		569,215.89
(III) Profit distribution						7,596,680.00					-839,422,449.00		-831,825,769.00	-90,000,000.00	-921,825,769.00
1. Withdrawal of surplus															

reserves															
2. Withdrawal of general risk reserves															
3. Profit distributed to owners (or shareholders)						7,596,680.00					-839,422,449.00		-831,825,769.00	-90,000,000.00	-921,825,769.00
4. Others															
(IV) Internal carry-forward of owner's equity															
1. Conversion of capital reserves into paid-in capital (or share capital)															
2. Conversion of capital reserves into paid-in capital (or share capital)															
3. Surplus reserves offsetting															

losses															
4. Carry-forward of changes in the defined benefit plan for retained earnings															
5. Carry-forward of other comprehensive income for retained earnings															
6. Others															
(V) Special reserves								6,378,170.45					6,378,170.45		6,378,170.45
1. Amount withdrawn in the current period								72,755,820.22					72,755,820.22		72,755,820.22
2. Amount used in the current period								66,377,649.77					66,377,649.77		66,377,649.77
(VI) Others															
IV. Ending balance in the current period	1,701,545,103.00			1,489,922,163.30	15,568,154,405.81	1,026,031,492.72	1,669,466,851.27	57,213,645.45	440,135,820.74		19,180,503,002.52		39,080,909,499.37	12,561,635,963.88	51,642,545,463.25

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

(I) Total comprehensive income							235,185,973.01				1,670,732,131.17		1,905,918,104.18	838,738,977.03	2,744,657,081.21
(II) Capital contributed or reduced by owners	-12,873,601.00			-3,137.57	-287,688,435.64	-316,608,292.32							16,043,118.11	40,465,308.77	56,508,426.88
1. Common stock contributed by owners														40,465,308.77	40,465,308.77
2. Capital invested by holders of other equity instruments															
3. Amounts of share-based payments recognized in owners' equity					155,455,936.50								155,455,936.50		155,455,936.50
4. Others	-12,873,601.00			-3,137.57	-443,144,372.14	-316,608,292.32							-139,412,818.39		-139,412,818.39
(III) Profit distribution						-10,877,900.00					-1,671,853,759.40	-	-1,660,975,859.40	-90,000,000.00	-1,750,975,859.40
1. Withdrawal of surplus reserves															
2. Withdrawal															

1 of general risk reserves															
3. Profit distributed to owners (or shareholders)						-1087790 0					-1,671,853 ,759.40		-1,660,975 ,859.40	-90000000	-1,750,975 ,859.40
4. Others															
(IV) Internal carry-forward of owner's equity															
1. Conversion of capital reserves into paid-in capital (or share capital)															
2. Conversion of capital reserves into paid-in capital (or share capital)															
3. Surplus reserves offsetting losses															
4. Carry-forw															

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

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

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

January-June 2025

Monetary unit: Yuan Currency: RMB

Item	First half of 2025										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of last year	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
Plus: adjustments for changes in accounting policies											
Adjustments for correction of accounting errors in prior periods											
Others											
II. Beginning balance of this year	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
III. Increases/decreases in the current period (“-” for decreases)	9,367,015.00			-121,776.54	173,336,615.45	133,201,861.10	-204,635.72		0.00	-565,638,537.13	-516,463,180.04
(I) Total comprehensive income							-204,635.72			273,783,911.87	273,579,276.15
(II) Capital contributed or reduced by owners	9,367,015.00			-121,776.54	173,336,615.45	140,798,541.10					41,783,312.81
1. Common stock contributed by owners					0.00						
2. Capital invested by holders of other equity instruments	17,715.00				671,360.53						689,075.53
3. Amounts of share-based payments recognized in owners' equity	9,349,300.00				131,451,158.00						140,800,458.00
4. Others	0.00			-121,776.54	41,214,096	140,798,54					-99,706,22

					.92	1.10					0.72
(III) Profit distribution						-7,596,680.00				-839,422,449.00	-831,825,769.00
1. Withdrawal of surplus reserves											
2. Profit distributed to owners (or shareholders)						-7,596,680.00				-839,422,449.00	-831,825,769.00
3. Others											
(IV) Internal carry-forward of owner's equity											
1. Conversion of capital reserves into paid-in capital (or share capital)											
2. Conversion of capital reserves into paid-in capital (or share capital)											
3. Surplus reserves offsetting losses											
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings											
6. Others											
(V) Special reserves											
1. Amount withdrawn in the current period											
2. Amount used in the current period											
(VI) Others											
IV. Ending balance in the current period	1,701,545,103.00			1,489,922,163.30	14,697,923,987.58	1,026,031,492.72	-108,815,232.88		440,135,820.74	356,167,636.32	17,550,847,985.34

Item	Second half of 2024										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of last year	1,710,086,520.00			1,490,061,392.53	14,890,073,903.77	1,323,606,826.04	-39,933,297.26		387,225,558.29	2,112,433,130.77	19,226,340,382.06
Plus: adjustments for changes in accounting policies											
Adjustments for correction of accounting errors in prior periods											
Others											
II. Beginning balance of this year	1,710,086,520.00			1,490,061,392.53	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. Increases/decreases in the current period ("-" for decreases)	-12,873,601.00			-3,137.57	-244,696,770.04	-327,486,192.32	-36,027.61			-1,436,928,872.98	-1,367,052,216.88
(I) Total comprehensive income							-36,027.61			234,924,886.42	234,888,858.81
(II) Capital contributed or reduced by owners	-12,873,601.00			-3,137.57	-244,696,770.04	-316,608,292.32				0.00	59,034,783.71
1. Common stock contributed by owners											
2. Capital invested by holders of other equity instruments											
3. Amounts of share-based payments recognized in owners' equity					155,455,936.50						155,455,936.50
4. Others	-12,873,601.00			-3,137.57	-400,152,706.54	-316,608,292.32					-96,421,152.79
(III) Profit distribution					0.00	-10,877,900.00				-1,671,853,759.40	-1,660,975,859.40

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

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

III. Basic information of the Company

1. Company profile

☒Applicable ☐Not applicable

The Company was established by Great Mountain Enterprise Pte. Ltd. (“Great Mountain Company”), 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 RMB 1,701,545,103.00, total share of 1,701,545,103 shares (each with par value of RMB 1, of which, 15,193,360 shares are restricted outstanding A shares, and 1,686,354,743 shares are unrestricted outstanding A shares. The Company’s shares were listed on the Shanghai Stock Exchange on January 29, 2015.

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

The financial statements were approved and authorized for issue by the 31st meeting of the Sixth Board of Directors dated August 16, 2025.

The Company has brought subsidiaries including the first-tier subsidiaries Huayou Quzhou, Huayou Hong Kong, CDM, MIKAS, Huayou Mining Hong Kong, New energy Quzhou, Huayou New Energy, Guangxi B&M, Tianjin B&M, Guangxi Lithium Industry and Guangxi Huayou New Materials, the second-tier subsidiaries Resource Recycling, Huayou Singapore, Huajin Company, Huayou Puxiang, Jiangsu Huayou, Chengdu B&M, Zhejiang B&M and Prospect Lithium, the third-tier subsidiaries Huayue Company, Huake Indonesia, Indonesia Huafei, IPIP Company, KNI Company, AMI Company, PT. Huaxiang Refining Indonesia (“Huaxiang Indonesia”) and PT. HUANENG NEW MATERIAL (“Huaneng Indonesia”), and the fourth-tier subsidiaries Bamo Technology Hungary Kft (“Bamo Hungary”) into the consolidation scope. Please refer to item X of this section for details.

IV. Basis for preparing the financial statements

1. Basis for preparing

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

2. Going concern

☒Applicable ☐Not applicable

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

V. Major accounting policies and accounting estimates

Remark to the detailed accounting policies and accounting estimates:

☒Applicable ☐Not applicable

Important note: The Company has set up accounting policies and estimates on transactions or events such as impairment of financial instruments, inventories, depreciation of fixed assets, construction in progress, intangible assets, revenue recognition, etc., based on the Company’s actual production and operation features.

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

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

2. Accounting period

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

3. Operating cycle

√Applicable □Not applicable

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

4. Functional currency

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

5. Methods for determining and basis for selecting significance criteria

√Applicable □Not applicable

Item	Significance criteria
Significant accounts receivable with provision for bad debts made on an individual basis	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 advances paid with age over one year	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

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

√Applicable □Not applicable

1. Accounting treatment of business combination under common control

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

2. Accounting treatment of business combination not under common control

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

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

☒Applicable ☐Not applicable

1. Judgement of control

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

2. Compilation method of consolidated financial statements

The parent company brings all its controlled subsidiaries into the consolidation scope. The consolidated financial statements are compiled by the parent company according to "CASBE 33 – Consolidated Financial Statements", based on relevant information and the financial statements of the parent company and its subsidiaries.

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

☒Applicable ☐Not applicable

1. Joint arrangements include joint operations and joint ventures.

2. When the Company is a joint operator of a joint operation, it recognizes the following items in relation to its interest in a joint operation:

- (1) its assets, including its share of any assets held jointly;
- (2) its liabilities, including its share of any liabilities incurred jointly;
- (3) its revenue from the sale of its share of the output arising from the joint operation;
- (4) its share of the revenue from the sale of the assets by the joint operation; and
- (5) its expenses, including its share of any expenses incurred jointly.

9. Criteria for recognizing cash and cash equivalents

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

10. Foreign currency transactions and translation of foreign currency statements

☒Applicable ☐Not applicable

1. Translation of transactions denominated in foreign currency

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

2. Translation of financial statements measured in foreign currency

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

11. Financial instruments

√Applicable □Not applicable

1. Classification of financial assets and financial liabilities

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

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

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

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

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

(2) Subsequent measurement of financial assets

1) Financial assets measured at amortized cost

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

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

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

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

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

4) Financial assets at fair value through profit or loss

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

(3) Subsequent measurement of financial liabilities

1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include held-for-trading financial liabilities (including derivatives that are liabilities) and financial liabilities designated as at fair value through

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

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

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

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

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

4) Financial liabilities at amortized cost

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

(4) Derecognition of financial assets and financial liabilities

1) Financial assets are derecognized when:

a. the contractual rights to the cash flows from the financial assets expire; or

b. the financial assets have been transferred and the transfer qualifies for derecognition in accordance with "CASBE 23 – Transfer of Financial Assets".

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

3. Recognition criteria and measurement method of financial assets transfer

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

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

4. Fair value determination method of financial assets and liabilities

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

- (1) Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date;
- (2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability, for example, interest rates and yield curves observable at commonly quoted intervals; market-corroborated inputs;
- (3) Level 3 inputs are unobservable inputs for the asset or liability. Level 3 inputs include interest rate that is not observable and cannot be corroborated by observable market data at commonly quoted intervals, historical volatility, future cash flows to be paid to fulfill the disposal obligation assumed in business combination, financial forecast developed using the Company's own data, etc.

5. Impairment of financial instruments

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

Expected credit losses refer to the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit loss refers to the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. Among which, purchased or originated credit-impaired financial assets are discounted at the credit-adjusted effective interest rate.

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

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

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

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

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

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

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

6. Offsetting financial assets and financial liabilities

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

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

12. Notes receivable

☐Applicable ☒Not applicable

13. Accounts receivables

☒Applicable ☐Not applicable

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

☒Applicable ☐Not applicable

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

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

☒Applicable ☐Not applicable

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

Criteria of individual provision for individual provisions for bad debts

☒Applicable ☐Not applicable

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

14. Financing funds receivables

☒Applicable ☐Not applicable

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

☒Applicable ☐Not applicable

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
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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	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 notes receivable, so as to calculate expected credit loss.
Financial company acceptance receivable	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 notes receivable, so as to calculate expected credit loss.

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

√Applicable □Not applicable

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

Criteria of individual provision for individual provisions for bad debts

√Applicable □Not applicable

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

15. Other receivables

√Applicable □Not applicable

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

√Applicable □Not applicable

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
Other receivables – Portfolio grouped with government funds receivable	Nature of receivables	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and 12-month or lifetime expected credit loss rate.
Other receivables – Portfolio grouped	Nature of receivables	Based on historical credit loss experience, the current situation and the forecast of future economic

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
with balances due from related parties within the consolidation scope		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.

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

√Applicable □Not applicable

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

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

Criteria of individual provision for individual provisions for bad debts

√Applicable □Not applicable

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

16. Inventories

√Applicable □Not applicable

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

√Applicable □Not applicable

1. Classification of inventories

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

2. Accounting method for dispatched inventories

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

3. Inventory system

Perpetual inventory method is adopted.

4. Amortization method of low-value consumables and packages
(1) Low-value consumables

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

(2) Packages

Packages are amortized with one-off method.

Criteria for determining and methods for provision for inventory depreciation☒Applicable ☐Not applicable

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

Combination type of provision for inventory depreciation based on combination and basis for determination, basis for determining net realizable value of different inventories☐Applicable ☒Not applicable**Methods for calculating and basis for determining net realizable value of each inventory aging combination when net realizable value of inventories is determined based on aging**☐Applicable ☒Not applicable**17. Contract assets**☒Applicable ☐Not applicable**Recognition methods and standards for contract assets**☒Applicable ☐Not applicable

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

Combination type of provision for bad debt in accordance with credit risk features and basis for determination☐Applicable ☒Not applicable**Methods for calculating aging when credit risk feature combination is determined based on aging**☐Applicable ☒Not applicable**Criteria of individual provision for individual provisions for bad debts**☐Applicable ☒Not applicable**18. Non-current assets or disposal groups held for sale**☐Applicable ☒Not applicable**Recognition standard and accounting treatment method for non-current assets or disposal groups held for sale**☐Applicable ☒Not applicable**Criteria for identifying and methods for reporting the termination of business operations**☐Applicable ☒Not applicable**19. Long-term equity investments**☒Applicable ☐Not applicable

1. Judgment of joint control and significant influence

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

2. Determination of investment cost

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

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

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

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

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

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

(3) Long-term equity investments obtained through ways other than business combination: the initial cost of a long-term equity investment obtained by making payment in cash is the purchase cost which is actually paid; that obtained on the basis of issuing equity securities is the fair value of the equity securities issued; that obtained through debt restructuring is determined according to “CASBE 12 – Debt Restructuring”; and that obtained through non-cash assets exchange is determined according to “CASBE 7 – Non-cash Assets Exchange”.

3. Subsequent measurement and recognition method of profit or loss

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

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

(1) Judgement principles of “bundled transaction”

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

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

(2) Accounting treatments of non-bundled transactions

1) Stand-alone financial statements

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

2) Consolidated financial statements

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

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

(3) Accounting treatment of bundled transaction

1) Stand-alone financial statements

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

2) Consolidated financial statements

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

20. Investment properties

Not applicable

21. Fixed assets

(1) Recognition criteria

☒Applicable ☐Not applicable

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

(2) Depreciation method

☒Applicable ☐Not applicable

Category	Depreciation method	Depreciation life (year)	Residual value rate	Annual depreciation rate
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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
Transportation equipment	Straight-line method	5-10	0-10	20.00-9.00
Other equipment	Straight-line method	5-10	0-10	20.00-9.00

22. Construction in progress

√Applicable □Not applicable

1. Construction in progress is recognized if, and only if, it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. Construction in progress is measured at the actual cost incurred to reach its designed usable conditions.
2. Construction in progress is transferred into fixed assets at its actual cost when it reaches the designed usable conditions. When the auditing of the construction in progress is not finished while reaching the designed usable conditions, it is transferred to fixed assets using estimated value first, and then adjusted accordingly when the actual cost is settled, but the accumulated depreciation is not to be adjusted retrospectively.

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

23. Borrowing costs

√Applicable □Not applicable

1. Recognition principle of borrowing costs capitalization

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

2. Borrowing costs capitalization period

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

(2) Suspension of capitalization: where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs is suspended; the borrowing costs incurred during such period are recognized as expenses, and are included in profit or loss, till the acquisition and construction or production of the asset restarts.

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

3. Capitalization rate and capitalized amount of borrowing costs

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

weighted average asset disbursement of the excess of the accumulative capital disbursements over the special borrowings by the capitalization rate of the general borrowing used.

24. Biological assets

☐Applicable ☒Not applicable

25. Oil and gas assets

☐Applicable ☒Not applicable

26. Intangible assets

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

☒Applicable ☐Not applicable

1. Intangible assets include mining right, land use right, software, pollution discharge right, software copyright, patent right, know-how, energy 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
Software copyright, patent right and know-how	5-10 years; estimated economic life	Straight-line method
Energy rights	10 years; estimated economic life	Straight-line method

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

☒Applicable ☐Not applicable

1. Permitted scope of R&D costs

(1) Personnel costs

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

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

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

(2) Direct input costs

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

(3) Depreciation and long-term prepayments

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

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

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

(4) Amortization of intangible assets

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

(5) Other expenses

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

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

27. Long-term asset impairment

☒Applicable ☐Not applicable

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

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

28. Long-term deferred expenses

☒Applicable ☐Not applicable

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

29. Contract 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 compensation

(1) Accounting treatment of short-term compensation

☒Applicable ☐Not applicable

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

(2) Accounting treatment of post-employment 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) Accounting treatment of dismissal welfare

☒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) Accounting treatment of 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. Estimated liabilities

☒Applicable ☐Not applicable

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

32. Share-based payment

☒Applicable ☐Not applicable

1. Types of share-based payment

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

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

(1) Equity-settled share-based payment

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

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

(2) Cash-settled share-based payment

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

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

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

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

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

33. Preferred shares, perpetual bonds and other financial instruments☐Applicable ☒Not applicable**34. Income****(1) Accounting policies used in recognizing and measuring income disclosed by business type**☒Applicable ☐Not applicable**1. Revenue recognition principles**

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

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

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

2. Revenue measurement principle

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

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

(3) In the circumstance that the contract contains a significant financing component, the Company shall determine the transaction price based on the price that a customer would have paid for if the customer had paid cash for obtaining control over those goods or services. The difference between the transaction price and the amount of promised consideration is amortized under effective interest method over contractual period. The effects of a significant financing component shall not be considered if the Company expects, at the contract inception, that the period between when the customer obtains control over goods or services and when the customer pays consideration will be one year or less.

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

3. Revenue recognition method

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

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

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

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

☐Applicable ☒Not applicable

35. Contract costs

☐Applicable ☒Not applicable

36. Government subsidies

☒Applicable ☐Not applicable

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

2. Government grants related to assets

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

3. Government grants related to income

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

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

5. Policy interest subvention

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

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

37. Deferred income tax assets/deferred income tax liabilities

√Applicable □Not applicable

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

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

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

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

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

38. Lease

√Applicable □Not applicable

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

√Applicable □Not applicable

1. The Company as lessee

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

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

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

(2) Right-of-use assets

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

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

(2) Lease liabilities

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

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

Standard and accounting treatment method for the lessor to classify leases

☒Applicable ☐Not applicable

1. The Company as lessor

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

(1) Operating lease

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

(2) Finance lease

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

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

2. Sale and leaseback

(1) The Company as the lessee

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

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

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

(2) The Company as the lessor

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

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

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

39. Other significant accounting policies and accounting estimates

√Applicable □Not applicable

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

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

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

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

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

(3) Hedge accounting**1) Fair value hedge**

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

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

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

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

2) Cash flow hedges

a. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognized in other comprehensive income as cash flow hedge reserve, while the ineffective portion shall be recognized in profit or loss. The cash flow hedge reserve shall be recognized at the lower of the following (in absolute amounts): (i) the cumulative gain or loss on the hedging instrument

from inception of the hedge; and (ii) the cumulative change in present value of the expected future cash flows of the hedged item from inception of the hedge.

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

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

3) Hedges of a net investment in a foreign operation

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

2. Accounting treatment related to share repurchase

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

3. Work safety fund

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

4. Segment reporting

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

- 1) that engages in business activities from which it may earn revenues and incur expenses;
- 2) whose financial performance is regularly reviewed by the Management to make decisions about resource to be allocated to the segment and to assess its performance; and
- 3) for which accounting information regarding financial position, financial performance and cash flows is available through analysis.

40. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

☐Applicable ☒Not applicable

(2) Changes in significant accounting estimates

☐Applicable ☒Not applicable

(3) Adjustment of the beginning amount of the financial statements 2025 due to the implementation of new accounting standards or their interpretations in the first time in 2024

☐Applicable ☒Not applicable

41. Others

☐Applicable ☒Not applicable

VI. Taxation

1. Main tax types and tax rates

Details of main tax types and tax rates

☒Applicable ☐Not applicable

Taxes	Tax bases	Tax rates
Value-added tax (VAT)	The output tax calculated based on the revenue from sales of goods or rendering of services in accordance with the tax law, net of the input tax that is allowed to be deducted in the current period	Main rates include 16%, 15%, 13%, 11%, 6%; export goods of domestic production enterprises enjoy the preferential policy of “exemption, credit and refund”, and the tax refund rate is 0% and 13%, while export goods of domestic foreign trade enterprises enjoy the preferential policy of “exemption, refund”, and the tax refund rate is from 0% to 13%
Consumption tax		
Business tax		
Urban maintenance and construction tax	Turnover tax actually paid	7%, 5%
Enterprise income tax	Taxable income	Please refer to the following different enterprise income tax rates applicable to different taxpayers
Mineral tax	Taxable revenue	3.5%, 10%
Resources tax	Taxable revenue	7%
Housing property tax	For housing property levied on the basis of price, housing property tax is levied at the rate of 1.2% of the balance after deducting a certain percentage of the cost; for housing property levied on the basis of rent, housing property tax is levied at the rate of 12% of lease income.	1.2%, 12%
Education surcharge	Turnover tax actually paid	3%
Local education surcharge	Turnover tax actually paid	2%

Information about taxpayers applying different enterprise income tax rates:

☒Applicable ☐Not applicable

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

2. Tax preference

√Applicable □Not applicable

1. VAT

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

2. Enterprise income tax

(1) Domestic entities

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

Pursuant to the “High-tech Enterprise Certificate” jointly issued by Economic and Information Technology Department of Zhejiang Province, 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 Province, 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 Industry and Guangxi Huayou New Materials 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 and Huayou Green Energy 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 Industry and Guangxi Huayou New Materials, 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 Industry and Guangxi Huayou New Materials are exempted for the third year, while the subsidiary Guangxi B&M is exempted for the fourth 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

VII. Notes to the Items in the Consolidated Financial Statements

1. Cash and cash equivalents

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Cash in hand	5,603,292.80	5,201,982.26
Deposit in bank	11,883,912,735.78	13,816,698,369.82
Other cash and cash equivalents	6,678,749,437.57	5,629,601,252.58
Deposit in finance company		
Total	18,568,265,466.15	19,451,501,604.66
Including: total amount of overseas deposits	6,563,942,682.88	8,587,680,565.75

Other remarks

Ending balance of other cash and cash equivalents included deposits for bank acceptance of RMB 2,635,024,196.65, deposited investments of RMB 1,483,083,018.14, deposits for borrowings of RMB 1,925,944,900.15, deposits for letters of credit of RMB 491,274,963.36, deposits for letters of guarantee

of RMB 104,013,347.67, balances frozen due to lawsuits of RMB 234,348.94, deposits for environmental impact assessment of RMB 7,150,946.17, deposits for future foreign exchange settlement of RMB 29,876,135.00 and others of RMB 2,147,581.50.

2. Financial assets held for trading

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance	Specified reason and basis
Financial assets measured at fair value through current profit or loss	285,000,000.00	381,711,806.17	/
Including:			
Short-term financial products	285,000,000.00	381,711,806.17	/
Financial assets designated to be measured at fair value through current profit or loss			
Including:			
Total	285,000,000.00	381,711,806.17	/

Other remarks:

☐Applicable ☒Not applicable

3. Derivative financial assets

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Hedged futures contracts	752,044,514.78	969,759,509.31
Forward foreign exchange contracts	7,223,988.45	31,633,811.11
Total	759,268,503.23	1,001,393,320.42

Other remarks:

None

4. Notes receivable

(1) Notes receivable presented by categories

☐Applicable ☒Not applicable

(2) Notes receivable that have been pledged as at the end of the period

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

None

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

☐Applicable ☒Not applicable

(5) Details of the provision for bad debts

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

In which, significant amount of notes receivable written off:

☐Applicable ☒Not applicable

Remarks to write-offs of notes receivable:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

5. Accounts receivable

(1) Disclosure by aging

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	7,830,121,083.65	6,984,898,733.61
Within 1 year	7,830,121,083.65	6,984,898,733.61
1 to 2 years	68,569,195.58	162,757,843.51
2 to 3 years	79,014,853.08	73,518,916.94
More than 3 years	21,490,891.43	22,148,751.58
3 to 4 years		
4 to 5 years		
More than 5 years		
Total	7,999,196,023.74	7,243,324,245.64

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

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Category	Ending balance			Beginning balance		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value

	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debt made on an individual basis	904,548.00	0.01	904,548.00	100.00		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		904,548.00	0.01	904,548.00	100.00	
Provision for bad debt made on a portfolio basis	7,998,291,475.74	99.99	465,313,663.27	5.82	7,532,977,812.47	7,242,419,697.64	99.99	440,202,167.42	6.08	6,802,217,530.22
Including:										
Portfolio grouped with ages	7,998,291,475.74	99.99	465,313,663.27	5.82	7,532,977,812.47	7,242,419,697.64	99.99	440,202,167.42	6.08	6,802,217,530.22
Total	7,999,196,023.74	100.00	466,218,211.27	5.83	7,532,977,812.47	7,243,324,245.64	100.00	441,106,715.42	6.09	6,802,217,530.22

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☒Applicable ☐Not applicable

Items with provision made on a portfolio basis:

Monetary unit: Yuan Currency:
RMB

Name	Ending balance		
	Book balance	Provision for bad debt	Proportion of provision (%)
Within 1 year	7,830,121,083.65	391,506,054.18	5.00
1-2 years	68,569,195.58	13,713,839.12	20.00
2-3 years	79,014,853.08	39,507,426.54	50.00
Over 3 years	20,586,343.43	20,586,343.43	100.00

Total	7,998,291,475.74	465,313,663.27	5.82
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Description of the provision for bad debts made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

None

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

☐Applicable ☒Not applicable

(3) Details of the provision for bad debts

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision made	Recovered or reversed	Written-off or charged off	Other change	
Provision for bad debt made on an individual basis	904,548.00					904,548.00
Provision for bad debt made on a portfolio basis	440,202,167.42	25,111,495.85				465,313,663.27
Total	441,106,715.42	25,111,495.85				466,218,211.27

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

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

In which, significant amount of accounts receivable written off:

☐Applicable ☒Not applicable

Remarks to write-offs of accounts receivable:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks

☒Applicable ☐Not applicable

Ending balance of top 5 debtors totaled RMB 3,660,520,529.23, accounting for 45.76% of the total ending balance of accounts receivable, and provision for bad debts made thereon totaled RMB 183,026,026.46.

6. Contract assets

(1) Details of contract assets

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

None

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

None

(5) Contract assets actually written off in the current period

☐Applicable ☒Not applicable

In which, significant amount of contract assets written off:

☐Applicable ☒Not applicable

Remarks to write-offs of contract assets:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

7. Accounts receivable financing
(1) Accounts receivable financing presented by categories

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Bank acceptance	1,228,626,597.01	1,428,306,241.20
Total	1,228,626,597.01	1,428,306,241.20

(2) Accounts receivable financing that have been pledged as at the end of the period

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount pledged as at the end of the period
Bank acceptance	3,690,965.57
Total	3,690,965.57

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

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount de-recognized as at the end of the period	Amount not de-recognized as at the end of the period
Bank acceptance	7,604,614,126.46	
Total	7,604,614,126.46	

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) Classification according to different methods of provision for bad debts

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debt made on an individual basis										
Including:										
Provision for bad debt made on a portfolio basis	1,228,626,597.01	100.00			1,228,626,597.01	1,428,306,241.20	100.00			1,428,306,241.20
Including:										

Bank acceptance	1,228,626,597.01	100.00			1,228,626,597.01	1,428,306,241.20	100.00			1,428,306,241.20
Total	1,228,626,597.01	100.00			1,228,626,597.01	1,428,306,241.20	100.00			1,428,306,241.20

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

None

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

☐Applicable ☒Not applicable

(5) Details of the provision for bad debts

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Remarks to write-offs of accounts receivable financing:

☒Applicable ☐Not applicable

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

☐Applicable ☒Not applicable

(8) Other remarks:

☐Applicable ☒Not applicable

8. Advances to suppliers

(1) Advances to suppliers presented by aging

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	6,853,710,832.50	94.88	2,590,369,303.84	87.79
1 to 2 years	339,909,344.70	4.71	337,820,648.45	11.45
2 to 3 years	25,156,988.89	0.35	18,849,100.03	0.64
More than 3 years	4,635,432.12	0.06	3,415,810.33	0.12
Total	7,223,412,598.21	100.00	2,950,454,862.65	100.00

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

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

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

☐Applicable ☒Not applicable

Other remarks:

☒Applicable ☐Not applicable

Ending balance of top 5 debtors totaled RMB 3,074,182,921.62, accounting for 42.41% of the total ending balance of advances to suppliers.

9. Other receivables

Presented by items

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Interests receivable		
Dividends receivable		2,587,982.40
Other receivables	308,982,752.35	272,119,969.15
Total	308,982,752.35	274,707,951.55

Other remarks:

☐Applicable ☒Not applicable

Interests receivable

(1) Classification of interests receivable

☐Applicable ☒Not applicable

(2) Significant overdue interests

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(5) Details of the provision for bad debts

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

In which, significant amount of interests receivable written off:

☐Applicable ☒Not applicable

Remarks to write-offs of interests receivable:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

Dividends receivable**(7) Dividends receivable**

☐Applicable ☒Not applicable

(8) Major dividends receivable with aging over 1 year

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(11) Details of the provision for bad debts

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

In which, significant amount of dividends receivable written off:

☐Applicable ☒Not applicable

Remarks to write-offs of dividends receivable:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

Other receivables

(13) Disclosure by aging

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	211,427,296.61	166,191,839.49
Within 1 year	211,427,296.61	166,191,839.49
1 to 2 years	109,363,607.63	92,332,405.89
2 to 3 years	41,271,868.94	78,803,897.51
More than 3 years	76,328,937.80	33,737,699.29
3 to 4 years		
4 to 5 years		
More than 5 years		
Total	438,391,710.98	371,065,842.18

(14) Classification by nature of funds

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Nature of funds	Ending book balance	Beginning book balance
Security deposits	422,483,098.22	332,203,613.84
Export tax refund		19,396,963.58
Petty cash	15,013,220.40	11,984,165.72
Temporary borrowings	715,860.00	3,594,200.00
Others	179,532.36	3,886,899.04
Total	438,391,710.98	371,065,842.18

(15) Provision for bad debt

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire existence (without credit impairment)	Expected credit loss over the entire existence (with credit impairment)	
Balance as at January 1, 2025	7,339,743.80	18,466,481.18	73,139,648.05	98,945,873.03
Balance as at January 1, 2025 in the current period				
--Transferred to Phase II	-5,468,180.38	5,468,180.38		
--Transferred to Phase III		-8,254,373.79	8,254,373.79	
--Reversed to Phase II				

--Reversed to Phase I				
Provision made in the current period	8,699,801.41	6,192,433.76	15,570,850.43	30,463,085.60
Reversal in the current period				
Write-off in the current period				
Charge off in the current period				
Other change				
Balance as at June 30, 2025	10,571,364.83	21,872,721.53	96,964,872.27	129,408,958.63

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

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

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(16) Details of the provision for bad debts

☐Applicable ☒Not applicable

Significant amount of provision for bad debt recovered 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

In which, significant amount of other receivables written off:

☐Applicable ☒Not applicable

Remarks to write-offs of other receivables

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Unit name	Ending balance	Proportion in the total ending balance of other receivables (%)	Nature of funds	Aging	Ending balance of provision for bad debt
SINO IC Leasing Co., Ltd.	70,000,000.00	15.97%	Security deposits	Within 1 year: RMB 24,000,000.00, 1-2 years: RMB 46,000,000.00	10,400,000.00
Changjiang United Financial Leasing Co., Ltd.	50,000,000.00	11.41%	Security deposits	Within 1 year: RMB 25,000,000.00, 1-2 years: RMB 25,000,000.00	6,250,000.00
Cinda Financial Leasing Co., Ltd.	48,000,000.00	10.95%	Security deposits	2-3 years: RMB 20,100,000.00, more than 3 years: RMB 27,900,000.00	37,950,000.00
Taiping & Sinopec Financial Leasing Co., Ltd.	36,000,000.00	8.21%	Security deposits	Within 1 year: RMB 24,000,000.00, 2-3 years: RMB 12,000,000.00	7,200,000.00
PT.RIMAU NEW WORLD	21,276,067.90	4.85%	Security deposits	Within 1 year	1,063,803.40
Total	225,276,067.90	51.39%	0	0	62,863,803.40

(19) Other receivables presented due to centralized management of funds
☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

10. Inventories
(1) Classification of inventories
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value
Raw materials	11,933,428,367.75	110,440,509.75	11,822,987,858.00	11,332,093,889.63	219,863,121.25	11,112,230,768.38

Goods in production	2,996,905,958.32	11,712,567.90	2,985,193,390.42	2,080,531,143.82	1,886,787.25	2,078,644,356.57
Goods in stock	5,326,054,193.10	41,982,074.66	5,284,072,118.44	4,130,209,969.83	86,724,663.80	4,043,485,306.03
Revolving materials						
Consumptive biological assets						
Contract performance cost						
Materials on consignment for further processing	57,346,672.03	471,595.62	56,875,076.41	71,136,977.91	8,726,077.39	62,410,900.52
Total	20,313,735,191.20	164,606,747.93	20,149,128,443.27	17,613,971,981.19	317,200,649.69	17,296,771,331.50

Ending balance includes recognized losses on changes in fair value of hedged inventories of RMB 279,959,847.43. Please refer to item XII 2 of this section for details.

(2) Data resource recognized as inventory

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision made	Others	Reversed or charged-off	Others	
Raw materials	219,863,121.25	37,745,312.22		147,167,923.73		110,440,509.75
Goods in production	1,886,787.25	12,132,004.99		2,306,224.34		11,712,567.90
Goods in stock	86,724,663.80	17,141,794.71		61,884,383.85		41,982,074.66
Revolving materials						
Consumptive biological assets						
Contract performance cost						
Materials on consignment for further processing	8,726,077.39	192,558.26		8,447,040.03		471,595.62
Total	317,200,649.69	67,211,670.18		219,805,571.95		164,606,747.93

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

☒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 depreciation made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

11. Assets held for sale

☐Applicable ☒Not applicable

12. Non-current assets maturing within one year

☐Applicable ☒Not applicable

Debt investments maturing within one year

☐Applicable ☒Not applicable

Other debt investments maturing within one year

☐Applicable ☒Not applicable

Other remarks to non-current assets maturing within one year

None

13. Other current assets

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Contract acquisition cost		
Cost of returned goods		
Input VAT to be credited or refunded	5,042,234,365.11	4,484,699,970.34
Prepaid enterprise income tax	9,067,497.05	9,301,438.82
Prepaid resources tax	81,314,945.73	18,121,456.81
Total	5,132,616,807.89	4,512,122,865.97

Other remarks:

None

14. Debt investments**(1) Details of debt investments**

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(2) Major debt investments as at the end of the period

☐Applicable ☒Not applicable

(3) Provision for impairment

☐Applicable ☒Not applicable

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

None

Changes in book balance of debt investments with significant change in the amount of provision for loss in the current period

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

In which, significant amount of debt investments written off:

☐Applicable ☒Not applicable

Remarks to write-offs of debt investments:

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(2) Major other debt investments as at the end of the period

☐Applicable ☒Not applicable

(3) Provision for impairment

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

In which, significant amount of other debt investments written off:

☐Applicable ☒Not applicable

Remarks to write-offs of other debt investments:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

16. Long-term receivables

(1) Details of long-term receivables

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance			Range of discount rate
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value	
Finance lease payments							
Including: unrealized financing income							
Installment proceeds from sale of goods							
Installment proceeds from rendering of services							
La Societe Immobiliere du Congo	1,263,313.94		1,263,313.94	1,268,572.89		1,268,572.89	N/A
La Sino-Congolaise Des Mines S. A. ("SGM")	61,376,523.04		61,376,523.04	61,632,028.85		61,632,028.85	N/A
Gecamines	2,105,523.23		2,105,523.23	2,114,288.15		2,114,288.15	N/A
La Province du Lualaba	16,199,405.83		16,199,405.83	16,266,841.12		16,266,841.12	N/A
Indonesia Weda Bay Industrial Park Co., Ltd. ("IWIP Company")	198,865,908.00		198,865,908.00	199,693,752.00		199,693,752.00	N/A
Veinstone Investment Limited ("Veinstone")	117,171,928.00		117,171,928.00	117,659,731.20		117,659,731.20	N/A
PT. ETERNAL NICKEL INDUSTRY ("Eternal Nickel")	55,837,080.00		55,837,080.00	56,069,520.00		56,069,520.00	N/A
Total	452,819,682.04		452,819,682.04	454,704,734.21		454,704,734.21	

1) Gecamines, La Societe Immobiliere du Congo, SGM

Pursuant to the "Agreement on Establishment of Joint Venture" entered into among the Company, Gecamines, La Societe Immobiliere du Congo, China Railway Group (Hong Kong) Limited, China Railway Resources Development Co., Ltd., Sinohydro Corporation Limited, Sinohydro Harbour Co., Ltd. and China Metallurgical Group Corporation in September 2008 and the "Confirmation of Equity Adjustment" entered into among the Company, China Railway (Hong Kong) Engineering Limited and Sinohydro Resources Limited on October 23, 2013, the Company respectively rendered borrowings of USD 294,125.00 (equivalent to RMB 2,105,523.23 according to the exchange rate as at June 30, 2025) and USD 176,475.00 (equivalent to RMB 1,263,313.94 according to the exchange rate as at June 30, 2025) to Gecamines and La Societe Immobiliere du Congo for their contributions to SGM, and rendered borrowings of USD 8,573,817.38 (equivalent to RMB 61,376,523.04 according to the exchange rate as at June 30, 2025) to SGM. Gecamines and La Societe Immobiliere du Congo would repay the borrowings with dividends distributed by SGM, and SGM would repay the borrowings with its earnings from operations free of interest.

2) La Province du Lualaba

Pursuant to the "Pre-financing Agreement on Restoration Engineering of Luena Road" and the "Concession Contract" entered into between the subsidiary CDM Company and La Province du Lualaba respectively in September 2017 and March 2018, the subsidiary CDM Company rendered borrowings of

USD 4.00 million to La Province du Lualaba for road restoration. La Province du Lualaba would repay the borrowings with taxes on proceedings from right-of-way of the road section. As of June 30, 2025, the subsidiary CDM Company has paid USD 2,262,929.32 (equivalent to RMB 16,199,405.83 according to the exchange rate as at June 30, 2025).

3) IWIP Company

Pursuant to the “Shareholder Loan Agreement” entered into between the subsidiary Huachuang International and the associate IWIP Company based on the resolution of the fifth meeting of the sixth session of the Board of Directors in 2023, Huachuang International, as shareholder of IWIP Company, rendered shareholder borrowings of USD 27,780,000.00 (equivalent to RMB 198,865,908.00 according to the exchange rate as at June 30, 2025) to IWIP Company. Such shareholder borrowings were rendered together with other shareholders based on holding proportions.

4) Veinstone

Pursuant to the “Shareholder Loan Agreement” entered into between the subsidiary Huayou Mining Hong Kong and the associate Veinstone based on the resolution of the fifth meeting of the sixth session of the Board of Directors in 2023, Huayou Mining Hong Kong, as shareholder of Veinstone, rendered shareholder borrowings of USD 16,368,000.00 (equivalent to RMB 117,171,928.00 according to the exchange rate as at June 30, 2025) to Veinstone. Such shareholder borrowings were rendered together with other shareholders based on holding proportions.

5) Eternal Nickel

Pursuant to the “Shareholder Loan Agreement” entered into between the subsidiary Huajun International Investment and the associate Eternal Nickel 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, rendered shareholder borrowings of USD 7,800,000.00 (equivalent to RMB 55,837,080.00 according to the exchange rate as at June 30, 2025) to Eternal Nickel. Such shareholder borrowings were rendered together with other shareholders based on holding proportions.

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

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

☐Applicable ☒Not Applicable

Provision for bad debt made on an individual basis:

☐Applicable ☒Not Applicable

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

☐Applicable ☒Not Applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not Applicable

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

☐Applicable ☒Not Applicable

(3) Details of the provision for bad debts

☐Applicable ☒Not Applicable

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

☐Applicable ☒Not Applicable

Other remarks:

None

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

☐Applicable ☒Not Applicable

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

☐Applicable ☒Not Applicable

Remarks to write-offs of long-term receivables:

☐Applicable ☒Not Applicable

Other remarks:

☐Applicable ☒Not Applicable

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

√ Applicable □ Not applicable

Monetary unit: Yuan												Currency: RMB	
Investee	Beginning balance (book value)	Beginning balance of provision for impairment	Increase/decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment	
			Additional investment	Reduced investment	Profit/loss on investment recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash dividends or profits declared for distribution	Provision for impairment	Others			
I. Joint ventures													
PT Alam Hijau Environmental Services ("PT Alam")	23,141,945.82				11,460,704.75	-116,681.38					34,485,969.19		
PT CELEBES MINERAL INVESTMENT ("CMI")	214,516,216.79				-201,094.68						214,315,122.11		
Quzhou Zhiyou International Trade Co., Ltd			50,000,000.00								50,000,000.00		
Sub-total	237,658,162.61		50,000,000.00		11,259,610.07	-116,681.38					298,801,091.30		
II. Associates													
Newstride Technology Limited ("Newstride Technology")	1,880,322,558.99				69,792,735.10	-1,338,608.80		42,389,298.00			1,906,387,387.29		
Quzhou Minfu Woneng New Energy Vehicle		1,161,307.33										1,161,307.33	

Technology Co., Ltd												
AVZ MINERALS LIMITED ("AVZ")	58,764,948.53										58,764,948.53	
Zhejiang Puxiang Huayou New Energy Materials Co., Ltd. ("Puxiang Huayou")	535,382,588.36				10,725,453.78						546,108,042.14	
Leyou Company	1,810,474,943.98				49,571,473.20			500,045,000.00			1,360,001,417.18	
RUIYOU INVESTMENT COMPANY LIMITED ("RUIYOU Company")	9,991,341.07										9,991,341.07	
Veinstone Investment Limited ("Veinstone")	298,167,106.12				14,621,767.71	462.71					312,789,336.54	
PT. Indonesia Weda Bay Industrial Park ("IWIP")	446,586,289.98		86,049,600.00		53,826,805.87	-112,036.39					586,350,659.46	
PT.HUA PIONEER INDONESIA ("Indonesia Huatuo ")		3,479,194.09										3,479,194.09
Hunan Yacheng New	97,274,839.93				-5,532,820.22						91,742,019.71	

Energy Co., Ltd. ("Hunan Yacheng")												
Guangxi Times Lithium Battery New Energy Materials Investment Management Center (Limited Partnership) ("Guangxi Times Lithium Battery Investment Management Center")	690,677,935.81				3,114,403.75						693,792,339.56	
Guangxi Times Lithium Battery New Materials Industry Development Fund Partnership Enterprise (Limited Partnership) ("Guangxi Times Lithium Battery Industry Fund")	635,870,303.35				3,504,192.78						639,374,496.13	
Quzhou Anyou Equity	586,807,796.20				805,561.28						587,613,357.48	

Investment Partnership Enterprise (Limited Partnership) ("Quzhou Anyou")												
Quzhou Xinhua Equity Investment Partnership Enterprise (Limited Partnership) ("Quzhou Xinhua")	1,168,704,553.87				1,588,676.86						1,170,293,230.73	
Zhejiang Power Investment Huayou Intelligent Energy Co., Ltd. ("Zhejiang Power Investment")	10,398,968.67				1,456,439.83						11,855,408.50	
Tongxiang Lithium Times Equity Investment Partnership Enterprise (Limited Partnership) ("Tongxiang Lithium Times")	162,505,677.22		14,000,000.00		10,663.04						176,516,340.26	
Ningbo Ruihua	61,203,353.62				45,919.14						61,249,272.76	

International Trade Co., Ltd. ("Ningbo Ruihua")												
PT Iwip Green Industry	189,782,620.20				4,272,094.13	-8,891.99					194,045,822.34	
LG-HY BCM CO., LTD ("LG-HY BCM")	692,939,109.53				-6,199,661.75	-204,635.72					686,534,812.06	
Zhejiang Haigang Pingyou Port Co., Ltd. ("Haigang Pingyou")	88,665,000.00										88,665,000.00	
Quzhou Hangyang Huayou Gas Co., Ltd. ("Quzhou Hangyang")	73,493,130.52				4,812,247.53						78,305,378.05	
ASKARI METALS LIMITED ("ASKARI Company")	8,519,827.33										8,519,827.33	
Changchun Zongxu Huayou Energy Technology Co., Ltd. ("Zongxu Huayou")	2,393,790.58		2,000,000.00		383,338.15						4,777,128.73	
MBM Company	592,999,603.14				-934,278.74	-6,630.40					592,058,694.00	

PT-WANA KENCNA MINERAL ("WKM Company")	992,869,208.17				47,524,293.81	-28.02					1,040,393,473.96	
PT. ETERNAL NICKEL INDUSTRY	187,941,366.05				-2,773,461.01	-2,188.35					185,165,716.69	
NA CHENG LIMITED	363,114,927.69				2,381,520.81	4,956.94					365,501,405.44	
JOH CO.,LTD	3,970,015.14				-36,630.56	-					3,933,384.58	
Chengdu Huantou Resource Recycling Co., Ltd. ("Chengdu Huantou")	6,474,564.09				-100,831.73						6,373,732.36	
PT Tambang Nikel Permai ("TNP Company")	463,910,200.00		6,502,986.63		-10,314.06						470,402,872.57	
PT BOSOWA MINING			47,822,316.48		1,445,130.05	-34,584.46					49,232,862.07	
Sub-total	12,120,206,568.14	4,640,501.42	156,374,903.11		254,294,718.75	-1,702,184.48		542,434,298.00			11,986,739,707.52	4,640,501.42
Total	12,357,864,730.75	4,640,501.42	206,374,903.11		265,554,328.82	-1,818,865.86		542,434,298.00			12,285,540,798.82	4,640,501.42

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

Other remarks:

None

18. Other equity instrument investments
(1) Details of other equity instrument investments

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase/decrease in the current period					Ending balance	Dividend income recognized in the current period	Accumulated gains included in other comprehensive income	Accumulated losses included in other comprehensive income	Reason for the designation of measuring at fair value with changes included in other comprehensive income
		Additional investment	Capital reduction	Gains included in other comprehensive income in the current period	Losses included in other comprehensive income in the current period	Others					
Inner Mongolia Sinuo New Material Technology Co., Ltd. ("Inner Mongolia Sinuo")	36,894,737.00						36,894,737.00				
Hanaq Argentina S.A. ("Hanaq Company")	4,002,445.81						4,002,445.81				
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.	6,000,000.00	10,020,300.00					16,020,300.00				

(hereinafter referred to as "CGN New Energy")											
Yulin Hualong Electric Power Co., Ltd. ("Hualong Electric")		2,106,500.00					2,106,500.00				
Zhejiang Guanyu Battery Co., Ltd. ("Guanyu Battery")		200,000,000.00					200,000,000.00				
Total	176,379,882.81	212,126,800.00					388,506,682.81				/

(2) Explanation for de-recognition in the current period

☐Applicable ☒Not applicable

Other remarks:

☒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 financial assets

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

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

Other remarks:

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
Sub-total	6,573,600.00			6,573,600.00

20. Investment properties

Measurement method for investment properties

Not applicable

21. Fixed assets
Presented by items

√ Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Fixed assets	52,506,643,604.05	51,098,211,511.40
Disposal of fixed assets		
Total	52,506,643,604.05	51,098,211,511.40

Other remarks:

None

Fixed assets
(1) Details of fixed assets

√ Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Houses and buildings	Machinery equipment	Transportation equipment	Other equipment	Total
I. Original book value:					
1.Beginning balance	19,304,581,546.83	42,000,917,237.42	1,391,123,315.95	913,543,582.43	63,610,165,682.63
2. Increase in the current period	577,937,369.88	3,104,054,257.44	80,272,306.35	76,051,436.12	3,838,315,369.79
(1) Purchase	23,121,447.54	80,961,927.48	41,071,892.16	69,722,404.22	214,877,671.40
(2) Transfer from construction-in-progress	554,815,922.34	3,023,092,329.96	39,200,414.19	6,329,031.90	3,623,437,698.39
(3) Increase from the business combination					
(4) Translation reserve					
3. Decrease in the	36,580,767.76	196,032,158.37	87,632,459.90	10,186,434.90	330,431,820.93

current period					
(1) Disposal or scrapping	1,462,731.36	135,426,941.74	3,430,968.19	10,160,399.01	150,481,040.30
(2) Translation reserve	35,118,036.40	60,605,216.63	84,201,491.71	26,035.89	179,950,780.63
4. Ending balance	19,845,938,148.95	44,908,939,336.49	1,383,763,162.40	979,408,583.65	67,118,049,231.49
II. Accumulated depreciation					
1. Beginning balance	2,657,988,348.14	8,938,873,368.95	429,604,133.91	462,518,757.05	12,488,984,608.05
2. Increase in the current period	526,916,168.13	1,582,306,172.09	80,039,345.13	57,603,525.74	2,246,865,211.09
(1) Provision	526,916,168.13	1,582,306,172.09	80,039,345.13	57,603,525.74	2,246,865,211.09
(2) Translation reserve					
3. Decrease in the current period	15,957,661.33	91,116,374.69	34,012,356.13	6,280,572.85	147,366,965.00
(1) Disposal or scrapping	816,931.15	46,330,993.31	2,441,201.51	6,257,663.85	55,846,789.82
(2) Translation reserve	15,140,730.18	44,785,381.38	31,571,154.62	22,909.00	91,520,175.18
4. Ending balance	3,168,946,854.94	10,430,063,166.35	475,631,122.91	513,841,709.94	14,588,482,854.14
III. Provision for impairment					
1. Beginning balance	2,892,949.87	18,690,480.43		1,386,132.88	22,969,563.18
2. Increase in the current period					
(1) Provision					
(2) Translation reserve					
3. Decrease in the current period	38,325.07	8,464.81			46,789.88
(1) Disposal or scrapping					
(2) Translation reserve	38,325.07	8,464.81			46,789.88
4. Ending balance	2,854,624.80	18,682,015.62		1,386,132.88	22,922,773.30
IV. Book value					
1. Ending book value	16,714,136,669.21	34,377,494,154.52	908,132,039.49	506,880,740.83	52,506,643,604.05
2. Beginning book value	16,643,700,248.82	33,043,353,388.04	961,519,182.04	449,638,692.50	51,098,211,511.40

(2) Temporarily idle fixed assets

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Item	Original book value	Accumulated depreciation	Provision for impairment	Book value	Remarks
Buildings and structures	6,240,137.75	2,898,243.67	2,892,949.87	448,944.20	
Machinery	44,895,338.87	25,639,012.62	17,759,289.40	1,497,036.85	
Other equipment	1,688,663.95	249,480.41	1,265,501.47	173,682.07	
Sub-total	52,824,140.57	28,786,736.70	21,917,740.74	2,119,663.12	

(3) Fixed assets leased out under operating lease

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending book value
Buildings and structures	77,645.68
Machinery	509,834.09
Transportation equipment	208,517.70
Other equipment	7,691,784.89
Sub-total	8,487,782.36

(4) Fixed assets with the title certificate not obtained

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Item	Book value	Reasons for the failure to obtain title certificate
Buildings and structures	1,516,569,445.45	In process

(5) Impairment test of fixed assets

□ Applicable √ Not applicable

Other remarks:

□ Applicable √ Not applicable

Disposal of fixed assets

□ Applicable √ Not applicable

22. Construction in progress
Presented by items

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Construction in progress	9,722,482,175.87	9,461,421,257.30
Project materials	488,418,213.09	440,825,245.20
Total	10,210,900,388.96	9,902,246,502.50

Other remarks:

None

Construction in progress
(1) Details of construction in progress

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Items	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Huayou Technology Innovation Center construction project	187,632,458.79		187,632,458.79	186,479,621.58		186,479,621.58
Power-type lithium battery new energy precursor materials project with an annual output of 30,000 tons	107,690,132.91		107,690,132.91	77,513,719.79		77,513,719.79
New high-performance power battery ternary precursor project with an annual output of 50,000 tons	561,453,437.27		561,453,437.27	552,122,702.90		552,122,702.90
Arcadia's 4.5 million tons a year lithium mining and dressing plant project in Zimbabwe	40,862,761.97		40,862,761.97	24,817,530.76		24,817,530.76
Battery-grade nickel sulfate project with an annual output of 50,000 tons (nickel metal quantity)	55,244,771.57		55,244,771.57	747,087,878.45		747,087,878.45
Newly added 7000t/a (cobalt metal amount) of high voltage cobaltosic oxide green smart manufacturing project	347,994,058.22		347,994,058.22	343,799,505.42		343,799,505.42
Ternary cathode project for high-nickel power batteries	1,091,700,008.51		1,091,700,008.51	414,812,953.45		414,812,953.45
Power battery ternary precursor material construction project with an annual output of 50,000 tons	849,564,958.94		849,564,958.94	667,139,335.03		667,139,335.03

Indonesia Pomalaa Industrial Park project	804,869,955.85		804,869,955.85	447,263,712.33		447,263,712.33
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	2,233,693,423.90		2,233,693,423.90	4,168,383,706.20		4,168,383,706.20
Project for the construction of high-purity electro-nickel prepared from crude nickel-cobalt hydroxide feedstock	109,397,203.88		109,397,203.88	38,539,775.42		38,539,775.42
Battery-grade lithium salt project with an annual output of 50,000 tons	60,667,462.63		60,667,462.63	23,982,455.43		23,982,455.43
Nickel cobalt hydroxide project with an annual output of 120000 tons (nickel metal quantity)	722,749,407.65		722,749,407.65	256,357,573.47		256,357,573.47
Other sporadic projects	2,549,032,623.18		2,549,032,623.18	1,513,120,787.07		1,513,120,787.07
Total	9,722,482,175.87		9,722,482,175.87	9,461,421,257.30		9,461,421,257.30

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

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Items	Budget	Opening balance	Increased amount in the current period	Amount transferred to fixed assets in current period	Other decreased amount in the current period	Ending balance	Proportion of accumulated project investment to budget (%)	Progress of works	Accumulated amount of interest capitalization	Including: Amount of interest capitalization in the current period	Interest capitalization rate in the current period (%)	Capital source

Battery-grade lithium salt project with an annual output of 50,000 tons	1,146,813,100.00	747,087,878.45	146,154,448.28	837,997,555.16		55,244,771.57	114.45	95	117,073,360.51	43,515,028.22	4.78	Raised funds, loans from financial institutions and other sources
Indonesia Pomalaa Industrial Park project	1,916,999,784.00	447,263,712.33	396,206,987.05	38,600,743.53		804,869,955.85	38.00	38				Other sources
Power battery ternary precursor material construction project with an annual output of 50,000 tons	1,341,269,300.00	667,139,335.03	182,425,623.91			849,564,958.94	77.31	90				Other sources
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	4,168,383,706.20	157,727,273.97	2,092,417,556.27		2,233,693,423.90	97.87	98	640,530,607.39	100,071,418.61	4.28	Raised funds, loans from financial institutions and other sources
Project of ternary positive electrode for high nickel power batteries	3,326,305,163.12	414,812,953.45	676,816,565.66			1,091,629,519.11	29.00	35				Other sources
Total	13,349,157,347.12	6,444,758,074.86	1,559,330,898.87	2,969,015,854.96		5,035,073,118.77			757,603,967.90	143,586,446.83		

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

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

Other remarks:

☐Applicable ☒Not applicable

Project materials
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Project materials	488,418,213.09		488,418,213.09	440,825,245.20		440,825,245.20
Total	488,418,213.09		488,418,213.09	440,825,245.20		440,825,245.20

Other remarks:

None

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

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

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

Other remarks:

☐Applicable ☒Not applicable

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

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

Other remarks:

None

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

Monetary unit: Yuan Currency: RMB

Item	Buildings and structures	Total
I. Original book value		
1.Beginning balance	122,865,227.27	122,865,227.27

2. Increase in the current period	13,796,266.62	13,796,266.62
1) Leased in	13,796,266.62	13,796,266.62
2) Translation reserve		
3. Decrease in the current period	12,878,510.93	12,878,510.93
1) Expiration of lease	131,845.37	131,845.37
2) Early termination of lease	12,746,665.56	12,746,665.56
3) Translation reserve		
4. Ending balance	123,782,982.96	123,782,982.96
II. Accumulated depreciation		
1. Beginning balance	64,726,624.44	64,726,624.44
2. Increase in the current period	14,918,735.46	14,918,735.46
1) Provision made	14,918,735.46	14,918,735.46
2) Translation reserve		
3. Decrease in the current period	5,195,647.22	5,195,647.22
1) Disposal		
2) Expiration of lease	131,845.37	131,845.37
3) Early termination of lease	5,063,801.85	5,063,801.85
4) Translation reserve		
4. Ending balance	74,449,712.68	74,449,712.68
III. Provision for impairment		
1. Beginning balance		
2. Increase in the current period		
(1) Provision made		
3. Decrease in the current period		
(1) Disposal		
4. Ending balance		
IV. Book value		
1. Ending book value	49,333,270.28	49,333,270.28
2. Beginning book value	58,138,602.83	58,138,602.83

(2) Impairment test of right-of-use assets

☐Applicable ☒Not applicable

Other remarks:

None

26. Intangible assets
(1) Details of intangible assets

√ Applicable □ Not applicable

Monetary unit: Yuan Currency: RMB

Item	Land use rights	Patent right	Non-patented technology	Software	Mining rights	Emission rights	Contractual rights	Total
I. Original book value								
1. Beginning balance	1,121,475,462.28	612,274,631.35		105,582,096.23	3,473,639,126.11	27,628,879.63	981,504,136.00	6,322,104,331.60
2. Increase in the current period	25,447,865.04			22,716,463.51		363,521.20		48,527,849.75
(1) Purchase	7,804,954.30			22,716,463.51		363,521.20		30,884,939.01
(2) Internal R&D								
(3) Increase from the business combination								
(4) Translation reserve	17,642,910.74							17,642,910.74
3. Decrease in the current period	996,298.23			303,434.73	2,804,613.80		4,068,892.00	8,173,238.76
(1) Disposal				232,177.06				232,177.06
(2) Others								
(3) Decrease from the business combination								
(4) Translation reserve	996,298.23			71,257.67	2,804,613.80		4,068,892.00	7,941,061.70
4. Ending balance	1,145,927,029.09	612,274,631.35		127,995,125.01	3,470,834,512.31	27,992,400.83	977,435,244.00	6,362,458,942.59
II. Accumulated amortization								
1. Beginning balance	138,955,693.28	165,587,358.87		37,053,875.47	945,856,985.46	18,252,872.84	98,150,413.60	1,403,857,199.52
2. Increase in the current period	16,424,613.66	13,192,027.04		6,554,367.54	87,862,090.55	1,981,578.38	83,892,264.15	209,906,941.32
(1) Provision made	13,423,794.17	13,192,027.04		6,554,367.54	87,862,090.55	1,981,578.38	83,892,264.15	206,906,121.83
(2) Others								
(3) Translation reserve	3,000,819.49							3,000,819.49
3. Decrease in the	193,989.99			129,033.35	1,309,145.15		581,140.92	2,213,309.41

current period								
(1)Disposal				99,506.19				99,506.19
(2) Others								
(3) Decrease from the business combination								
(4) Translation reserve	193,989.99			29,527.16	1,309,145.15		581,140.92	2,113,803.22
4.Ending balance	155,186,316.95	178,779,385.91		43,479,209.66	1,032,409,930.86	20,234,451.22	181,461,536.83	1,611,550,831.43
III. Provision for impairment								
1.Beginning balance								
2. Increase in the current period								
(1)Provision made								
3. Decrease in the current period								
(1)Disposal								
4.Ending balance								
IV. Book value								
1. Ending book value	988,562,106.21	433,495,245.44		84,515,915.35	2,437,115,436.30	7,757,949.61	799,461,458.25	4,750,908,111.16
2. Beginning book value	982,519,769.00	446,687,272.48		68,528,220.76	2,527,782,140.65	9,376,006.79	883,353,722.40	4,918,247,132.08

[Note] Patent right includes software copyright, patent right and know-how

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

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

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

Monetary unit: Yuan Currency: RMB

Item	Book value	Reason for not obtaining the title certificate
Land use right	20,210,893.56	In progress
Subtotal	20,210,893.56	

(4) Impairment test of intangible assets
☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

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

Monetary unit: Yuan Currency: RMB

Name of investee or matters forming goodwill	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Formed due to business combination		Disposal		
Huahai New Energy	95,136,198.86					95,136,198.86
Tianjin B&M	366,245,456.38					366,245,456.38
Zhongjing Holdings	336,378,756.43					336,378,756.43
Total	797,760,411.67					797,760,411.67

(2) Provision for impairment of goodwill
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Name of investee or matters forming goodwill	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision made		Disposal		
Huahai New Energy	95,136,198.86					95,136,198.86
Tianjin B&M	104,969,049.11	1,032,217.39				106,001,266.50
Total	200,105,247.97	1,032,217.39				201,137,465.36

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

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

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

Changes in asset group or portfolio

☐Applicable ☒Not applicable

Other remarks

☐Applicable ☒Not applicable

(4) Specific method for determining the recoverable amount

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

☐Applicable ☒Not applicable

Determination of recoverable amount based on the present value of projected future cash flow

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Book value	Recoverable amount	Amount of impairment	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
Tianjin B&M asset group	4,023,165,842.93	3,837,000,000.00	186,165,842.93	5 years	Determined based on historical experience and market development forecasts.	Determined based on historical experience and market development forecasts.	9.67%, based on the weighted average cost of capital calculation model	Determined based on historical experience and market development forecasts.
Zhongjing Holdings asset group	2,505,169,647.82	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.	9.75%, based on the weighted average cost of capital calculation model	Determined based on historical experience and market development forecasts.
Total	6,528,335,490.75	6,494,000,000.00	186,165,842.93	/	/	/	/	/

Note: The recoverable amount of Tianjin B&M asset group is RMB 3,837,000,000.00, and the book value of the asset group or the combination of asset groups including goodwill is RMB 4,023,165,842.93, thus the difference between the recoverable amount and the book value is RMB 186,165,842.93. In 2024, a goodwill impairment loss of RMB 265,515,940.49 was recognized, where the goodwill impairment loss of RMB 97,874,230.72 that has been recognized by the Company has been fully accrued. Therefore, no goodwill impairment loss is accrued in the current period.

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

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

(5) Performance commitment and corresponding goodwill impairment

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

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

28. Long-term deferred expenses

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Amortization in the current period	Other decreases	Ending balance
Renovation cost of fixed assets	11,855,182.73	1,768,895.69	2,814,740.21		10,809,338.21
Aircraft usage fees	46,251,429.52		4,204,675.41		42,046,754.11
Total	58,106,612.25	1,768,895.69	7,019,415.62		52,856,092.32

Other remarks:

None

29. Deferred income tax assets/deferred income tax liabilities

(1) Deferred income tax assets before offset

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for asset impairment	502,924,062.71	70,706,432.16	579,981,965.66	113,348,098.26
Unrealized profits of internal transactions				
Deductible loss				
Uncovered losses	2,640,362,032.34	507,360,542.26	2,156,663,393.74	427,115,017.39
Deferred income	611,438,408.14	132,940,131.05	630,133,596.21	136,495,192.69
Unrealized profit from inventories	940,765,996.18	161,150,920.18	597,443,351.99	125,076,525.00
Long-term assets				
Gains or losses on changes in fair value				
Expenses related to share-based payment	47,331,505.58	7,099,725.84	6,117,408.66	917,611.30
Lease liabilities	52,467,924.05	10,071,252.76	51,120,095.51	11,316,619.18
Total	4,795,289,929.00	889,329,004.25	4,021,459,811.77	814,269,063.82

(2) Deferred income tax liabilities before offset

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Asset valuation appreciation arising from business combination not under common control				
Changes in fair value of other debt investments				
Changes in fair value of other equity instrument investments				
Temporary difference of long-term assets	296,577,226.90	64,098,314.01	318,101,882.08	68,689,926.69
Depreciation of fixed assets	1,168,926,205.29	184,620,513.96	1,248,542,156.80	199,376,192.35
Gains or losses on changes in fair value	20,605,939.26	3,280,586.99	47,751,623.03	7,347,784.56
Right-of-use assets	38,944,297.59	7,411,653.72	50,592,634.64	9,219,019.83
Total	1,525,053,669.04	259,411,068.68	1,664,988,296.55	284,632,923.43

(3) Deferred income tax assets/liabilities presented by net amount after offset

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance		Beginning balance	
	Offset amount of deferred income tax assets and liabilities	Balance of deferred income tax assets or liabilities after offset	Offset amount of deferred income tax assets and liabilities	Balance of deferred income tax assets or liabilities after offset
Deferred income tax assets	133,103,956.08	756,225,048.17	209,370,774.55	604,898,289.27
Deferred income tax liabilities	133,103,956.08	126,307,112.60	209,370,774.55	75,262,148.88

(4) Details of unrecognized deferred income tax assets

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Deductible temporary difference		
Deductible loss	127,076,068.08	1,086,117,942.06
Temporary difference of long-term assets		
Provision for assets impairment	19,352,246.47	22,516,137.93
Total	146,428,314.55	1,108,634,079.99

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

□Applicable√Not applicable

Other remarks:

☐Applicable ☒Not applicable

30. Other non-current assets
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Contract acquisition cost						
Contract performance cost						
Cost of returned goods						
Contract assets						
Prepayments for acquisition of land and engineering equipment	2,552,886,095.14		2,552,886,095.14	1,994,913,214.34		1,994,913,214.34
Prepayments for equity investments	474,823,950.94		474,823,950.94	264,266,833.96		264,266,833.96
Total	3,027,710,046.08		3,027,710,046.08	2,259,180,048.30		2,259,180,048.30

Other remarks:

None

31. Assets with restricted ownership or use right

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending				Beginning			
	Book balance	Book value	Type of restriction	Restriction condition	Book balance	Book value	Type of restriction	Restriction condition
Cash and cash equivalents	5,195,666,417.93	5,195,666,417.93	Others	Including deposits for bank acceptance of RMB 2,635,024,196.64, deposits for letters of credit of RMB 491,274,963.36, deposits for letters of guarantee of RMB 104,013,347.67, deposits for borrowings of RMB 1,925,944,900.15, deposits for future foreign exchange settlement of RMB 29,876,135.00, deposits for environmental impact assessment of RMB 7,150,946.17, balances frozen due to lawsuits of RMB 234,348.94 and other deposits of RMB 2,147,580.00.	3,934,560,811.62	3,934,560,811.62	Others	Other cash and cash equivalents amount to RMB 3,934,560,811.62, including deposits for bank acceptance of RMB 1,809,722,569.38, deposits for borrowings of RMB 1,698,045,632.21, deposits for letters of credit of RMB 308,780,174.06, deposits for letters of guarantee of RMB 89,120,909.10, deposits for future foreign exchange settlement of RMB 21,500,910.75, deposits for environmental impact assessment of RMB 7,154,291.63, balances frozen due to lawsuits of RMB 235,324.49 and others of RMB 1,000.00.
Accounts receivable financing	11,015,365.07	11,015,365.07	Pledge	Being used as pledge guarantees for bank financing				
Inventory	1,057,236,360.51	1,057,236,360.51	Pledge	Being used as pledge guarantees for bank financing	1,239,159,636.85	1,239,159,636.85	Pledge	Being used as pledge guarantees for bank financing
Including: data resource								
Fixed assets	21,223,045,423.87	15,737,324,427.72	Others	Being used as mortgage	20,508,740,063.46	15,772,873,426.90	Others	Being used as mortgage

				guarantees for bank financing and the fixed assets for after-sales leaseback				guarantees for bank financing and the fixed assets for after-sales leaseback
Intangible assets	303,314,756.28	255,460,233.05	Others	Being used as mortgage guarantees for bank financing and the fixed assets for after-sales leaseback	315,361,155.51	269,642,092.89	Others	Being used as mortgage guarantees for bank financing and the fixed assets for after-sales leaseback
Including: data resource								
Construction in progress	29,391,538.08	29,391,538.08	Others	Being used as construction in progress for after-sales leaseback	4,284,940.81	4,284,940.81	Others	Being used as construction in progress for after-sales leaseback
Financial assets held for trading	101,406,600.00	101,406,600.00	Pledge	Being used as pledge guarantees for bank financing	101,850,410.96	101,850,410.96	Pledge	Being used as pledge guarantees for bank financing
Accounts receivable	643,650,130.23	611,467,623.61	Pledge	Being used as pledge guarantees for bank financing	123,499,598.14	117,324,618.20	Pledge	Being used as pledge guarantees for bank financing
Fixed assets	186,499,006.52	78,258,563.59	Others	Due to a dispute over a construction project contract, the Company was placed under property preservation as a co-defendant. The Company expects that there will be no losses in the above-mentioned dispute and no provision for estimated liabilities is required	186,499,006.52	94,982,168.17	Others	Due to a dispute over a construction project contract, the Company was placed under property preservation as a co-defendant. The Company expects that there will be no losses in the above-mentioned dispute and no provision for estimated liabilities is required
Intangible assets	32,390,952.50	30,879,374.72	Others	Due to a dispute over a construction project contract, the Company was placed under property preservation as	32,390,952.50	31,203,284.24	Others	Due to a dispute over a construction project contract, the Company was placed under property preservation as a co-defendant. The Company

				a co-defendant. The Company expects that there will be no losses in the above-mentioned dispute and no provision for estimated liabilities is required				expects that there will be no losses in the above-mentioned dispute and no provision for estimated liabilities is required
Construction in progress	322,895,575.41	322,895,575.41	Others	Due to a dispute over a construction project contract, the Company was placed under property preservation as a co-defendant. The Company expects that there will be no losses in the above-mentioned dispute and no provision for estimated liabilities is required				
Long-term equity investment	185,165,716.69	185,165,716.69	Pledge	Being used as pledge guarantee for financing of Eternal Nickel Bank	187,941,366.05	187,941,366.05	Pledge	Being used as equity pledge guarantees for bank financing of Eternal Nickel
Total	29,291,677,843.09	23,616,167,796.38	/	/	26,634,287,942.42	21,753,822,756.69	/	/

Other remarks:

Other remarks:

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 ending balance of the above pledged accounts was RMB 392,941,007.48.

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 ending balance of the above pledged accounts was RMB 112,833,327.54.

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 ending balance of the above pledged accounts was RMB 2,684,983.04.

4) Others

At the end of the period, 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.

According to the relevant notes receivable pledge contracts signed by the subsidiaries Guangxi Lithium Industry and Guangxi B&M with banks, the above-mentioned companies pledged the bills issued by the companies within the consolidated scope they held to the banks to provide guarantees for their bank financing. At the end of the period, the balance of the above-mentioned pledged bills was RMB 19,423,920.28, and the receivables financing has been consolidated and offset.

32. Short-term borrowings

(1) Classification of short-term borrowings

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Pledged borrowing	5,072,315,441.67	6,225,087,154.72
Mortgaged borrowing	114,000,000.00	20,000,000.00
Guaranteed borrowing	15,381,078,669.24	12,539,782,648.00
Credit borrowing	1,844,158,440.36	1,511,992,294.16
Guaranteed and pledged borrowings	521,973,656.60	287,217,200.00
Guaranteed and mortgaged borrowings		114,000,000.00
Interest on short-term borrowings	22,879,622.83	55,776,640.40
Total	22,956,405,830.70	20,753,855,937.28

Remarks to the classification of short-term borrowings:

None

(2) Overdue and outstanding short-term borrowings

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

33. Financial liabilities held for trading

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

34. Derivative financial liabilities

☐Applicable ☒Not applicable

35. Notes payable

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Type	Ending balance	Beginning balance
Commercial acceptance bill	1,204,664,484.93	16,037,979.09
Bank acceptance bill	5,271,101,975.50	4,193,781,539.46
Total	6,475,766,460.43	4,209,819,518.55

The total amount of notes payable that become due but unpaid yet at the end of current period is RMB 0.

The reason for failure to pay on schedule is N/A

36. Accounts payable

(1) Details of accounts payable

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
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Payments for goods	8,774,526,699.51	8,649,410,797.07
Payments for engineering and equipment	3,458,553,055.18	3,337,391,233.70
Others	86,828,974.92	54,741,148.88
Total	12,319,908,729.61	12,041,543,179.65

(2) Major account payable with aging over 1 year or overdue
☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

37. Advance from customers
(1) Details of advance from customers
☐Applicable ☒Not applicable

(2) Major advance from customers with aging over 1 year
☐Applicable ☒Not applicable

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

Other remarks:

☐Applicable ☒Not applicable

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

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Payments for goods	1,998,720,652.15	863,944,887.29
Service fees	5,838,383.71	3,777,089.72
Total	2,004,559,035.86	867,721,977.01

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

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

Other remarks:

☐Applicable ☒Not applicable

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

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term employee		2,099,343,593.89	2,260,679,397.83	522,531,142.84

compensation	683,866,946.78			
II. Post-employment benefits - defined contribution plan	11,722,569.71	99,659,972.46	102,683,762.44	8,698,779.73
III. Dismissal welfare	6,197,857.10	1,951,813.99	6,951,813.99	1,197,857.10
IV. Other welfare maturing within one year				
Total	701,787,373.59	2,200,955,380.34	2,370,314,974.26	532,427,779.67

(2) Details of short-term employee compensation

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Salary, bonus, allowance and subsidy	668,780,404.79	1,837,416,684.85	1,996,797,297.50	509,399,792.14
II. Employee welfare expenses		135,790,979.56	135,790,979.56	
III. Social insurance premiums	8,127,344.72	76,709,566.13	77,770,914.37	7,065,996.48
Including: medical insurance	7,594,479.26	69,721,047.45	70,727,944.45	6,587,582.26
Work-related injury insurance	532,865.46	6,706,430.58	6,760,881.82	478,414.22
Maternity insurance fee		282,088.10	282,088.10	
IV. Housing provident funds	5,535,760.16	42,167,176.83	43,074,517.95	4,628,419.04
V. Labor union expenditures and employee education expenses	1,423,437.11	7,259,186.52	7,245,688.45	1,436,935.18
VI. Short-term paid absence				
VII. Short-term profit sharing plan				
Total	683,866,946.78	2,099,343,593.89	2,260,679,397.83	522,531,142.84

(3) Details of defined contribution plans

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic endowment insurance	11,382,235.85	95,745,697.34	98,671,417.14	8,456,516.05
2. Unemployment insurance	340,333.86	3,914,275.12	4,012,345.30	242,263.68
3. Enterprise annuity payment				
Total	11,722,569.71	99,659,972.46	102,683,762.44	8,698,779.73

Other remarks:

□Applicable √Not applicable

40. Taxes payable

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
VAT	170,466,130.14	198,934,246.07
Consumption tax		
Business tax		
Enterprise income tax	433,811,108.30	249,874,242.65
Individual income tax	14,580,824.64	16,213,297.62
Urban maintenance and construction tax	241,064.63	24,127.18
Housing property tax	17,848,939.98	35,584,231.03
Land use tax	7,727,782.12	15,563,872.99
Education surcharge	104,272.85	10,469.41
Local education surcharge	69,515.24	6,979.63
Mineral tax	89,888,431.21	80,061,912.30
Others	53,793,994.36	27,654,141.10
Total	788,532,063.47	623,927,519.98

Other remarks:

None

41. Other payables

(1) Presented by items

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Interests payable		
Dividends payable	93,050,271.34	2,984,644.38
Other payables	2,023,391,024.28	1,802,469,701.65
Total	2,116,441,295.62	1,805,454,346.03

(2) Interests payable

□Applicable √Not applicable

(3) Dividends payable

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Dividend of ordinary shares		
Dividends of preferred shares/perpetual bond classified as equity instruments		
Dividends of preferred shares/perpetual bond - XXX		
Dividend payable – Quzhou Cobalt New	90,000,000.00	
Dividend payable – Zhongjing Holdings	2,969,455.36	
Dividend payable – AMI Company	2,815.98	2,981,816.68
Dividend payable – Huayou Cobalt	78,000.00	2,827.70

Total	93,050,271.34	2,984,644.38
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Other remarks (including remarks to the major dividend payable unpaid over 1 year with the reasons for non-payment disclosed)
None

(4) Other payables

Other payables presented by nature of funds

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Inter-bank loans and interests	1,589,311,267.99	1,570,121,630.43
Repurchase obligation of restricted shares	275,608,820.80	142,405,042.80
Security deposits	124,558,135.06	45,737,106.27
Others	33,912,800.43	44,205,922.15
Total	2,023,391,024.28	1,802,469,701.65

Major other payables with aging over 1 year or overdue

□Applicable √Not applicable

Other remarks:

√Applicable □Not applicable

① The ending balance of inter-bank loans and interests mainly include funds borrowed from GLAUCOUS INTERNATIONAL PTE. LTD, Qingshan Holdings Group Co., Ltd., Xinyue Technology, STRIVE INVESTMENT CAPITAL PTE. LTD etc.

42. Liabilities held for sale

□Applicable √Not applicable

43. Non-current liabilities maturing within one year

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Long-term borrowings maturing within one year	7,081,659,283.49	6,950,390,388.81
Bonds payable maturing within one year		
Long-term payables maturing within one year	359,222,524.53	
Lease liabilities maturing within one year	23,550,337.81	38,592,168.67
Leaseback payment received due within one year	2,091,807,658.14	2,011,185,608.04
Total	9,556,239,803.97	9,000,168,165.52

Other remarks:

None

44. Other current liabilities

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Short-term bonds payable	3,019,120,853.75	2,319,406,114.26

Payable refunds		
Tax on items to be resold	34,805,520.03	18,995,321.57
Total	3,053,926,373.78	2,338,401,435.83

Increase/decrease of short-term bonds payable:

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Bond	Nominal value	Nominal interest rate (%)	Issuance date	Maturity period	Issuance amount	Beginning balance	Amount issued in the current period	Interest accrued by face value	Amortization of premiums or discounts	Amount repaid off in the current period	Ending balance	Default or not
24 Huayou Cobalt SCP003 (Science and Technology Notes)	100	2.84	2024/6/5	267 days	500,000,000.00	507,945,783.96		2,295,342.47	-146,270.83	510,387,397.26		No
24 Huayou Cobalt SCP004 (Science and Technology Notes)	100	2.45	2024/8/8	256 days	600,000,000.00	605,482,118.73		4,510,684.93	-317,333.33	610310137		No
24 Huayou Cobalt SCP006 (Science and Technology Notes)	100	3.00	2024/9/10	268 days	700,000,000.00	705,775,745.82		9,032,876.71	-610,555.55	715419178.1		No
24 Huayou Cobalt SCP005 (Science and Technology Notes)	100	3.66	2024/12/12	270 days	500,000,000.00	500,202,465.75		9,200,833.34	-502,777.78		509,906,076.87	No
25 Huayou Cobalt SCP001 (Science and Technology Notes)	100	3.45	2025/3/26	260 days	500,000,000.00		500,000,000.00	4,536,986.30	318,888.89		504,218,097.41	No

25 Huayou Cobalt SCP002 (Science and Technology Notes)	100	3.24	2025/4/14	269 days	600,000,000.00		600,000,000.00	4,101,041.10	640,000.00		603,461,041.10	No
25 Huayou Cobalt SCP003 (Science and Technology Bonds)	100	2.90	2025/5/22	259 days	700,000,000.00		700,000,000.00	2,169,041.10	855,555.55		701,313,485.55	No
25 Huayou Cobalt SCP004 (Science and Technology Bonds)	100	2.70	2025/6/9	269 days	700,000,000.00		700,000,000.00	1,087,397.26	865,244.44		700,222,152.82	No
Total	/	/	/	/	4,800,000,000.00	2,319,406,114.26	2,500,000,000.00	36,934,203.21	1,102,751.39	1,836,116,712.33	3,019,120,853.75	/

Other remarks:

☐ Applicable ☒ Not applicable

45. Long-term borrowings

(1) Classification of long-term borrowings

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Pledged borrowing	310,000,000.00	360,000,000.00
Mortgaged borrowing	822,000,000.00	
Guaranteed borrowing	5,459,644,214.66	4,500,956,188.22
Credit borrowing	29,000,000.00	
Guaranteed, pledged and mortgaged borrowings	1,486,731,959.57	2,578,393,612.51
Guaranteed and mortgaged borrowings	2,214,978,570.05	3,267,300,000.00
Guaranteed and pledged borrowings	8,153,321,576.77	8,750,951,772.92
Interest on short-term borrowings	44,088,110.95	44,622,430.39
Total	18,519,764,432.00	19,502,224,004.04

Remarks to the classification of long-term borrowings:

None

Other remarks

√Applicable □Not applicable

46. Bonds payable

(1) Bonds payable

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Convertible Corporate Bonds - Huayou Convertible Bonds	7,066,954,525.42	6,940,139,194.75
Total	7,066,954,525.42	6,940,139,194.75

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

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Bond	Nomin al value (Yuan)	Nomin al interest rate (%)	Issuance date	Maturit y period	Issuance amount	Beginning balance	Amount issued in the current period	Interest accrued by face value	Amortization of premiums or discounts	Amount repaid off in the current period	Ending balance	Default or not
Huayou Convertible Bonds	100		2022.2.24	6 years	7,600,000,000	6,940,139,194.75		46,400,077.92	-126,006,678.76	45,591,426.01	7,066,954,525.42	No
Total	/	/	/	/	7,600,000,000	6,940,139,194.75		46,400,077.92	-126,006,678.76	45,591,426.01	7,066,954,525.42	/

[Note]: The coupon rate of Huayou Convertible Bonds is 0.20% in the first year, 0.40% in the second year, 0.60% in the third year, 1.50% in the fourth year, 1.80% in the fifth year, and 2.00% in the sixth year.

(3) Remarks to convertible corporate bonds

□Applicable √Not applicable

Accounting treatment and criteria of the right to convert

☒Applicable ☐Not applicable

1) Pursuant to the “Approval of Zhejiang Huayou Cobalt Co., Ltd.’s Public Offering of Convertible Corporate Bonds” (Zheng Jian Xu Ke [2022] No. 209) by the China Securities Regulatory Commission, the Company publicly issued 76.00 million convertible corporate bonds on February 24, 2022 at par value of RMB 100 per share, totaling RMB 7.60 billion, with a term of 6 years.

Pursuant to the regulations in “CASBE 37 – Presentation of Financial Instruments”, for convertible bonds that are non-derivative financial instruments containing both financial liability component and equity instrument component, financial liabilities and equity instruments shall be measured separately at initial recognition. Therefore, the fair value of the financial liability component was recognized as bonds payable at RMB 6,063,498,791.20 after deducting allocated issuance expenses, and the fair value of equity instrument component was recognized as other equity instruments at RMB 1,490,340,831.42 after deducting allocated issuance expenses.

2) Conversion of convertible corporate bonds

In the current period, a total of 621 Huayou Convertible Bonds have been converted into 17,773 A shares of the Company (each with par value of RMB 1), where 58 shares converted from convertible bonds are from the Company’s dedicated securities account for share repurchase. Accordingly, the difference of RMB 671,360.53, which equals to the sum of the balance of bonds payable of RMB 568,705.88, interest payable of RMB 510.01 and other equity instruments of RMB 121,776.54 less the increased share capital of RMB 17,715.00 and the treasury shares of RMB 1,916.90, is included in capital reserve (share premium).

(4) Remark to other financial instruments classified as financial liabilities

Basic information of the preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period:

☐Applicable ☒Not applicable

Table of changes in preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period

☐Applicable ☒Not applicable

Basis for classifying other financial instruments into financial liabilities

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

47. Lease liabilities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Unpaid lease payments	36,337,487.74	27,170,978.84
Less: Unrecognized financing expenses	2,645,735.38	1,660,797.51
Total	33,691,752.36	25,510,181.33

Other remarks:

None

48. Long-term payables

Presented by items

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Long-term payables	4,709,604,155.92	4,666,378,463.88
Special payables		
Total	4,709,604,155.92	4,666,378,463.88

Other remarks:

None

Long-term payables

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Funds from sale and leaseback	2,080,627,810.75	1,774,364,769.59
Long-term call loans and interests thereon	2,628,976,345.17	2,892,013,694.29
Total	4,709,604,155.92	4,666,378,463.88

Other remarks:

1) Funds from sale and leaseback refer to funds from financial institutions such as Taiping & Sinopec Financial Leasing Co., Ltd., Xinxin Financial Leasing Co., Ltd., Bank of Beijing Financial Leasing Co., Ltd. through the sale and leaseback of fixed assets.

2) Long-term call loans and interests thereon mainly include balances due to Kaifei Investment (Hong Kong) Limited, W-Source Holding Limited, Tsing Creation International Holding, Long Sincere Holding Limited, Eve Asia Co., Limited, etc.

Special payables

☐Applicable ☒Not applicable

49. Long-term employee compensation payable

☐Applicable ☒Not applicable

50. Estimated liabilities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance	Reason for formation
External guarantee			
Pending litigation			
Product quality assurance			
Restructuring obligations			
Onerous contract to be performed			
Payable refunds			
Others			
Environment restoration expenses	81,522,678.42	69,467,625.52	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	81,522,678.42	69,467,625.52	/
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Other remarks (including remarks to major assumptions and estimations with respect to the major estimated liabilities)

None

51. Deferred income

Details of deferred income

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Reason for formation
Government subsidies	714,907,735.45	35,469,592.84	48,805,569.79	701,571,758.50	Granted by the government free of charge.
Total	714,907,735.45	35,469,592.84	48,805,569.79	701,571,758.50	/

Other remarks:

☐Applicable ☒Not applicable

52. Other non-current liabilities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Contract liabilities	3,586,750,000.00	3,594,200,000.00
Total	3,586,750,000.00	3,594,200,000.00

Other remarks:

According to the product sales contract signed by the subsidiary Huachi Hong Kong in December 2024, the Company has received an advance payment of RMB 3,586,750,000.00. The corresponding products will start to be delivered in 2026 or 2027. Considering the liquidity of the advance payment, it is listed as other non-current liabilities at the end of the period.

53. Share capital

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

	Beginning balance	Increase or decrease (+, -)					Ending balance
		Share newly issued	Shares donated	Shares transferred from reserve funds	Others	Sub-total	
Total number of shares	1,692,178,088.00	9,367,015.00				9,367,015.00	1,701,545,103.00

Other remarks:

The share capital increased by RMB 9,367,015.00 during the current period. For relevant details, please see the particulars contained in item VII 55 of this section.

54. Other equity instrument investments

(1) Basic information of the preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period:

☐Applicable ☒Not applicable

(2) Table of changes in preferred shares, perpetual bonds and other financial instruments issued and outstanding as at the end of the period

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Financial Instruments issued and outstanding	Beginning balance		Increases in the current period		Decrease in the current period		Ending balance	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Huayou Convertible Bonds	75,984,860.00	1,490,043,939.84			6,210.00	121,776.54	75,978,650.00	1,489,922,163.30
Total	75,984,860.00	1,490,043,939.84			6,210.00	121,776.54	75,978,650.00	1,489,922,163.30

Changes in other equity instruments during the current period and the reasons therefor, as well as the basis for the accounting treatment:

☒Applicable ☐Not applicable

Other remarks:

☐Applicable ☒Not applicable

55. Capital reserves

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Capital premium (share capital premium)	14,947,720,521.98	132,122,518.53		15,079,843,040.51
Other capital reserves	447,097,268.38	41,214,096.92		488,311,365.30
Total	15,394,817,790.36	173,336,615.45		15,568,154,405.81

Other remarks (including remarks to the increase/decrease in the current period and the reason therefor):

(1) Movements of share premium

Current increase of RMB 132,122,518.53 was due to the following events:

1) In the current period, share capital was increased by RMB 17,715 and capital reserve (share premium) was increased by RMB 671,360.53 due to conversion of convertible bonds into share capital. Please refer to item VII 46 of this section for details.

2) According to the restricted stock incentive plan approved at the 26th meeting of the sixth Board of Directors and the first extraordinary general meeting of shareholders in 2025 of the Company, it was determined that January 23, 2025 would be the grant date. Eventually, a total of 9,349,300 restricted shares were actually granted to 1,161 incentive recipients, with a grant price of RMB 15.06 per share. Among them, RMB 9,349,300.00 was recorded as share capital, and RMB 131,451,158.00 was recorded as capital reserve (share premium). The above-mentioned issuance of restricted shares has been verified by Tianjian Certified Public Accountants (Special General Partnership), and it has issued a Capital Verification Report (Tian Jian Yan [2025] No. 37). At the same time, in accordance with the provisions of the Interpretation No. 7 of the Accounting Standards for Business Enterprises, an increase of RMB 140,800,458.00 in treasury shares and RMB 140,800,458.00 in other payables is recognized based on the quantity of restricted shares issued and the corresponding repurchase obligations.

(2) Current movements of other capital reserve

Current increase of RMB 41,214,096.92 was due to the following event: According to the Company's equity incentive plan, expenses related to share-based payment for restricted shares of 2025 were recognized at RMB 41,214,096.92, which were included in the capital reserve (other capital reserve).

56. Treasury shares

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Restricted shares	142,405,042.80	140,800,458.00	7,596,680.00	275,608,820.80
Repurchased shares	750,424,588.82		1,916.90	750,422,671.92
Total	892,829,631.62	140,800,458.00	7,598,596.90	1,026,031,492.72

Other remarks (including remarks to the increase/decrease in the current period and the reason therefor)

- 1) In the current period, restricted shares were increased by RMB 133,203,778.00. Please refer to item VII 55 and 60 of this section for details.
- 2) In the current period, repurchased shares were decreased by RMB 1,916.90. Please refer to item VII 46 of this section for details.

57. Other comprehensive income

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Amount incurred in the current period						Ending balance
		Amount incurred before income tax in the current period	Less: amount included in other comprehensive income previously and then transferred into current profits and losses	Less: amount recorded in other comprehensive incomes in the prior period and converted into retained earnings in the current period	Less: income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive incomes that cannot be reclassified into profit and loss	-49,068,581.76							-49,068,581.76
Including: change in re-measurement of the defined benefit plan								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Changes in fair value of the other equity instrument investment	-49,068,581.76							-49,068,581.76
Changes in the fair value of the Company's own credit risk								
II. Other comprehensive income that will be reclassified to profit and loss	1,510,505,239.81	378,888,117.00				208,030,193.2 ₂	170,857,923.7 ₈	1,718,535,433.03

Including: other comprehensive income that can be transferred to profit and loss under the equity method	148,328,837.07	-1,818,865.86				-1,818,865.86		146,509,971.21
Changes in fair value of other debt investments								
Amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other creditor's rights investments								
Cash flow hedge reserves								
Differences arising from translation of foreign-currency financial statements	1,362,176,402.74	380,706,982.86				209,849,059.08	170,857,923.78	1,572,025,461.82
Total other comprehensive income	1,461,436,658.05	378,888,117.00				208,030,193.22	170,857,923.78	1,669,466,851.27

Other remarks (including remarks to the adjustment converting effective part of profit and loss of cash flow hedges to the initial recognition amount of the hedged item):

None

58. Special reserves

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Safety production fee	25,528.42	22,487,737.73	20,881,047.72	1,632,218.43
Mine development fund	50,809,946.58	4,771,480.44		55,581,427.02
Total	50,835,475.00	27,259,218.17	20,881,047.72	57,213,645.45

Other remarks (including remarks to the increase/decrease in the current period and the reason therefor):
Work safety fund was appropriated and used by the Company and its subsidiaries including Huayou Quzhou and New Energy Quzhou according to the document numbered Cai Zi [2022] 136 jointly issued by the Ministry of Finance and the Ministry of Emergency Management. Mine development fund was appropriated by the subsidiaries CDM Company and MIKAS Company according to the Mining Code of the Democratic Republic of the Congo.

59. Surplus reserves

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Beginning balance	Increases in the current period	Decrease in the current period	Ending balance
Statutory surplus reserves	440,135,820.74			440,135,820.74
Discretionary surplus reserves				
Reserve funds				
Enterprise development funds				
Others				
Total	440,135,820.74			440,135,820.74

Notes to the surplus reserves (including remarks to the increase/decrease in the current period and the reason therefor)

None

60. Undistributed profit

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in last year
Undistributed profit as at December 31, 2020 before adjustment	17,308,989,342.99	14,872,683,731.09
Total adjustment to undistributed profit as at the begging of the period ("+" for increase, "-" for decrease)		
Undistributed profit as at the beginning of the current period after adjustment	17,308,989,342.99	14,872,683,731.09
Plus: net profit attributable to owners of the parent company in the current period	2,710,936,108.53	4,154,825,193.75
Retained income transferred from other comprehensive income		1,210,000.00

Less: withdrawal of statutory surplus reserves		52,910,262.45
Withdrawal of discretionary surplus reserves		
Withdrawal of general risk reserves		
Ordinary share dividends payable	839,422,449.00	1,666,819,319.40
Ordinary share dividends transferred to share capital		
Undistributed profits as at the end of the period	19,180,503,002.52	17,308,989,342.99

Details of the adjustment of undistributed profit at the beginning of period:

- 1). Due to retroactive adjustment under the *Accounting Standard for Business Enterprises* and relevant new regulations, the undistributed profit at the beginning of the period is affected by RMB 0.00.
- 2). Due to change in accounting policy, the undistributed profit at the beginning of the period is affected by RMB 0.00.
- 3). Due to correction of major accounting errors, the undistributed profit at the beginning of the period is affected by RMB 0.00.
- 4). Due to changes in consolidation scope caused by business combination under common control, the undistributed profits at the beginning of the period are affected by RMB 0.00.
- 5). Due to other adjustments, the undistributed profit at the beginning of the period is affected by RMB 0.00.

61. Operating income and operating cost

(1) Details of operating income and operating cost

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Primary business	36,381,912,360.29	30,780,499,743.18	29,340,665,559.92	24,537,836,549.12
Other businesses	814,601,752.49	515,756,658.41	709,649,004.49	575,547,880.13
Total	37,196,514,112.78	31,296,256,401.59	30,050,314,564.41	25,113,384,429.25

(2) Breakdown of operating income and operating cost

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Classification of contracts	Division 1		Total	
	Operating income	Operating cost	Operating income	Operating cost
By commodity type				
Cobalt products	1,236,969,516.77	838,016,409.68	1,236,969,516.77	838,016,409.68
Copper products	2,213,190,414.12	1,589,386,497.48	2,213,190,414.12	1,589,386,497.48
Nickel products	12,836,997,853.69	10,130,544,305.45	12,836,997,853.69	10,130,544,305.45
Lithium products	1,552,975,054.00	1,395,733,538.15	1,552,975,054.00	1,395,733,538.15
Ternary precursors	1,953,031,590.81	1,595,815,211.86	1,953,031,590.81	1,595,815,211.86
Cathode	6,052,524,964.94	5,464,113,428.29	6,052,524,964.94	5,464,113,428.29

materials				
Nickel intermediates	5,542,559,002.83	4,833,029,539.70	5,542,559,002.83	4,833,029,539.70
Trade and others	5,781,141,188.00	5,430,444,633.38	5,781,141,188.00	5,430,444,633.38
By business area				
Domestic	12,976,280,669.07	10,851,013,985.22	12,976,280,669.07	10,851,013,985.22
Overseas	24,193,108,916.09	20,426,069,578.77	24,193,108,916.09	20,426,069,578.77
By market or customer type				
By contract type				
By time of commodity transfer				
Recognized at a point in time	37,169,389,585.16	31,277,083,563.99	37,169,389,585.16	31,277,083,563.99
By contract term				
By sales channel				
Total	37,169,389,585.16	31,277,083,563.99	37,169,389,585.16	31,277,083,563.99

[Note] The difference from total operating income is lease income from other operating income.

Other remarks

☐Applicable ☒Not applicable

(3) Information related to performance obligations:

☐Applicable ☒Not applicable

(4) Information related to transaction prices apportioned to the remaining performance obligations:

☐Applicable ☒Not applicable.

(5) Major contract changes or major transaction price adjustments

☐Applicable ☒Not applicable

Other remarks:

None

62. Taxes and surcharges

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Consumption tax		
Business tax		
Urban maintenance and construction tax	6,575,236.49	695,176.77

Educational surcharges	3,861,181.28	321,798.97
Resource tax		
Property tax	26,130,948.47	47,858,659.64
Land use tax	14,378,700.85	26,042,818.87
Vehicle and vessel use tax	47,570.01	43,788.08
Stamp tax	22,042,450.74	23,465,475.19
Local education surcharge	2,574,120.83	214,576.31
Mineral tax	144,166,301.16	148,293,079.22
Export duty		
Environmental protection tax		
Security fund for the disabled		
Other taxes and surcharges	2,508,972.83	2,073,929.60
Total	222,285,482.67	249,009,302.65

Other remarks:

None

63. Selling and distribution expenses

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee benefits	40,057,827.37	36,254,140.35
Share-based payments	2,151,286.01	10,352,620.13
Others	24,541,679.24	28,244,596.71
Total	66,750,792.62	74,851,357.19

Other remarks:

None

64. General and administrative expenses

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee benefits	383,431,214.61	351,508,949.13
Office expenses	84,761,957.42	81,074,370.48
Service fees	119,298,848.98	194,091,342.60
Business entertainment expenses	22,782,071.76	10,076,734.81
Depreciation and amortization	133,267,859.43	109,116,903.29
Insurance premiums	30,906,592.80	9,182,173.15
Aircraft usage fees	11,227,850.66	11,227,850.66
Share-based payments [Remark]	30,879,259.48	92,120,687.19
Others	39,294,822.75	27,887,923.50
Total	855,850,477.89	886,286,934.81

Other remarks:

According to the part of "About capital reserve - Relevant provisions on the main accounting treatment of other capital reserves" in Chapter XII of the *Compilation of Application Guidelines for Enterprise Accounting Standards 2024* issued by the Ministry of Finance in March 2024, the amount of share-based payments has been recognized in general and administrative expenses, selling and distribution expenses, R&D expenses, and operating costs respectively based on different beneficiaries in the current period.

65. R&D expenses

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee benefits	182,195,164.00	262,827,736.88
Materials consumption	206,503,946.69	230,556,739.08
Depreciation and amortization	85,071,401.31	108,538,876.56
Share-based payments	2,732,890.51	21,950,473.66
Others	59,325,244.34	85,192,774.26
Total	535,828,646.85	709,066,600.44

Other remarks:

None

66. Financial expenses

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expenses	1,081,653,025.17	1,108,253,620.67
Interest income	-135,597,029.16	-152,737,755.25
Gains or losses on foreign exchange	-117,244,842.31	46,387,351.94
Handling fees and others	82,928,709.47	68,186,219.32
Total	911,739,863.17	1,070,089,436.67

Other remarks:

None

67. Other incomes

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Classification by nature	Amount incurred in the current period	Amount incurred in the previous period
Government grants related to assets	29,223,027.09	28,371,152.17
Government grants related to income	58,043,403.21	51,116,929.61
Refund of handling fees for withholding individual income tax	3,468,981.15	3,432,584.25
VAT extra deductions	65,726,308.47	48,825,834.46
Total	156,461,719.92	131,746,500.49

Other remarks:

None

68. Investment income

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income accounted by equity method	265,554,328.82	472,426,865.12
Income from disposal of long-term equity investments	121,172,925.30	
Investment income from other non-current financial assets during the holding period	95,582,928.16	
Investment income from available-for-sale financial assets during		

the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from creditor's right investments during the holding period		
Interest income from other creditor's right investments during the holding period	4,516,473.11	2,010,208.29
Income from disposal of financial assets held for trading	31,833,623.02	56,141,234.88
Income from disposal of other equity instruments		3,025,000.00
Income from disposal of creditor's right investments		
Income from disposal of other creditor's right investments		
Income from debt restructuring		
Losses on discounting of receivables financing	-13,150,503.70	-35,099,010.73
Gains or losses on ineffective hedging	-15,414,943.41	-7,433,922.46
Losses on derecognition of accounts receivable	-45,363,990.20	-56,309,903.02
Total	444,730,841.10	434,760,472.08

Other remarks:

None

69. Gains from net exposure hedge

☐Applicable ☒Not applicable

70. Gains from changes in fair value

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Sources for gains from change in fair value	Amount incurred in the current period	Amount incurred in the previous period
Financial assets held for trading	-15,813,684.83	-15,457,493.15
Including: income from changes in fair value arising from derivative financial instruments	-12,680,562.76	-13,364,250.25
Financial liabilities held for trading	-3,133,122.07	-2,093,242.90
Investment properties measured at fair value		
Gains on changes in fair value of financial products		
Gains or losses on ineffective hedging	-6,032,418.66	25,626,279.85
Total	-21,846,103.49	10,168,786.70

Other remarks:

None

71. Loss from credit impairment

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Loss from bad debts of notes receivable		
Loss from bad debts of accounts receivable	-55,574,581.45	30,201,247.88
Loss from bad debts of other receivables		
Losses from impairment of creditor's right investments		
Losses from impairment of other creditor's right investments		
Loss from bad debts of long-term receivables		
Loss from impairment of financial guarantee		
Total	-55,574,581.45	30,201,247.88

Other remarks:

None

72. Asset impairment loss

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Loss from impairment of contract assets		
II. Loss from depreciation of inventories and impairment of contract performance costs	-67,211,670.18	-47,102,347.20
III. Loss from impairment of long-term equity investments		
IV. Loss from impairment of investment properties		
V. Loss from impairment of fixed assets		
VI. Loss from impairment of project materials		
VII. Loss from impairment of construction in progress		
VIII. Loss from impairment of productive biological assets		
IX. Loss from impairment of oil and gas assets		
X. Loss from impairment of intangible assets		
XI. Loss from impairment of goodwill	-1,032,217.39	-1,032,217.39
XII. Others		
Total	-68,243,887.57	-48,134,564.59

Other remarks:

None

73. Gains from disposal of assets

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Gains on disposal of fixed assets	-18,253,650.78	761,008.74
Total	-18,253,650.78	761,008.74

Other remarks:

☐Applicable ☒Not applicable

74. Non-operating income

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in the current non-recurring profit or loss
Total gains or losses from disposal of non-current assets	298,360.26	57,522.12	298,360.26
Including: gain from disposal of fixed assets	298,360.26	57,522.12	298,360.26
Gain from disposal of intangible assets			
Gain from debt restructuring			
Gain from exchange of non-monetary assets			
Donations received			
Government subsidies			
Liquidated damages income	11,322,683.32	1,309,817.00	11,322,683.32
Others	5,982,531.99	3,727,021.81	5,982,531.99
Total	17,603,575.57	5,094,360.93	17,603,575.57

Other remarks:

☐Applicable ☒Not applicable

75. Non-operating expenses

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in the current non-recurring profit or loss
Total losses from disposal of non-current assets	875,266.35	4,574,418.61	875,266.35
Including: loss from disposal of fixed assets	875,266.35	4,574,418.61	875,266.35
Loss from disposal of intangible assets			
Loss from debt restructuring			
Loss from exchange of non-monetary assets			
Donations made	14,469,133.60	21,931,096.58	14,469,133.60
Others	5,058,443.45	8,446,991.52	5,058,443.45
Total	20,402,843.40	34,952,506.71	20,402,843.40

Other remarks:

None

76. Income tax expense
(1) Statement of income tax expense

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expense	369,816,140.20	275,853,687.95
Deferred income tax expense	-98,756,594.65	-158,305,900.75
Total	271,059,545.55	117,547,787.20

(2) Adjustment process of accounting profit and income tax expense

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period
Total profit	3,742,277,517.89
Income tax expense calculated according to statutory/applicable tax rate	561,341,627.68
Effect of applying different tax rates to subsidiaries	-178,009,244.85
Effect of adjustment on income tax in previous periods	
Effect of non-taxable income	-125,368,883.14
Impact of non-deductible costs, expenses and losses, as well as the additional deduction of R&D expenses	-5,152,966.31
Effect of using the deductible losses from deferred income tax assets unrecognized in the previous periods	-14,391,680.30
Effect of deductible temporary differences or deductible losses of unrecognized deferred income tax assets in the current period	32,640,692.47
Income tax expense	271,059,545.55

Other remarks:

□Applicable √Not applicable

77. Other comprehensive income

√Applicable □Not applicable

See item VII 57 of this section for details.

78. Items in the Statement of Cash Flows
(1) Cash related to operating activities

Cash received from other operating activities

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of monetary funds that do not belong to cash and cash equivalents	2,832,406,910.55	782,198,465.15
Government subsidies received and	77,399,434.50	90,879,151.79

related to operating activities		
Interest income	135,597,029.16	152,737,755.25
Others	17,603,575.57	149,953,951.73
Total	3,063,006,949.78	1,175,769,323.92

Remarks to cash received from other operating activities:

None

Cash paid for other operating activities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payment of monetary funds that do not belong to cash and cash equivalents	3,218,840,392.34	100,200,568.59
Expenses paid in cash	593,039,082.87	594,639,990.17
Total	3,811,879,475.21	694,840,558.76

Remarks to cash paid for other operating activities:

None

(2) Cash related to investing activities

Cash received from important investing activities

☐Applicable ☒Not applicable

Cash paid for important investing activities

☐Applicable ☒Not applicable

Cash received from other investing activities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of monetary funds that do not belong to cash and cash equivalents	101,104,563.82	739,653,203.75
Total	101,104,563.82	739,653,203.75

Remarks to cash received from other investing activities:

None

Cash paid for other investing activities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payment of monetary funds that do not belong to cash and cash equivalents	766,148,373.37	265,403,504.63
Payment of minority equity acquisition price		526,022,354.88
Total	766,148,373.37	791,425,859.51

Remarks to cash paid for other investing activities:

None

(3) Cash related to financing activities

Cash received from other financing activities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Withdrawal of monetary funds that do not belong to cash and cash equivalents	810,843,545.76	138,793,439.39
Sale and repurchase financing		425,551,047.45
Sale and leaseback financing	1,588,749,591.87	831,339,034.04
Total	2,399,593,137.63	1,395,683,520.88

Remarks to cash received from other financing activities:

None

Cash paid for other financing activities

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payment of monetary funds that do not belong to cash and cash equivalents	1,020,471,860.73	1,465,622,378.33
Funds paid for sales and leaseback	1,198,516,545.06	807,752,778.84
Payment amount of lease liabilities	20,622,231.08	57,818,987.57
Issuance expenses	3,347,955.55	2,359,464.13
Payment of stock repurchase funds		502,558,962.08
Payment of after-sale repurchase funds		177,660,965.96
Total	2,242,958,592.42	3,013,773,536.91

Remarks to cash paid for other financing activities:

None

Changes in liabilities arising from financing activities

☐Applicable ☒Not applicable

(4) Remarks to cash flow presented by net amount
☐Applicable ☒Not applicable

(5) Major activities that do not involve cash receipts and payments in the current period but affect the financial position of the enterprise or may affect the cash flow of the enterprise in the future and their financial impact
☐Applicable ☒Not applicable

79. Supplementary information to the Statement of Cash Flows
(1) Supplementary information to the Statement of Cash Flows
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Supplementary information	Amount in the current period	Amount in the previous period
1. Net profit adjusted to cash flows from operating activities:		
Net profit	3,471,217,972.34	2,369,991,979.89
Plus: provision for asset impairment	68,243,887.57	48,134,564.59

Loss from credit impairment	58,506,882.72	-30,201,247.88
Depreciation of fixed assets, oil and gas assets and productive biological assets	2,246,865,211.10	2,018,102,951.30
Depreciation of right-of-use assets	14,918,735.45	24,722,210.01
Amortization of intangible assets	206,906,121.83	255,930,730.90
Amortization of long-term deferred expenses	7,019,415.62	6,084,302.13
Loss from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	18,253,650.78	-761,008.74
Loss from scrapping of fixed assets ("-" for gains)	875,266.35	11,501,777.19
Loss on changes in fair value ("-" for gains)	21,846,103.49	-10,168,786.70
Financial expenses ("-" for gains)	964,408,182.86	1,154,640,972.61
Investment loss ("-" for gains)	-505,509,774.71	-434,760,472.08
Decrease in deferred income tax assets ("-" for increase)	-178,053,070.21	-237,602,376.31
Increase in deferred income tax liabilities ("-" for decrease)	79,296,475.56	79,296,475.56
Decrease in inventories ("-" for increase)	-2,548,613,305.84	1,325,337,465.41
Decrease in operating receivables ("-" for increase)	-3,023,283,577.73	-1,799,957,425.69
Increase in operating payables ("-" for decrease)	670,512,697.93	-2,172,166,718.20
Others	47,592,267.37	155,455,936.50
Net cash flow from operating activities	1,618,070,841.20	2,763,581,330.49
2. Significant investing and financing activities that do not involve in cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds maturing within 1 year		
Fixed assets acquired under financing leases		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	13,372,599,048.22	14,098,947,123.96
Less: beginning balance of cash	15,516,940,793.04	10,526,774,769.22
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-2,144,341,744.82	3,572,172,354.74

(2) Net cash paid for acquisition of subsidiaries in the current period
☐Applicable ☒Not applicable

(3) Net cash received from disposal of subsidiaries in the current period
☐Applicable ☒Not applicable

(4) Composition of cash and cash equivalents
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
I. Cash	13,372,599,048.22	15,516,940,793.04
Including: cash in hand	5,603,292.80	5,201,982.26
Unrestricted bank deposit available for payment	11,883,912,735.78	13,816,698,369.82
Other unrestricted cash and cash equivalents	1,483,083,019.64	1,695,040,440.96
Unrestricted deposits in central bank		
Deposits with banks and other financial institutions		
Loans from banks and other financial institutions		
II. Cash equivalents		
Including: bond investments maturing within 3 months		
III. Ending balance of cash and cash equivalents	13,372,599,048.22	15,516,940,793.04
Including: restricted cash and cash equivalents of the parent company or subsidiaries within the group		

(5) Those limited in use but still presented as cash and cash equivalents
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Reason
Bank deposits	103,306,852.67	The ending 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	710,325,303.95	Ending balance refers to 30% of export income from natural resources deposited in Indonesia by the subsidiaries 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	508,459,318.06	Ending 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	1,322,091,474.68	/

(6) Monetary funds which are not cash and cash equivalents

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance	Reason
Other monetary funds	5,195,666,417.93	3,934,560,811.62	Bank acceptance deposit of RMB 2,635,024,196.64, letter of credit deposits of RMB 491,274,963.36, guarantee deposits of RMB 104,013,347.67, loan deposits of RMB 1,925,944,900.15, forward foreign exchange settlement and sales deposits of RMB 29,876,135.00, environmental assessment deposits of RMB 7,150,946.17, litigation frozen funds of RMB 234,348.94, and other deposits of RMB 2,147,580.00, which are restricted in use and do not meet the standards for cash and cash equivalents.
Total	5,195,666,417.93	3,934,560,811.62	/

Other remarks:

□Applicable √Not applicable

80. Notes to items in the Statement of Changes in Equity

Specify the name, adjustment amount and other matters of "Others" item with ending balance in last year adjusted:

□Applicable √Not applicable

81. Monetary items in foreign currency
(1) Monetary items in foreign currency

√Applicable □Not applicable

Monetary unit: Yuan

Item	Ending balance in foreign currency	Conversion rate	Ending balance translated in RMB
Cash and cash equivalents			9,947,949,928.79
Including: USD	1,087,868,622.63	7.1586	7,787,616,321.96
EUR	107,470,078.84	8.4024	903,006,590.45
HKD	1,212,359,867.94	0.9120	1,105,611,581.57
IDR	330,344,072,891.00	0.0004	146,012,080.22
ZWL	17,292,689.62	0.2660	4,599,855.44
HUF	51,954,911.20	0.0211	1,094,170.43
JPY	188,102.00	0.0496	9,328.73
Accounts receivable			2,530,301,274.39
Including: USD	268,138,930.38	7.1586	1,919,499,347.02
EUR	577,134.99	8.4024	4,849,319.04
IDR	1,370,933,503,006.95	0.0004	605,952,608.33
Other receivables:			123,614,738.89
Including: USD	13,314,458.81	7.1586	95,312,884.84
EUR	154,829.56	8.4024	1,300,939.89
HKD	1,200.00	0.9120	1,094.34
IDR	61,085,565,203.00	0.0004	26,999,819.82
Long-term receivables			452,819,682.04
Including: USD	63,255,340.71	7.1586	452,819,682.04
Short-term borrowings			178,965,000.00

Including: USD	25,000,000.00	7.1586	178,965,000.00
Accounts payable			3,311,267,273.40
Including: USD	302,710,847.32	7.1586	2,166,985,871.62
EUR	14,698,890.90	8.4024	123,505,960.90
AUD	29,760.00	4.6817	139,327.39
IDR	2,309,131,478,480.70	0.0004	1,020,636,113.49
Other payables			1,780,935,141.14
Including: USD	170,029,904.73	7.1586	1,217,176,076.00
EUR	192.80	8.4024	1,619.98
IDR	1,275,469,332,927.00	0.0004	563,757,445.15
Non-current liabilities maturing within one year			119,190,690.00
Including: USD	16,650,000.00	7.1586	119,190,690.00
Long-term borrowings			1,137,785,315.64
Including: USD	158,939,641.22	7.1586	1,137,785,315.64
Long-term payables			2,979,665,565.67
Including: USD	416,235,795.50	7.1586	2,979,665,565.67

Other remarks:

None

(2) Remarks to overseas business entities, including its principal place of business overseas, the functional currency and selection basis therefor, as well as the reason for the change of the functional currency (if any)

√Applicable □Not applicable

Foreign operating entities	Main operating place	Functional currencies	Basis for selection of functional currencies
Huayou Hong Kong	Hong Kong SAR	HKD	The local currency
Huayou Singapore	Singapore	USD	The local primary currency
Huayue Company	Republic of Indonesia	USD	The local primary currency
Huafei Indonesia	Republic of Indonesia	USD	The local primary currency

82. Lease

(1) As lessee

√Applicable □Not applicable

Variable lease payments not included in the measurement of the lease liability

□Applicable √Not applicable

Rental expense on short-term leases and leases of low-value assets with simplified treatment

√Applicable □Not applicable

Item	Current period cumulative	Preceding period comparative
Expense relating to short-term leases	39,008,351.93	9,391,948.15
Expense relating to leases of low-value assets (excluding short-term leases)	197,390.99	4,625,884.91
Total	39,205,742.92	14,017,833.06

Leaseback transaction and criteria

□Applicable √Not applicable

Total cash outflows related to lease: 34,147,500.69 (Monetary unit: Yuan Currency: RMB)

(2) As lessor

Operating lease as lessor

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Lease income	Including: income related to variable lease payments not included in lease receipts
Lease income	17,964,895.86	
Total	17,964,895.86	

Finance lease as lessor

□Applicable √Not applicable

Table of adjustment of undiscounted lease receipts and net lease investments

□Applicable √Not applicable

Undiscounted lease receipts for the next five years

□Applicable √Not applicable

(3) Recognition of finance lease and sales profit and loss as manufacturer or distributor

□Applicable √Not applicable

Other remarks

None

83. Data resource

□Applicable √Not applicable

84. Others

□Applicable √Not applicable

VIII. R&D expenditure

1. Presented by nature of expenses

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
R&D expenses	535,828,646.85	707,219,725.30
Total	535,828,646.85	707,219,725.30
Including: expensed R&D expenditure	535,828,646.85	707,219,725.30
Capitalized R&D expenditure		

Other remarks:

The Company's R&D costs were all costs to be expensed. Please refer to item VII 65 of this section for details.

2. Development expenditure of R&D projects eligible for capitalization

□Applicable √Not applicable

Important capitalized R&D projects

□Applicable √Not applicable

Provision for impairment of development expenditure

□Applicable √Not applicable

Other remarks

None

3. Important outsourced ongoing projects

☐Applicable ☒Not applicable

IX. Changes in Consolidation Scope

1. Business combination not under common control

☒Applicable ☐Not applicable

(1) Business combination not under common control incurred in the current period

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Acquiree	Date of equity acquisition	Cost of equity acquisition	Ratio of equity acquisition (%)	Method of equity acquisition	Acquisition date	Basis for determining the acquisition date	Income of the acquiree from the acquisition date to period-end	Net profit of the acquiree from the acquisition date to period-end	Cash flow of the acquiree from the acquisition date to period-end
PT GAPURA INDUSTRI MINERAL	2025.04.15	4,433,461.00	99.99%	Acquisition	2025.03.27	Date of payment	0.00	1,110.98	1,110.98

Other remarks:

None

(2) Combination costs and goodwill

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Combination cost	PT GAPURA INDUSTRI MINERAL
--Cash	4,433,461.00
--Fair value of non-cash assets	
--Fair value of debt issued or assumed	
--Fair value of equity securities issued	
--Fair value of contingent consideration	
--Fair value of equity interests held prior to the acquisition date on the acquisition date	
--Others	
Total combination costs	4,433,461.00
Less: Share of fair value of identifiable net assets acquired	4,433,461.00
Goodwill/combination cost less than share of fair value of identifiable net assets acquired	

Method for determining the fair value of the combination cost:

☐Applicable ☒Not applicable

Completion of performance commitments:

☐Applicable ☒Not applicable

Main reason for the formation of the goodwill with large amount:

☐Applicable ☒Not applicable

Other remarks:

None

(3) Identifiable assets and liabilities of the acquiree on the acquisition date

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

	PT GAPURA INDUSTRI MINERAL	
	Fair value on acquisition date	Book value on acquisition date
Assets:		
Cash and cash equivalents	4,433,904.39	4,433,904.39
Accounts receivable		
Inventories		
Fixed assets		
Intangible assets		
Liabilities:		
Borrowings		
Accounts payable		
Deferred income tax liabilities		
Net assets	4,433,904.39	4,433,904.39
Less: minority equity	443.39	443.39
Net assets acquired	4,433,461.00	4,433,461.00

Method for determining the fair value of identifiable assets and liabilities:

The acquisition-date fair value of acquirees' identifiable assets and liabilities is determined based on the acquisition consideration and the status of acquirees' assets and liabilities.

Contingent liability of the acquiree undertaken in business combination:

None

Other remarks:

None

(4) Profit or loss arising from the re-measurement of equity held prior to acquisition date at the fair value

Whether there is a transaction where any step-by-step combination is realized through multiple transactions with the controlling rights obtained during the Reporting Period.

□Applicable √Not applicable

(5) Remarks to combination consideration or fair values of identifiable assets and liabilities on the acquisition date or at the end of the period of combination

☐Applicable ☒Not applicable

(6) Other remarks

☐Applicable ☒Not applicable

2. Business combination under the common control

☐Applicable ☒Not applicable

3. Counter purchase

☐Applicable ☒Not applicable

4. Disposal of subsidiaries

Whether there is a transaction or event resulting in loss of control over the subsidiaries in the current period

☒Applicable ☐Not applicable

Monetary Unit: Yuan Currency: RMB

Name of subsidiary	Time point when control is lost	Disposal price at the time point when control is lost	Proportion of disposal at the time point when control is lost (%)	Method of disposal at the time point when control is lost	Basis for judging the time point when control is lost	Difference between the disposal price and the share of the net assets of the subsidiary at the consolidated financial statement level corresponding to the disposal investment	Proportion of remaining equity on the date of loss of control (%)	Book value of the remaining equity at the consolidated financial statement level on the date of loss of control	Fair value of the remaining equity at the consolidated financial statement level on the date of loss of control	Gains or losses arising from the remaining equity remeasured at fair value	Determination method and main assumptions of the fair value of the remaining equity at the consolidated financial statement level on the date of loss of control	Amount of other comprehensive income related to equity investment in the original subsidiary that is transferred to investment gains or losses or retained earnings
Guangzhou Huayi New Energy Technology Co., Ltd.	January 2025	0.00	70.00	Cancellation	Completion of cancellation procedures	0.00	0.00					0.00

Other remarks:

☐Applicable ☒Not applicable

Whether there is a loss of control due to disposal of investment in subsidiaries through multiple transactions step by step

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

5. Change in consolidation scope for other reasons

Specify the change of consolidation scope caused by other reasons (such as establishment of new subsidiaries and liquidation of subsidiaries) and other related situations.

☒Applicable ☐Not applicable

Entities	Equity acquisition method	Equity acquisition date	Capital contribution	Holding proportion (%)
Huaxin International Investment Co., Ltd.	Establishment	February 7, 2025	USD 10,000	100.00
Huayou Singapore International Development Limited	Establishment	February 24, 2025	USD 10,000	70.00
Tongxiang Hualan Information Technology Consulting Co., Ltd.	Establishment	April 17, 2025	200,000.00	100.00
Huayong Zhiyuan Information Technology Consulting (Beijing) Co., Ltd.	Establishment	April 18, 2025	200,000.00	100.00

6. Others

☐Applicable ☒Not applicable

X. Equity in other entities
1. Equity in subsidiaries
(1) Structure of the enterprise group

√Applicable □Not applicable

Monetary unit: 0,000 Yuan Currency: RMB

Subsidiary's name	Principal place of business	Registered capital	Registration place	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Huayou Quzhou	Quzhou City, Zhejiang Province	240,124.36	Quzhou City, Zhejiang Province	Manufacturing	83.96		Establishment
Huayou Hong Kong	Hong Kong SAR	HKD55,099.20	Hong Kong SAR	Trade and wholesale	100.00		Establishment
Huayou Singapore	Singapore	USD1,500.00	Singapore	Trade and wholesale	70.00		Establishment
Huayue Company	Republic of Indonesia	USD26,000.00	Republic of Indonesia	Manufacturing	57.00		Establishment
Chengdu B&M	Jintang County, Sichuan Province	103,000.00	Jintang County, Sichuan Province	Manufacturing	36.86		Business combination not under common control
Indonesia Huafei	Republic of Indonesia	USD54,000.00	Republic of Indonesia	Manufacturing	51.00		Business combination not under common control

Remarks to the subsidiaries in which the ownership ratio is different from the voting right ratio:

None

Basis for determining the control over an investee while holding its half or less than half voting rights, and non-control over an investee while holding its more than half voting rights:

None

Basis for determining control in case of the important structured entities included in the scope of consolidation:

None

Basis for determining whether the Company is an agent or a principal:

None

Other remarks:

None

(2) Major non-wholly owned subsidiaries

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Subsidiary's name	Ownership ratio of minority shareholders (%)	Profit and loss attributable to minority shareholders in the current period	Dividend declared to minority shareholders in the current period	Ending balance of minority equity
Huayue Company	43.00	343,295,049.06		3,299,353,685.68

Chengdu B&M	63.14	103,603,162.99		1,784,571,600.95
Huayou Quzhou	16.04	71,837,040.65	90,000,000.00	968,921,706.20
Huayou Singapore	30.00	14,157,986.40		127,837,991.12
Indonesia Huafei	49.00	224,637,753.03		2,468,239,178.37

Remarks to the subsidiaries in which the minority shareholder's ownership ratio is different from its voting right ratio:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

(3) Main financial information of major non-wholly owned subsidiaries

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Subsidiary's name	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Huayue Company	4,116,100,539.40	8,361,341,443.88	12,477,441,983.28	735,220,992.00	4,069,305,443.19	4,804,526,435.19	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
Chengdu B&M	7,436,374,112.07	3,422,369,597.66	10,858,743,709.73	7,227,794,102.36	804,577,100.32	8,032,371,202.68	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
Huayou Quzhou	15,629,705,808.22	7,611,814,118.81	23,241,519,927.03	13,417,978,366.56	3,782,882,544.27	17,200,860,910.83	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
Huayou Singapore	724,786,065.07		724,786,065.07	298,659,428.01		298,659,428.01	1,550,897,529.23		1,550,897,529.23	1,170,288,314.18		1,170,288,314.18
Indonesia Huafei	4,515,606,143.17	13,379,844,262.46	17,895,450,405.63	3,688,537,480.15	9,169,690,112.48	12,858,227,592.63	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

Subsidiary's name	Amount incurred in the current period				Amount incurred in the previous period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Huayue Company	3,843,631,182.66	798,360,579.20	798,360,579.20	1,040,535,916.54	6,949,262,432.48	1,463,761,835.28	1,550,447,021.22	2,134,284,361.96
Chengdu B&M	5,633,107,248.44	164,084,832.11	164,084,832.11	145,555,809.18	7,995,748,986.64	228,953,919.22	228,953,919.22	937,151,441.60
Huayou Quzhou	10,428,110,171.67	447,861,849.43	447,861,849.43	-3,619,659,821.45	21,898,503,850.39	57,813,512.83	57,813,512.83	1,978,716,582.73
Huayou Singapore	4,312,943,642.09	47,193,288.01	47,193,288.01	213,688,041.85	14,886,424,023.34	176,702,033.49	181,051,511.50	248,826,182.12
Indonesia Huafei	6,801,427,313.59	458,444,393.95	458,444,393.95	-721,774,774.77	8,568,054,406.02	513,545,551.52	577,969,083.72	1,217,540,798.71

Other remarks:

None

(4) Major restriction on using the assets of the enterprise group and repaying the debts of the enterprise group:

☐Applicable ☒Not applicable

(5) Financial or other supports provided for structured entities included in the consolidated financial statement:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

2. Transactions which results in changes in owner's equity in a subsidiary and remain in control of the subsidiary

☐Applicable ☒Not applicable

3. Equity in joint ventures or associates

☒Applicable ☐Not applicable

(1) Major joint ventures or associates

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Name of joint venture or associate	Principal place of business	Registration place	Business nature	Shareholding ratio (%)		Accounting treatment method for investment in joint ventures or associates
				Direct	Indirect	
Leyou Company	Wuxi City, Jiangsu Province	Wuxi City, Jiangsu Province	Non-metallic mineral products industry	49		Equity method
Newstride Technology	Hong Kong SAR	Hong Kong SAR	Industrial investments	30		Equity method

Remarks to the circumstance where shareholding ratio in joint ventures or associates are different from the voting right ratio:

None

Basis for determining the voting rights below 20% but with significant influence, or the voting rights over 20% (inclusive) without significant influence:

None

(2) Main financial information of major joint ventures

☐Applicable ☒Not applicable

(3) Main financial information of associates

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

	Ending balance/ amount incurred in current period		Beginning balance/ amount incurred in last period	
	Leyou Company	Newstride Technology	Leyou Company	Newstride Technology
Current assets	1,667,618,937.95	6,476,966,339.53	3,334,839,675.22	6,623,013,966.01
Non-current assets	1,518,185,556.59	6,127,658,855.84	1,597,973,973.52	6,188,373,896.66

Total assets	3,185,804,494.54	12,604,625,195.37	4,932,813,648.74	12,811,387,862.67
Current liabilities	217,201,964.62	1,644,484,474.86	1,085,744,924.99	2,102,665,865.81
Non-current liabilities	168,048,395.03	90,534,653.78	152,054,385.40	79,894,059.85
Total liabilities	385,250,359.65	1,735,019,128.64	1,237,799,310.39	2,182,559,925.66
Minority interests		3,948,775,312.37		3,883,614,540.27
Equity attributable to shareholders of the parent company	2,800,554,134.89	6,920,830,754.36	3,695,014,338.35	6,745,213,396.74
Share of net assets calculated as per shareholding ratio				
Adjustment items				
--Goodwill				
--Unrealized profits from internal transactions				
--Others				
Book value of equity investment in joint venture				
Fair value of equity investment in joint venture with quoted price				
Operating income				
Net profit	101,166,271.83	524,659,913.38	573,217,914.96	2,867,440,091.26
Net profit from discontinuing operation				
Other comprehensive income				
Total comprehensive income	101,166,271.83	524,659,913.38	573,217,914.96	2,958,472,449.82
Dividends received from joint ventures in the current year				

Other remarks:

None

(4) Summary of the financial information for those minor joint venture and associates

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

	Ending balance/ amount incurred in current period	Beginning balance/ amount incurred in last period
Joint ventures:		
Total book value of investments	298,801,091.32	237,658,162.61
Totals of the following items calculated as per shareholding ratio		
--Net profit	11,259,610.09	-1,926,826.66
--Other comprehensive income	-116,681.38	-570,576.74
--Total comprehensive income	11,142,928.71	-2,497,403.40
Associates:		
Total book value of investments	8,720,350,903.03	8,429,409,065.17

Totals of the following items calculated as per shareholding ratio		
--Net profit	134,930,510.43	70,094,595.45
--Other comprehensive income	-363,575.68	51,336,536.09
--Total comprehensive income	134,566,934.75	121,431,131.54

Other remarks:

None

(5) Major restrictions on capital transferring from joints ventures or associates to the Company:

☐Applicable ☒Not applicable

(6) Excess losses incurred to joint ventures or associates

☐Applicable ☒Not applicable

(7) Unrecognized commitments related to investments in joint ventures

☐Applicable ☒Not applicable

(8). Contingent liabilities relevant to investment in joint ventures or associates

☐Applicable ☒Not applicable

4. Major joint operation

☐Applicable ☒Not applicable

5. Equity in structured entities not included in the consolidated financial statements

Remark to the structured entities not included in the consolidated financial statement:

☐Applicable ☒Not applicable

6. Others

☐Applicable ☒Not applicable

XI. Government subsidies

1. Government subsidy recognized as amount receivable at the end of the reporting period

☐Applicable ☒Not applicable

Reason for failure to receive government subsidy of the expected amount at the expected time

☐Applicable ☒Not applicable

2. Liabilities involving government subsidy

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Financial statement item	Beginning balance	Amount of subsidy increase in the current period	Amount included in non-operating income in the current period	Amount transferred to other income in the current period	Other change in the current period	Ending balance	Related to assets/income
Deferred income	706,399,541.07	8,985,300.00		29,223,027.11		686,161,813.96	Related to assets
Deferred income	8,508,194.38	26,484,292.84		19,582,542.68		15,409,944.54	Related to income
Total	714,907,735.45	35,469,592.84		48,805,569.79		701,571,758.50	/

3. Government subsidy included in current profit and loss

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Type	Amount incurred in the current period	Amount incurred in the previous period
Related to income	58,043,403.21	28,371,152.17
Related to assets	29,223,027.09	51,116,929.61
Others		2,624,376.31
Total	87,266,430.30	82,112,458.09

Other remarks:

None

XII. Risks Relating to Financial Instruments

1. Risks of financial instruments

√Applicable □Not applicable

In risk management, the Company aims to seek the appropriate balance between the risks and benefits from its use of financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Company's financial performance, so as to maximize the profits of shareholders and other equity investors. Based on such risk management objectives, the Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits on a timely and reliable basis.

The Company has exposure to the following risks from its use of financial instruments, which mainly include: credit risk, liquidity risk, and market risk. The Management has deliberated and approved policies concerning such risks, and details are:

(I) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

1. Credit risk management practice

(1) Evaluation method of credit risk

At each balance sheet date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When assessing whether the credit risk has increased significantly since initial recognition, the Company takes into account reasonable and supportable information, which is available without undue cost or effort, including qualitative and quantitative analysis based on historical data, external credit risk rating, and forward-looking information. The Company determines the changes in default risk of financial instruments during the estimated lifetime through comparison of the default risk at the balance sheet date and the initial recognition date, on an individual basis or a portfolio basis.

The Company considers the credit risk on a financial instrument has increased significantly when one or more of the following qualitative and quantitative standards are met:

1) Quantitative standard mainly relates to the scenario in which, at the balance sheet date, the probability of default in the remaining lifetime has risen by more than a certain percentage compared with the initial recognition;

2) Qualitative standard mainly relates to significant adverse changes in the debtor's operation or financial position, present or expected changes in technology, market, economy or legal environment that will have significant adverse impact on the debtor's repayment ability;

(2) Definition of default and credit-impaired assets

A financial instrument is defined as defaulted when one or more following events have occurred, of which the standard is consistent with that for credit-impairment:

1) significant financial difficulty of the debtor;

2) a breach of binding clause of contract;

3) it is very likely that the debtor will enter bankruptcy or other financial reorganization;

4) the creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the creditor would not otherwise consider.

2. Measurement of expected credit losses

The key factors in the measurement of expected credit loss include the probability of default, loss given default, and exposure to default risk. The Company develops a model of the probability of default, loss given default, and exposure to default risk on the basis of quantitative analysis of historical data (e.g., counterparty rating, guarantee measures and collateral type, payment method, etc.) and forward-looking information.

3. Please refer to item VII 5, 7 and 9 of this section for details on the reconciliation table of opening balance and ending balance of loss allowances of financial instrument.

4. Exposure to credit risk and concentration of credit risk

The Company's credit risk is primarily attributable to cash and bank balances and receivables. In order to control such risks, the Company has taken the following measures:

(1) Cash and bank balances

The Company deposits its bank balances and other cash and bank balances in financial institutions with relatively high credit levels, hence, its credit risk is relatively low.

(2) Receivables

The Company performs credit assessment on customers using credit settlement on a continuous basis. The Company selects credible and well-reputed customers based on credit assessment result, and conducts ongoing monitoring on balance of receivables, to avoid significant risks in bad debts.

As the Company only conducts business with credible and well-reputed third parties, collateral is not required from customers. The Company manages credit risk aggregated by customers. As of June 30, 2025, the Company has certain concentration of credit risk, and 45.76% (December 31, 2024: 36.94%) of the total accounts receivable was due from the five largest customers of the Company. The Company held no collateral or other credit enhancement on balance of receivables.

The maximum amount of exposure to credit risk of the Company is the carrying amount of each financial asset at the balance sheet.

(II) Liquidity risk

Liquidity risk is the risk that the Company may encounter deficiency of funds in meeting obligations associated with cash or other financial assets settlement, which is possibly attributable to failure in selling financial assets at fair value on a timely basis, or failure in collecting liabilities from counterparties of contracts, or early redemption of debts, or failure in achieving estimated cash flows.

In order to control such risk, the Company comprehensively utilizes financing tools such as notes settlement, bank borrowings, etc. and adopts long-term and short-term financing methods to optimize financing structures, and finally maintains a balance between financing sustainability and flexibility. The Company has obtained credit limit from several commercial banks to meet working capital requirements and expenditures.

Financial liabilities classified based on remaining time period till maturity

Item	Ending balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Bank borrowings	48,557,829,546.19	49,747,077,126.54	39,149,104,187.87	9,285,811,735.94	1,312,161,202.74
Held-for-trading financial liabilities					
Notes payable	6,475,766,460.43	6,475,766,460.43	6,475,766,460.43		
Accounts payable	12,319,908,729.61	12,319,908,729.61	12,319,908,729.61		
Other payables	2,116,441,295.62	2,154,751,250.37	2,154,751,250.37		
Other current liabilities	3,022,061,132.43	3,022,061,132.43	3,022,061,132.43		
Bonds payable	7,066,954,525.42	7,582,551,782.99	105,713,895.09	268,544,271.97	7,208,293,615.93
Lease liabilities	33,691,752.36	36,337,487.74	23,550,337.81	10,141,414.55	2,645,735.38
Long-term payables	7,160,634,338.59	7,318,178,839.20	2,539,804,104.59	2,149,398,389.43	2,628,976,345.17
Sub-total	86,753,287,780.65	88,656,632,809.31	65,790,660,098.20	11,713,895,811.89	11,152,076,899.22

(Continued)

Items	Beginning balance
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	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Bank borrowings	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
Held-for-trading financial liabilities					
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	103719333.9	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
Sub-total	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

(III) Market risk

Market risk is the risk that the Company may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market price. Market risk mainly includes interest risk and foreign currency risk.

1. Interest risk

Interest risk is the risk that an enterprise may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market interest rates. The Company's fair value interest risks arise from fixed-rate financial instruments, while the cash flow interest risks arise from floating-rate financial instruments. The Company determines the proportion of fixed-rate financial instruments and floating-rate financial instruments based on the market environment, and maintains a proper financial instruments portfolio through regular review and monitoring. The Company's interest risk in cash flows relates mainly to bank borrowings with floating interest rate.

As of June 30, 2025, balance of borrowings with interest accrued at floating interest rate totaled RMB 25,016,503,207.34 (December 31, 2024: RMB 23,369,916,939.26). If interest rates had been 50 basis points higher/lower and all other variables were held constant, financial effect on the Company would be a/an decrease/increase of RMB 125.0825 million (December 31, 2024: a/an decrease/increase of RMB 116.8496 million) in equity, a/an decrease/increase of RMB 125.0825 million (2024: a/an decrease/increase of RMB 116.8496 million) in net profit.

2. Foreign currency risk

Foreign currency risk is the risk arising from changes in fair value or future cash flows of financial instrument resulted from changes in exchange rate. The Company's foreign currency risk relates mainly to foreign currency monetary assets and liabilities. When short-term imbalance occurred to foreign currency assets and liabilities, the Company may trade foreign currency at market exchange rate when necessary, in order to maintain the net risk exposure within an acceptable level.

Please refer to item VII 81 of this section for details on foreign currency financial assets and liabilities at the balance sheet date.

2. Hedging

(1) The Company carries out hedging business for risk management

√Applicable □Not applicable

Item	Corresponding risk management strategies	Qualitative and quantitative	Economic relationship between	Expected effective	Impact of corresponding
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	and objectives	information on hedged risk	the hedged items and the related hedging instruments	realization of risk management objectives	hedging activities on risk exposure
Fair value hedging – futures contracts	To avoid the risks to the Company's production and operations caused by price changes of commodity metals such as nickel, lithium and cobalt, so as to achieve stable operations	Please refer to item VII 3, 10, 68 and 70 of this section for quantitative information on hedged risks, i.e., price fluctuation risks of nickel, lithium and cobalt.	The hedged item and the hedging instrument generally fluctuate in opposite directions, which indicates that the hedging is effective, otherwise the hedging is ineffective.	Gains or losses on hedging instruments can offset the value changes of the hedged items, and the expected risk management objectives are effectively achieved.	Effectively reduce the risk exposure

Other remarks

☐Applicable ☒Not applicable

(2) The Company carries out conforming hedging business and applies hedge accounting
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Book value related to hedged items and hedging instruments	Cumulative fair value hedge adjustment of the hedged item included in the recognized book value of the hedged item	Hedging validity and source of the invalid hedging part	Impact of hedge accounting on the financial statements of the Company
Type of hedging risk				
Price fluctuation risks of nickel, lithium and cobalt		-608,994,144.66	Whether the hedging instrument and hedged item fluctuate in the opposite directions	Gains on hedging instruments in the current period were RMB 589,811,222.30, losses on the hedged items arising from hedging risks were RMB 608,994,144.66, and losses on ineffective hedges were RMB 19,182,922.36 (including losses from close position of RMB 13,150,503.70 and losses from open position of RMB 6,032,418.66).
Hedging category				
Fair value hedging		-608,994,144.66	Whether the hedging instrument and hedged item fluctuate in the opposite directions	Gains on hedging instruments in the current period were RMB 589,811,222.30, losses on the hedged items arising from hedging risks were RMB 608,994,144.66 and losses on ineffective hedges were RMB 19,182,922.36 (including losses from close position of RMB 13,150,503.70 and losses from open position of RMB 6,032,418.66).

Other remarks

☒Applicable ☐Not applicable

For relevant details of the book value of hedged items and hedging instruments, please see the particulars contained in item VII 3 and 10 of this section.

(3) The Company carries out hedging business for risk management and expects to achieve risk management objectives, but does not apply hedge accounting

☐Applicable ☒Not applicable

Other remarks

☐Applicable ☒Not applicable

3. Transfer of financial assets

(1) Classification of transfer method

☒Applicable ☐Not Applicable

Monetary unit: Yuan Currency: RMB

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition situation	Basis for determining derecognition
Notes discount	Receivables financing	5,191,281,519.94	Derecognition	Nearly all the risks and rewards have been transferred
Notes endorsement	Receivables financing	2,413,332,606.52	Derecognition	Nearly all the risks and rewards have been transferred
Total	/	7,604,614,126.46	/	/

(2) Financial assets de-recognized due to transfer

☒Applicable ☐Not Applicable

Monetary unit: Yuan Currency: RMB

Item	Transfer method of financial assets	Amount of financial assets with termination of recognition	Gains or losses related to termination recognition
Receivables financing	Endorsement/discount	7,604,614,126.46	-15,414,943.44
Total	/	7,604,614,126.46	-15,414,943.44

(3) Transferred financial assets further involved

☐Applicable ☒Not applicable

Other remarks

☐Applicable ☒Not applicable

XIII. Disclosure of Fair Value

1. Ending fair value of the assets and liabilities measured at fair value

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending fair value			
	First level of fair value measurement	Second level of fair value measurement	Third level of fair value measurement	Total
I. Continuous fair value				

measurement				
(I) Financial assets held for trading	752,044,514.78		292,223,988.45	1,044,268,503.23
1. Financial assets measured at fair value through current profit or loss	752,044,514.78		292,223,988.45	1,044,268,503.23
(1) Debt instrument investments				
(2) Equity instrument investments				
(3) Derivative financial assets	752,044,514.78		7,223,988.45	759,268,503.23
(4) Financial products			285,000,000.00	285,000,000.00
2. Financial asset designated to be measured at fair value through current profit or loss				
(1) Debt instrument investment				
(2) Equity instrument investment				
(II) Other debt investments				
(III) Other equity instrument investments			388,506,682.81	388,506,682.81
(IV) Investment properties				
1. Right to use the land for lease				
2. Leased buildings				
3. Land use right held for transfer upon appreciation				
(V) Biological assets				
1. Consumptive biological assets				
2. Productive biological assets				
(VI) Receivables financing			1,228,626,597.01	1,228,626,597.01
(VII) Other non-current financial assets			6,573,600.00	6,573,600.00
(VIII) Inventories - Changes in fair value of hedged items		-279,959,847.43		-279,959,847.4
Total amount of assets measured at fair value on a continuous basis	752,044,514.78	-279,959,847.43	1,915,930,868.27	2,388,015,535.62
(VIII) Financial liabilities held for trading				
1. Financial liabilities measured at fair value through current profit or loss				
Including: traded bonds issued				
Derivative financial liabilities				
Others				

2. Financial liabilities designated to be measured at fair value through current profit or loss				
Total amount of liabilities measured at fair value on a continuous basis				
II. Non-continuous fair value measurement				
(I) Assets held for sale				
Total amount of assets measured at fair value not on a continuous basis				
Total amount of liabilities measured at fair value not on a continuous basis				

2. Basis for determining the market price for the items subject to the first level of continuous and non-continuous fair value measurement

√Applicable □Not applicable

Item	Closing fair value	Valuation technique
Derivative financial assets	752,044,514.78	The fair value of futures contracts is determined based on the settlement price determined in futures transactions.

3. Valuation techniques adopted and qualitative and quantitative information of important parameters for the items subject to the second level of continuous and non-continuous fair value measurement

√Applicable □Not applicable

Item	Closing fair value	Valuation technique
Inventory - Changes in the fair value of hedged items	-279,959,847.43	The fair value of hedged items is determined based on closing quoted price in spot market.

4. Valuation techniques adopted and qualitative and quantitative information of important parameters for the items subject to the third level of continuous and non-continuous fair value measurement

√Applicable □Not applicable

Item	Closing fair value	Valuation technique
Derivative financial assets	7,223,988.45	The fair value of forward foreign exchange settlement = the amount of foreign currencies sold * (forward exchange rate agreed in contracts - closing forward exchange rate of forward foreign exchange settlement with similar delivery date)/(1+discount rate * number of days from balance sheet date to

Item	Closing fair value	Valuation technique
		delivery date/360)
Short-term bank financial products	285,000,000.00	The principal plus expected income as of the balance sheet date.
Other equity instrument investments	388,506,682.81	For Inner Mongolia Sinuo, Hanaq Company, Shengyan Technology, Guanyu Battery and China General Nuclear New Energy, the carrying amount is used as the fair value as there is little difference between them.
Receivables financing	1,228,626,597.01	The carrying amount is used as the fair value as there is little difference between them.
Other non-current financial assets	6,573,600.00	The carrying amount is used as the fair value as there is little difference between them.

5. Adjustment between book values at beginning and ending and sensitivity analysis of unobservable parameters for the items subject to the third level of continuous fair value measurement

☐Applicable ☒Not applicable

6. Conversion causes and policy to determine the conversion time point in case of conversion between levels in current period for the items subject to continuous fair value measurement

☐Applicable ☒Not applicable

7. Changes in valuation techniques in the current period and the reason therefor

☐Applicable ☒Not applicable

8. Fair value of the financial assets and liabilities not measured at fair value

☐Applicable ☒Not applicable

9. Others

☐Applicable ☒Not applicable

XIV.Related Party and Related-party Transactions

1. Information of the parent company of the Company

☒Applicable ☐Not applicable

Monetary unit: Ten Thousand Yuan Currency: RMB

Name of the parent company	Registration place	Business nature	Registered capital	Percentage of the Company's equities held by the parent company (%)	Ratio of voting right of the parent company in the Company (%)
Huayou Holding	Tongxiang City, Zhejiang Province	Business services	7,009.20	17.94	17.94

Information of the parent company

None

The ultimate controller of the Company is Chen Xuehua, who holds 22.79% of the Company's equity by direct holding and indirect holding through Huayou Holding

Other remarks:

None

2. Information of subsidiaries of the Company

Please refer to Note for the details of the subsidiaries of the Company.

☐Applicable ☒Not applicable

3. Information of joint ventures and associates of the Company

Please refer to Note for the details of major joint ventures and associates of the Company.

☐Applicable ☒Not applicable

Information of other joint ventures and associates that have related party transactions with the Company in the current period or had related party transactions with the Company in the previous period and generated balances:

☒Applicable ☐Not applicable

Joint ventures or associates	Relationships with the Company
Qingshan Lvshui	Joint venture
Puhua Company	Associate
Leyou Company	Associate
Hunan Yacheng.	Associate
Ningbo Ruihua	Associate
Zhejiang Times Li-ion Material Co., Ltd. (“Times Li-ion”)	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. (“Huayou Li-ion”)	Subsidiary of the associate Tongxiang Lithium Times
Quzhou Electric Investment Huayou Smart Energy Co., Ltd. (“Quzhou Electric Investment”)	Subsidiary of the associate Zhejiang Electric Investment.
Tongxiang Electric Investment Huayou Smart Energy Co., Ltd. (“Tongxiang Electric Investment”)	Subsidiary of the associate Zhejiang Electric Investment.
Guangxi Times Huineng Lithium Battery Material Technology Co., Ltd. (“Guangxi Times Huineng”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Juneng Thermal Energy Co., Ltd. (“Yulin Times Juneng”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Green Water Environmental Technology Co., Ltd. (“Yulin Times Green Water”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
Yulin Times Blue Sky Gas Co., Ltd. (“Yulin Times Blue Sky”)	Subsidiary of the associate Guangxi Times Li-ion Industry Fund
IWIP Company	Associate
Newstride Technology	Associate
Veinstone	Associate
PT.WEDABAY NICKEL INDONESIA (“WBN Company”)	Subsidiary of the associate Newstride Technology
PT.WEDA BAY ENERGI (“WBE Company”)	Subsidiary of the associate Veinstone
Indonesia Huatuo	Associate
Eternal Nickel	Associate
WKM Company	Associate
PT SULAWESI CAHAYA MINERAL (“SCM Company”)	Subsidiary of the associate MBM Company
LG-HY BCM	Associate
PHC Company	Associate
Zongxu Huayou	Associate

Other remarks:

☐Applicable ☒Not applicable

4. Other related parties

☒Applicable ☐Not applicable

Other related parties	Relationships with the Company
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Other related parties	Relationships with the Company
Guangxi Huayou Construction Operation Management Co., Ltd. (“Guangxi Huayou Construction”)	Under the control of Huayou Holding
Yunnan Youtian New Energy Technology Co., Ltd. (“Yunnan Youtian”)	Under the control of Huayou Holding
Inner Mongolia Shengfan Technology New Energy Co., Ltd. (“Inner Mongolia Shengfan”)	Under the control of Huayou Holding
Guangxi Huachuang New Material Copper Foil Co., Ltd. (“Guangxi Huachuang”)	Under the control of Huayou Holding
Guangxi Times New Energy Lithium Battery Material Technology Co., Ltd. (“Guangxi Times New Energy”)	Under the control of Huayou Holding
Guangxi Times Chuangneng New Material Technology Co., Ltd. (“Guangxi Times Chuangneng”)	Under the control of Huayou Holding
Guangxi Huayou Resource Recycling Technology Co., Ltd. (“Guangxi Huayou Resource Recycling”)	Under the control of Huayou Holding
Zhejiang Youshan New Materials Technology Co., Ltd. (“Youshan New Materials”)	Under the control of Huayou Holding
Anhui Huachuang New Material Co., Ltd. Zhejiang Branch (“Anhui Huachuang Zhejiang Branch”)	Under the control of Huayou Holding
Guizhou Yayou New Material Co., Ltd. (“Guizhou Yayou”)	Under the control of Huayou Holding
Youshan New Material Technology (Guizhou) Co., Ltd. (“Guizhou Youshan New Material”)	Under the control of Huayou Holding
Inner Mongolia Huajing New Material Co., Ltd. (“Huajing New Material”)	Under the control of Huayou Holding
Jiangxi Huachuang New Material Co., Ltd. (“Jiangxi Huachuang”)	Under the control of Huayou Holding
Zhejiang Youshan New Energy Technology Co., Ltd. (“Youshan New Energy”)	Under the control of Huayou Holding
Zhejiang Youshan New Energy Technology Co., Ltd. Changsha Branch (“Youshan New Energy Changsha Branch”)	Under the control of Huayou Holding
PT YOUSHAN NICKEL INDONESIA (“Youshan Nickel”)	It was originally an associate of Huayou Holding, but in August 2024, Huayou Holding sold its remaining equity. Therefore, as of August 2024, this company is no longer an associated enterprise of its controlling shareholder, Huayou Holdings
Zhejiang Beilinde Enterprise Management Co., Ltd. (“Beilinde Company”)	An associate of Huayou Holding
Zhejiang Xinhua Polymer Materials Co., Ltd. (“Xinhua Polymer Materials”)	An associate of Huayou Holding

Other remarks:

None

5. Related-party transactions

(1) Related-party transactions for purchasing/selling goods or rendering/accepting labor services

Details of related party transactions for purchasing goods or accepting labor service

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Contents of related-party transaction	Amount incurred in the current period	Transaction limit approved (if applicable)	Whether the transaction limit is exceeded (if applicable)	Amount incurred in the previous period
Associate	Purchasing goods	1,925,389,650.79			1,673,770,353.66
Associate	Accepting services	632,246,628.31			127,293,303.62
Joint venture	Purchasing goods				
Joint venture	Accepting services				
Other related parties	Purchasing goods	62,993,843.46			523,887,519.37
Other related parties	Accepting services	24,687.29			
Total		2,620,654,809.85			2,324,951,176.65

Details of related-party transactions for selling goods or rendering labor service

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Contents of related-party transaction	Amount incurred in the current period	Amount incurred in the previous period
Associate	Selling goods	1,182,867,382.95	908,972,473.26
Associate	Rendering services	78,021,057.94	61,349,236.47
Joint venture	Selling goods		
Joint venture	Rendering services		
Other related parties	Selling goods	397,200,888.70	197,500,604.77
Other related parties	Rendering services	9,687,911.96	13,698,318.45
Total		1,667,777,241.55	1,181,520,632.95

Remark to the related party transactions for purchasing/selling goods or rendering/accepting labor service

☐Applicable ☒Not applicable

(2) Related party trusteeship/contracting

Details of trusteeship/contracting where the Company is the trustee/contractor:

☐Applicable ☒Not applicable

Remarks to related party trusteeship/contracting

☐Applicable ☒Not applicable

Details of trusteeship/contracting where the Company is the trustor/contractee:

☐Applicable ☒Not applicable

Remarks to related party management/outsourcing

☐Applicable ☒Not applicable

(3) Related party leasing

Where the Company is the lessor:

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Name of lessee	Type of leased asset	Lease income recognized in the current period	Lease income recognized in the previous period
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Other related parties	Buildings and structures		210,986.16
Associate	Buildings and structures	5,943,468.42	
Associate	Machinery	22,902.00	
Total		5,966,370.42	210,986.16

Where the Company is the lessee:

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Name of lessor	Types of leased assets	Amount incurred in the current period					Amount incurred in the previous period				
		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	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
Associate	Buildings and structures	3,332,503.27		7,366,656.00	57,957.63						
Associate	Transportation equipment	352,750.40									
Associate	Other equipment	463,661.84									
Other related parties	Transportation equipment	31,858.44									
Total		4,180,773.95		7,366,656.00	57,957.63						

Remark to related party leasing:

☐Applicable ☒Not applicable

(4) Related-party guarantee

Where the Company is the guarantor:

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Guaranteed party	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Guarantee fulfilled or not
Eternal Nickel	416,071,968.00	2024.12.27	2030.12.27	No
Eternal Nickel	39,897,312.00	2024.12.27	2030.12.27	No

Where the Company is the guaranteed party:

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Guarantor	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Guarantee fulfilled or not
Chen Xuehua	240,000,000.00	2024.11.12	2025.11.11	No
Chen Xuehua	300,000,000.00	2025.5.23	2026.5.23	No
Chen Xuehua	400,000,000.00	2024.12.6	2026.4.14	No
Chen Xuehua	50,000,000.00	2025.2.12	2026.2.11	No
Chen Xuehua	410,256,827.68	2025.1.22	2026.3.26	No
Chen Xuehua	249,103,562.78	2025.4.17	2025.10.14	No
Chen Xuehua	355,000,000.00	2025.3.27	2026.6.18	No
Chen Xuehua	380,000,000.00	2025.4.3	2026.6.16	No
Chen Xuehua	100,000,000.00	2025.3.6	2027.2.19	No
Chen Xuehua	285,000,000.00	2024.11.29	2026.6.15	No
Chen Xuehua	74,000,000.00	2025.1.2	2025.12.29	No
Chen Xuehua	400,000,000.00	2024.12.3	2025.7.8	No
Chen Xuehua	200,000,000.00	2025.6.11	2026.6.5	No
Chen Xuehua	400,000,000.00	2025.6.11	2026.6.6	No
Chen Xuehua	141,580,000.00	2025.3.26	2026.5.21	No
Chen Xuehua	828,000,000.00	2024.7.30	2027.6.17	No
Chen Xuehua	199,793,409.10	2025.2.24	2025.12.19	No
Chen Xuehua	275,000,000.00	2025.1.26	2025.8.11	No
Chen Xuehua	100,000,000.00	2024.8.26	2025.12.26	No
Chen Xuehua	186,511,108.96	2024.11.21	2025.11.21	No
Chen Xuehua	84,000,000.00	2025.1.23	2026.1.20	No
Chen Xuehua	143,670,000.00	2024.1.26	2026.5.27	No
Chen Xuehua	203,934,069.37	2025.6.24	2025.12.23	No
Chen Xuehua	130,000,000.00	2025.5.21	2026.5.18	No
Chen Xuehua	287,300,000.00	2025.4.23	2026.5.8	No
Chen Xuehua	107,000,000.00	2025.5.22	2026.6.11	No
Chen Xuehua	500,000.00	2025.6.27	2025.9.22	No

Chen Xuehua	72,000,000.00	2025.6.19	2026.6.19	No
Chen Xuehua	139,000,000.00	2025.4.18	2026.6.19	No
Chen Xuehua	37,000,000.00	2025.4.23	2026.4.21	No
Chen Xuehua	130,000,000.00	2024.10.14	2025.10.10	No
Chen Xuehua	28,000,000.00	2025.2.26	2025.8.26	No
Chen Xuehua	76,050,000.00	2024.12.11	2026.1.9	No
Chen Xuehua	357,930,000.00	2023.3.11	2026.3.10	No
Chen Xuehua	93,700,496.00	2021.10.29	2027.9.21	No
Chen Xuehua	37,487,755.82	2021.10.29	2027.9.21	No
Chen Xuehua	543,543,324.14	2021.10.29	2027.9.21	No
Chen Xuehua	187,428,427.00	2021.10.29	2027.9.21	No
Chen Xuehua	374,829,419.00	2021.10.29	2027.9.21	No
Huayou Holding	31,500,000.00	2025.1.26	2025.7.26	No
Huayou Holding	80,000,000.00	2025.1.14	2026.1.13	No
Huayou Holding	150,000,000.00	2025.5.29	2026.5.28	No
Huayou Holding	229,867,236.13	2025.4.11	2025.12.24	No
Huayou Holding	402,952,299.86	2025.4.18	2025.12.26	No
Huayou Holding	230,000,000.00	2024.12.24	2026.3.18	No
Huayou Holding	575,000,000.00	2021.4.14	2026.9.22	No
Huayou Holding	9,779,083.50	2025.1.20	2025.12.23	No
Huayou Holding	299,700,000.00	2024.1.4	2026.3.21	No
Huayou Holding	400,000,000.00	2024.12.25	2026.3.19	No
Huayou Holding	60,000,000.00	2025.3.6	2025.9.6	No
Chen Xuehua, Huayou Holding	50,000,000.00	2025.6.25	2025.12.25	No
Huayou Holding	290,806,188.22	2022.8.4	2026.12.20	No
Huayou Holding	99,994,767.53	2025.2.12	2025.11.30	No
Huayou Holding	49,992,400.00	2025.1.10	2025.10.27	No
Huayou Holding	80,000,000.00	2025.3.3	2025.11.28	No
Chen Xuehua	186,560,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	746,240,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	443,080,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	1,305,920,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	652,960,000.00	2023.7.20	2030.6.21	No
Chen Xuehua	583,000,000.00	2023.7.20	2030.6.21	No
Huayou Holding	747,000,000.00	2025.5.29	2031.5.29	No
Huayou Holding	192,630,293.12	2025.5.29	2025.12.18	No

Remarks to related-party guarantee

√Applicable □Not applicable

1. The Company offers guarantees for Chengdu B&M, Tianjin B&M, Zhejiang B&M and Huachi Hong Kong, while Huayou Holding extends counter-guarantees to the Company.

2. 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.

(5) Fund lending/borrowing to/from related parties

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Amount of lending/borrowing	Starting date	Maturity date	Remark
Borrowing				
Newstride Technology	10,609,503.35	2020/12/31	2025/12/30	
Newstride Technology	5,304,751.68	2021/4/13	2026/4/12	
Newstride Technology	180,429,682.85	2022/6/27	2026/6/27	
Newstride Technology	36,723,618.00	2022/6/1	2026/6/1	
Newstride Technology	61,206,030.00	2022/7/11	2025/7/11	
Newstride Technology	48,964,824.00	2022/8/1	2025/8/1	
Newstride Technology	9,792,964.80	2022/8/8	2025/8/8	
Newstride Technology	61,206,030.00	2022/9/1	2025/8/31	
Newstride Technology	36,723,618.00	2022/10/11	2025/10/11	
Newstride Technology	48,964,824.00	2022/10/31	2025/10/31	
Newstride Technology	34,581,336.44	2022/12/13	2025/12/13	
Newstride Technology	105,274,371.60	2023/1/5	2026/1/4	
Lending				
IWIP Company	198,865,908.00	2023/6/27	2028/6/26	
Veinstone	117,171,964.80	2023/6/27	2028/6/26	
Indonesia Huatuo	3,579,300.00	2023/6/27	2028/6/26	
Eternal Nickel	55,837,080.00	2024/8/26	2027/8/25	

[Note] The total amount of borrowing reflects the effects of exchange rate fluctuations that occur during the conversion of foreign currencies.

(6) Asset transfer and debt restructuring of related parties

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Related party	Contents of related party transaction	Amount incurred in the current period	Amount incurred in the previous period
Associate	Sale of long-term assets	4,018,275.91	538,316.91
Associate	Purchase of long-term assets	1,642,321.53	
Other related parties	Sale of long-term assets		426,695.45
Total		5,660,597.44	965,012.36

(7) Compensation of key management personnel

√Applicable □Not applicable

Monetary unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Compensation of key management personnel	2,999.96	2,801.38

(8). Other related party transactions

□Applicable √Not applicable

6. Details of unsettled items, such as receivable from and payables to related parties
(1) Receivables

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Item	Related party	Ending balance		Beginning balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Accounts receivable	Associate	1,064,516,432.24	53,913,404.11	1,017,004,264.71	50,853,661.13
Accounts receivable	Other related parties	67,569,792.45	3,412,190.39	80,498,632.80	11,639,830.77
Sub-total		1,132,086,224.69	57,325,594.50	1,097,502,897.51	62,493,491.90
Other receivables	Associate	715,860.00	715,860.00	3,594,200.00	3,594,200.00
Sub-total		715,860.00	715,860.00	3,594,200.00	3,594,200.00
Long-term receivables	Associate	371,874,916.00		373,423,003.20	
Sub-total		371,874,916.00		373,423,003.20	
Receivables financing	Associate	61,561,697.68		200,672,680.00	
Receivables financing	Other related parties	2,296,400.00		39,260,851.94	
Sub-total		63,858,097.68		239,933,531.94	
Advances paid	Associate	440,429,825.25		42,344,357.32	

Advances paid	Other related parties	35,581,228.46			
Sub-total		476,011,053.71		42,344,357.32	
Dividend receivable	Associate			2,587,982.40	
Sub-total				2,587,982.40	

(2) Payables

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Related party	Ending book balance	Beginning book balance
Accounts payable	Associate	1,831,454,127.55	2,279,727,707.77
Accounts payable	Other related parties	38,525,855.94	5,709,393.60
Sub-total		1,869,979,983.49	2,285,437,101.37
Notes payable	Associate	1,325,104,841.12	1,437,159,335.11
Sub-total		1,325,104,841.12	1,437,159,335.11
Contract liabilities	Associate	27,224,356.14	2,764,996.72
Contract liabilities	Other related parties	7,105.19	
Sub-total		27,231,461.33	2,764,996.72
Other payables	Associate	639,804,162.87	643,319,738.48
Sub-total		639,804,162.87	643,319,738.48
Non-current liabilities due within one-year	Associate		6,700,442.37
Sub-total			6,700,442.37

(3) Other items

☐Applicable ☒Not applicable

7. Commitments of related parties

☐Applicable ☒Not applicable

8. Others

☐Applicable ☒Not applicable

XV. Share-based payment

1. Equity instruments

(1) Details

☐Applicable ☒Not applicable

(2) Stock options or other equity instruments outstanding at the end of the period

☐Applicable ☒Not applicable

2. Equity-settled share-based payment

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Object of equity settled share-based payments	The closing price of the Company's shares on the grant date.
Method of determining the fair value of equity instruments on the grant date	The closing price of the Company's shares on the grant date.
Important parameters of the fair value of equity instruments on the grant date	The closing price of the Company's shares on the grant date.
Basis for determining the amount of exercisable equity instruments	Based on the number of restricted shares granted, as well as a comprehensive consideration of changes in the number of employees eligible to exercise on each balance sheet date, the Company's performance assessment indicators for each exercising year, and the individual performance appraisal of incentive objects.
Reasons for significant difference between the estimate in this period and prior period	None
Cumulative amount of equity settled share-based payments included in the capital reserve	946,691,901.79

Other remarks

None

3. Cash-settled share-based payment

☐Applicable ☒Not applicable

4. Expenses of share-based payment in the current period

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Class of grantee	Expenses of equity settled share-based payment	Expenses of cash-settled share-based payment
Managers	30,879,259.48	
R&D personnel	2,732,890.51	
Sales personnel	2,151,286.01	
Production and manufacturing personnel	5,450,660.92	
Total	41,214,096.92	

Other remarks

None

5. Modification and termination of share-based payment

☐Applicable ☒Not applicable

6. Others☐Applicable ☒Not applicable**XVI. Commitments and Contingencies****1. Major 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, 2025, the Company has issued guarantee letters totaling RMB 83,018,042.85.

2. Contingencies**(1) Major contingencies on the balance sheet date**☒Applicable ☐Not applicable

As of June 30, 2025, the progress of the land dispute between GENILAND and the subsidiary CDM Company is as follows:

GENILAND sued CDM Company for the encroachment of the mining area corresponding to CDM Company's Mining Concession No. 527 on its long-term lease concession (land), and claimed compensation for damages of USD 22.65 million. According to the judgment rendered by the court of Democratic Republic of the Congo (DRC), CDM Company shall pay damages and penalties totaling USD 9,935,084 to GENILAND. CDM Company has filed an appeal against such judgment, and relevant enforcement is currently suspended. According to the "Legal Opinion on the Interests of Zhejiang Huayou Cobalt Co., Ltd. in the Democratic Republic of the Congo" issued by Edmond CibambaDiata, a lawyer from Emery Mukendi Wafwana & Associés in August 2020, there is no legal basis to sustain the GENILAND's claim

In summary, the Company believes that it is not liable for any compensation concerning the above lawsuit and therefore accrues no provisions.

(2) Explanation shall also be given even if there is no major contingency to be disclosed by the Company☐Applicable ☒Not applicable**3. Others**☐Applicable ☒Not applicable**XVII. Post Balance Sheet Events****1. Major non-adjusting events**☐Applicable ☒Not applicable

2. Profit distribution☐Applicable ☒Not applicable**3. Sales return**☐Applicable ☒Not applicable**4. Description of other post-balance-sheet events**☐Applicable ☒Not applicable**XVIII. Other Major Events****1. Correction of accounting errors in the previous period****(1) Retrospective restatement method**☐Applicable ☒Not applicable**(2) Prospective application method**☐Applicable ☒Not applicable**2. Material debt restructuring**☐Applicable ☒Not applicable**3. Replacement of assets****(1) Replacement of non-monetary assets**☐Applicable ☒Not applicable**(2) Replacement of other assets**☐Applicable ☒Not applicable**4. Pension plan**☐Applicable ☒Not applicable**5. Discontinued operation**☐Applicable ☒Not applicable**6. Segment information****(1) Determination basis and accounting policies of the reportable segment**☒Applicable ☐Not applicable

The Company's main business is manufacturing and sales of cobalt products, copper products, nickel products, lithium products, ternary precursors, cathode materials, nickel intermediates, etc., with its operating results managed and evaluated on an integral basis. Therefore, the Company is

not required to disclose segment information. Please refer to item VII 61 of this section for details on the Company's operating revenue and operating cost by products/geographic information.

(2) Financial information of the reportable segment

☐Applicable ☒Not applicable

(3) Please explain the reason in case of no reportable segment or inability to disclose the total assets and total liabilities of each reportable segment.

☐Applicable ☒Not applicable

(4) Other remarks:

☐Applicable ☒Not applicable

7. Other major transactions and events impacting the investor's decision-making

☐Applicable ☒Not applicable

8. Others

☐Applicable ☒Not applicable

XIX. Notes to Main Items in the Financial Statements of the Parent Company

1. Accounts receivable

(1) Disclosure by aging

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	325,441,020.68	1,226,292,855.13
Within 1 year	325,441,020.68	1,226,292,855.13
1 to 2 years	19,391,462.73	6,693,293.84
2 to 3 years	98,323,376.81	98,062,160.87
More than 3 years	463,014.77	463,014.77
3 to 4 years		
4 to 5 years		
More than 5 years		
Total	443,618,874.99	1,331,511,324.61

(2)

Classification according to different methods of provision for bad debts

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debt made on an individual basis	402,048.00	0.09	402,048.00	100.00		402,048.00	0.04	402,048.00	100.00	
Including:										
Receivables of individually insignificant amount but with provision made on an individual basis	402,048.00	0.09	402,048.00	100.00		402,048.00	0.09	402,048.00	100.00	
Provision for bad debt made on a portfolio basis	443,216,826.99	99.91	10,548,888.51	2.38	432,667,938.48	1,331,109,276.61	99.97	13,346,542.84	1.00	1,317,762,733.77
Including:										
Portfolio grouped with balances due from external customers	208,877,897.77	47.08	10,548,888.51	5.05	198,329,009.26	261,847,052.56	19.67	13,346,542.84	5.10	248,500,509.72
Portfolio grouped with balances due from related parties within the consolidation scope	234,338,929.22	52.82			234,338,929.22	1,069,262,224.05	80.30			1,069,262,224.05
Total	443,618,874.99		10,950,936.51		432,667,938.48	1,331,511,324.61		13,748,590.84		1,317,762,733.77

Provision for bad debt made on an individual basis:

☒Applicable ☐Not applicable

Monetary unit: Yuan

Currency: RMB

Name	Ending balance			
	Book balance	Provision for bad debt	Proportion of provision (%)	Reason for making provision
Other entities	402,048.00	402,048.00	100	Such entities are struggling, and it is likely that the payments will be unrecoverable
Total	402,048.00	402,048.00	100	/

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

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☒Applicable ☐Not applicable

Items with provision made on a portfolio basis: Portfolio grouped with ages

Monetary unit: Yuan

Currency: RMB

Name	Ending balance		
	Book balance	Provision for bad debt	Proportion of provision (%)
Within 1 year	208,562,704.93	10,428,135.25	5.00
1-2 years	224,421.83	44,884.37	20.00
2-3 years	29,804.24	14,902.12	50.00
Over 3 years	60,966.77	60,966.77	100.00
Total	208,877,897.77	10,548,888.51	

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

None

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

☐Applicable ☒Not applicable

(3) Details of the provision for bad debts

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision made	Recovered or reversed	Written-off or charged off	Other change	
Provision for bad debts made on a portfolio basis	13,346,542.84		2,797,654.33			10,548,888.51
Provision for bad debts made on an individual basis	402,048.00					402,048.00
Total	13,748,590.84		2,797,654.33			10,950,936.51

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

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

In which, significant amount of accounts receivable written off:

☐Applicable ☒Not applicable

Remarks to write-offs of accounts receivable

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

☒Applicable ☐Not applicable

Ending balance of top 5 debtors totaled RMB 343,131,759.01, accounting for 77.35% of the total ending balance of accounts receivable, and the total provision for bad debts made thereon was RMB 8,844,136.86.

2. Other receivables

Presented by items

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance	Beginning balance
Interests receivable		
Dividends receivable	1,517,028,308.81	752,587,982.40

Other receivables	2,620,341,714.77	2,213,031,875.46
Total	4,137,370,023.58	2,965,619,857.86

Other remarks:

☐Applicable ☒Not applicable

Interests receivable

(1) Classification of interests receivable

☐Applicable ☒Not applicable

(2) Significant overdue interests

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(5) Details of the provision for bad debts

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

None

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

☐Applicable ☒Not applicable

In which, significant amount of interests receivable written off:

☐Applicable ☒Not applicable

Remarks to write-offs of interests receivable:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

Dividends receivable

(7) Dividends receivable

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item (or investee)	Ending balance	Beginning balance
Huayou New Energy Technology [Note]	1,050,000,000.00	750,000,000.00
Huayou Quzhou	467,028,308.81	
Ningbo Ruihua		2,587,982.40
Total	1,517,028,308.81	752,587,982.40

Note: As of the date of approval for the issuance of this financial statement, the company has received the above-mentioned dividends.

(8) Major dividends receivable with aging over 1 year

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on an individual basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Provision for bad debt made on a portfolio basis:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(11) Details of the provision for bad debts

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks:

None

(12) Dividends receivable actually written off in the current period
☐Applicable ☒Not applicable

In which, significant amount of dividends receivable written off:

☐Applicable ☒Not applicable

Remarks to write-offs of dividends receivable:

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

Other receivables
(13) Disclosure by aging
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	2,233,040,909.76	1,382,531,633.07
Within 1 year	2,233,040,909.76	1,382,531,633.07
1 to 2 years	207,394,001.59	622,793,454.73
2 to 3 years	143,937,387.06	128,346,891.70
More than 3 years	37,733,570.39	81,540,218.46
3 to 4 years		
4 to 5 years		
More than 5 years		
Total	2,622,105,868.80	2,215,212,197.96

(14) Classification by nature of funds
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Nature of funds	Ending book balance	Beginning book balance
Security deposits	7,293,878.09	13,575,981.16
Temporary borrowings	2,614,411,495.35	2,200,850,930.79
Petty cash	251,087.20	777,659.85
Others	149,408.16	7,626.16
Total	2,622,105,868.80	2,215,212,197.96

(15) Provision for bad debt
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire existence (without credit impairment)	Expected credit loss over the entire existence (with credit impairment)	
Balance as at January 1, 2025	424,977.32	905,446.60	849,898.58	2,180,322.50
Balance as at January 1, 2025 in the current period				
--Transferred to Phase II	-27,527.70	27,527.70		
--Transferred to Phase III		-122,035.62	122,035.62	
--Reversed to Phase II				
--Reversed to Phase I				
Provision made in the current period	-77,504.86	-700,827.88	362,164.28	-416,168.47
Reversal in the current period				
Write-off in the current period				
Charge off in the current period				
Other change				
Balance as at June 30, 2025	319,944.76	110,110.80	1,334,098.48	1,764,154.03

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

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 (Phase I). 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 (Phase II). 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 (Phase III).

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(16) Details of the provision for bad debts
☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Other remarks

None

(17) Other receivables actually written off in the current period
☐Applicable ☒Not applicable

In which, significant amount of other receivables written off:

☐Applicable ☒Not applicable

Remarks to write-offs of other receivables:

☐Applicable ☒Not applicable

(18) Top 5 other receivables in terms of the ending balance presented by debtors
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Unit name	Ending balance	Proportion in the total ending balance of other receivables (%)	Nature of funds	Aging	Ending balance of provision for bad debt
Huayou Quzhou	1,122,378,800.00	42.80	Temporary borrowings	Within 1 year	
Huayou Import & Export	575,471,751.11	21.95	Temporary borrowings	Within 1 year	
Huayou Recycling	155,673,335.10	5.94	Temporary borrowings	Within 1 year	
Like Cobalt Nickel	112,037,456.61	4.27	Temporary borrowings	Within 1 year:	
CDM Company	69,356,509.65	2.65	Temporary borrowings	2-3 years: RMB 33,385,985.68 More than 3 years: RMB 35,970,523.97	
Total	2,034,917,852.47	77.61	/	/	

(19) Other receivables presented due to centralized management of funds
☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

3. Long-term equity investments

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	30,360,982,629.60		30,360,982,629.60	28,995,064,449.60		28,995,064,449.60
Investment in joint ventures and associates	4,338,073,681.81		4,338,073,681.81	4,270,672,695.29		4,270,672,695.29
Total	34,699,056,311.41		34,699,056,311.41	33,265,737,144.89		33,265,737,144.89

(1) Investment in subsidiaries

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Investee	Beginning balance (book value)	Beginning balance of impairment provision	Increase or decrease in the current period				Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Provision for impairment	Others		
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	2,488,000,000.00		-				2,488,000,000.00	
Huayou Mining Hong Kong	12,828,585,186.34		338,218,180.00				13,166,803,366.34	
New Energy Quzhou	2,725,950,684.93		-				2,725,950,684.93	
Huayou Recycling	1,250,000,000.00		-				1,250,000,000.00	
Huayou New Energy	2,466,270,463.88		-				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	2,621,000,000.00		-				2,621,000,000.00	
Tongxiang Hualin	18,040,800.00		-				18,040,800.00	
Tongxiang Huawang	18,040,800.00		-				18,040,800.00	

Wenzhou Huashan	25,500,000.00		-				25,500,000.00	
Tianjin B&M	1,351,200,000.00		-				1,351,200,000.00	
Resource Recycling	138,000,000.00		-				138,000,000.00	
Guangxi Lithium Industry	560,000,000.00		-				560,000,000.00	
Tongxiang Huashan	5,100,000.00		-				5,100,000.00	
Tongxiang Huazheng	34,695,000.00		-				34,695,000.00	
Guangxi Huayou New Materials	570,000,000.00		940,000,000.00				1,510,000,000.00	
Shanghai Xinsheng	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		3,000,000.00				31,000,000.00	
Huayou Property Management	21,000,000.00		-				21,000,000.00	
Zhejiang New Materials	180,500,000.00		40,000,000.00				220,500,000.00	
Huayou Supply Chain	1,000,000.00		1,000,000.00				2,000,000.00	
Guangxi Huayou Enterprise Investment	10,000,000.00		43,500,000.00				53,500,000.00	
Huayou Jintian	10,000,000.00		-				10,000,000.00	
Hangzhou Haoyue	202,400,000.00		-				202,400,000.00	
Tongxiang Hualan			100,000.00				100,000.00	
Huayong Zhiyuan			100,000.00				100,000.00	
Total	28,995,064,449.60	0.00	1,365,918,180.00	0.00	0.00	0.00	30,360,982,629.60	

(2) Investment in joint ventures and associates

√Applicable □Not applicable

Monetary unit: Yuan Currency: RMB

Investee	Beginning balance (book value)	Begining balance of provision for impairment	Increase/decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Profit/loss on investment recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash dividends or profits declared for distribution	Provision for impairment	Others		
I. Joint ventures												
Quzhou Zhiyou			50,000,000.00								50,000,000.00	
Sub-total			50,000,000.00								50,000,000.00	
II. Associates												
Quzhou Anyou	586,807,796.20				2,223,848.42						589,031,644.62	
Guangxi Times Li-ion Investment Management Center	690,677,935.81				861,925.73						691,539,861.54	
Guangxi Times Li-ion Industry Fund	635,870,303.35				1,532,312.41						637,402,615.76	
Hunan Yacheng	97,274,839.93				-5,532,820.22						91,742,019.71	

Quzhou Xinhua	1,168,704,553.87				4,394,748.11						1,173,099,301.98	
Zhejiang Power Investment	10,398,968.67				1,456,439.83						11,855,408.50	
Tongxiang Lithium Times	162,505,677.22		14,000,000.00		10,663.04						176,516,340.26	
Ningbo Ruihua	61,203,353.62				45,919.14						61,249,272.76	
Haigang Pingyou	88,665,000.00										88,665,000.00	
LG-HY BCM	695,071,136.10				-6,199,661.75	-204,635.72					688,666,838.63	
Quzhou Hangyang	73,493,130.52				4,812,247.53						78,305,378.05	
Sub-total	4,270,672,695.29		14,000,000.00		3,605,622.24	-204,635.72					4,288,073,681.81	
Total	4,270,672,695.29		64,000,000.00		3,605,622.24	-204,635.72					4,338,073,681.81	

(3) Impairment test of long-term equity investments

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

4. Operating income and operating cost

(1) Details of operating income and operating cost

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Primary business	2,095,197,631.30	1,991,513,174.83	3,226,452,564.15	2,893,738,107.88
Other businesses	75,616,469.50	50,641,428.01	142,853,150.14	137,563,989.59
Total	2,170,814,100.80	2,042,154,602.84	3,369,305,714.29	3,031,302,097.47

(2) Breakdown of operating income and operating cost

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Classification of contracts	Parent company		Total	
	Operating income	Operating cost	Operating income	Operating cost
By commodity type				
Cobalt products	650,756,667.69	395,870,105.15	650,756,667.69	395,870,105.15
Nickel products	1,412,812,466.24	1,566,955,430.78	1,412,812,466.24	1,566,955,430.78
Trade and others	107,244,966.87	79,329,066.91	107,244,966.87	79,329,066.91
Sub-total	2,170,814,100.80	2,042,154,602.84	2,170,814,100.80	2,042,154,602.84
By business area				
Domestic	1,883,610,725.74	1,867,447,603.45	1,883,610,725.74	1,867,447,603.45
Overseas	287,203,375.06	174,706,999.39	287,203,375.06	174,706,999.39
Sub-total	2,170,814,100.80	2,042,154,602.84	2,170,814,100.80	2,042,154,602.84
By time of commodity transfer				
Recognized at a point in time	2,170,814,100.80	2,042,154,602.84	2,170,814,100.80	2,042,154,602.84
Sub-total	2,170,814,100.80	2,042,154,602.84	2,170,814,100.80	2,042,154,602.84
Total	2,170,814,100.80	2,042,154,602.84	2,170,814,100.80	2,042,154,602.84

Other remarks

☐Applicable ☒Not applicable

(3) Information related to performance obligations:
☐Applicable ☒Not applicable

(4) Information related to transaction prices apportioned to the remaining performance obligations:
☐Applicable ☒Not applicable

(5) Major contract changes or major transaction price adjustments
☐Applicable ☒Not applicable

Other remarks:

None

5. Investment income
☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income accounted by cost method [Note 1]	767,028,308.81	467,028,308.81
Long-term equity investment income accounted by equity method	3,605,622.24	73,248,843.39
Investment income from other non-current financial assets during the holding period	95,582,928.16	
Investment income from available-for-sale financial assets during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from debt investments during the holding period		
Interest income from other debt investments during the holding period [Note 2]	28,773,124.33	73,666,986.82
Income from disposal of financial assets held for trading	24,045,880.00	17,317,472.14
Income from disposal of other equity		

instruments		
Income from disposal of debt investments		
Income from disposal of other debt investments		
Income from debt restructuring		
Losses on discounting of receivables financing	-1,116,163.35	-304,796.11
Investment income from disposal of financial instruments		
Total	917,919,700.19	630,956,815.05

Other remarks:

[Note 1] It is the dividend payment of RMB 767,028,308.81 to the subsidiaries within the consolidation scope.

[Note 2] It is the interest on borrowing/lending of RMB 28,773,124.33 for the subsidiaries within the consolidation scope.

6. Others

☐Applicable ☒Not applicable

XX. Supplementary information

1. Breakdown of non-recurring profit or loss in the current period

☒Applicable ☐Not applicable

Monetary unit: Yuan Currency: RMB

Item	Amount	Remark
Gains/losses from disposal of non-current assets, including the write-offs of provision for assets impairment	102,342,368.43	
Government subsidies included in current gains/losses except for those that are closely related to the Company's normal operation, granted in line with national policies and in accordance with defined criteria, and have a continuing impact on the Company's profits/losses	58,043,403.21	
Gains/losses from changes in the fair value of financial assets and liabilities held by non-financial enterprises and gains/losses from the disposal of financial assets and liabilities, except for effective hedging business related to the Company's normal operation	-3,162,984.17	
Fund occupancy fees charged to non-financial enterprises included in the current profit or loss	4,516,473.12	
Gains/losses from entrusting others to invest or manage assets		
Gains/losses from external entrusted loans		

Various asset losses arising from force majeure events, such as natural disasters		
Reversal of provision for accounts receivable impairment subject to individual impairment test		
Gains arising from the excess of the enterprise's share of the fair value of the identifiable net assets of the subsidiaries, associates and joint ventures as at the time of acquisition over its investment costs of acquiring such investees		
Current net profit and loss of subsidiaries arising from business combination under common control from the beginning of the period to the combination date		
Gains/losses from exchange of non-monetary assets		
Gains/losses from debt restructuring		
One-time expenses incurred due to the cessation of the relevant business activities, such as expenses for the placement of employees		
Impact amount of one-time adjustment to current profit or loss in accordance with requirements of tax, accounting, and other laws and regulations on current profit or loss		
One-time share-based payment expense recognized due to cancellation or modification of equity incentive plans		
For share-based payments settled in cash, gains/losses arising from changes in the fair value of employee compensation payable after the vesting date		
Gains/losses arising from changes in the fair value of investment real estate that are subsequently measured at fair value		
Gains/losses arising from transactions where the transaction price is obviously unfair		
Gains/losses arising from contingent events unrelated to the normal operation of the Company		
Custody fee income from entrusted operations		
Other non-operating income and expenses except for the abovementioned items	-2,222,361.74	
Other gain/loss items that meet the definition of non-recurring gains/losses		
Less: impact amount of income tax	14,101,542.41	
Impact amount of minority equity (after-tax)	21,673,229.34	
Total	123,742,127.10	

Please explain the reason for the Company to identify the items not listed in the *Explanatory Announcement for Information Disclosure by Companies that Issue Securities to the Public No.1 - Non-recurring Profits and Losses* as non-recurring profit and loss items with significant amount, and to identify the non-recurring profit and loss items listed in the *Explanatory Announcement for*

Information Disclosure by Companies that Issue Securities to the Public No.1 - Non-recurring Profits and Losses as recurring profit and loss items.

☐Applicable ☒Not applicable

Other remarks:

☐Applicable ☒Not applicable

2. Return on equity and earnings per share

☒Applicable ☐Not applicable

Profit during the Reporting Period	Weighted average return on equity	Earnings per share	
		Basic EPS (RMB/share)	Diluted EPS (RMB/share)
Net profit attributable to ordinary shareholders of the Company	7.05	1.61	1.51
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profits and losses	6.73	1.53	1.45

3. Differences in accounting data under domestic and foreign accounting standards

☐Applicable ☒Not applicable

4. Others

☐Applicable ☒Not applicable

Chairman: Chen Xuehua

Date of Approval by the Board of Directors: August 16, 2025

Information of revisions

☐Applicable ☒Not applicable