

Ningbo Shanshan Co., Ltd.

Interim Report 2024

Important Notes

- I. The Board of Directors, the Board of Supervisors, and directors, supervisors and senior management of the Company confirm that the content of this Annual Report is true, accurate and complete and has no false representations, misleading statements or material omissions, and they individually and collectively accept legal responsibility for such content.**
- II. All directors of the Company attended the meetings of the Board of Directors in person.**
- III. The Interim Report is not yet audited.**
- IV. Zheng Ju, Chairman of the Company, Li Keqin, Chief Financial Officer of the Company, and Xu Lie, Person in Charge of the Accounting Office (Head of the Accounting Department), hereby warrant the truthfulness, accuracy and completeness of the financial statements contained in this Interim Report.**
- V. Proposal of profit appropriation or proposal of transferring capital reserve into share capital for the Reporting Period was resolved by the Board of Directors.**

None

VI. Risk associated with forward-looking statements

Applicable Not applicable

The forward-looking description in this report such as the Company's future plans and development strategies do not constitute an actual commitment of the Company to investors. Investors should be aware of the investment risks.

VII. Was there any misappropriation of the Company's capital by the controlling shareholders and other related parties for non-operational purposes

Yes

VIII. Did the Company provide any guarantee to external parties in violation of the required decision-making process?

No

IX. Could more than half of the directors not guarantee the authenticity, accuracy or completeness of the Interim Report disclosed by the Company

No

X. Material Risk Alert

The Company has detailed the possibly relevant risk in the 2024 Interim Report, investors may refer to "(I) Risk exposures" in "V. Other Disclosure" under "Section III Management Discussion and Analysis".

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Documents Available for Inspection	Financial statements containing the signatures and seals of the legal representative, the Chief Financial Officer and the Person in Charge of the Accounting Office (Head of the Accounting Department).
	The original copies of all documents and announcements disclosed during the Reporting Period.

Section I Definitions

In this Report, unless the context otherwise requires, the following expressions shall have meanings as follows:

Reporting period	The first half of 2024
CSRC	China Securities Regulatory Commission
The SSE	Shanghai Stock Exchange
CSDC	China Securities Depository and Clearing Corporation Limited
GDR	Global depository receipt
the Company or Shanshan or Ningbo Shanshan Co., Ltd	Ningbo Shanshan Co., Ltd.
Shanshan Holdings	Shanshan Holdings Co., Ltd.
Shanshan Group	Shanshan Group Co., Ltd.
Pengze Trading	Ningbo Pengze Trading Co., Ltd.
Yinzhou Jielun	Ningbo Yinzhou Jielun Investment Co., Ltd.
Shanshan Anode	Shanghai Shanshan Lithium Battery Material Technology Co., Ltd. and its subsidiaries
Shanjin Optoelectronics	Shanjin Optoelectronics (Suzhou) Co., Ltd. and its subsidiaries
Ningbo Yongquan	Ningbo Yongquan Investment Co., Ltd.
Quzhou Shanshan	“Shanshan Advanced Materials (Quzhou) Co., Ltd.”, the Company’s former electrolyte subsidiary, renamed as Sunyes Shanshan Advanced Materials (Quzhou) Co., Ltd.
Sunyes Manufacturing	Sunyes Manufacturing (Zhejiang) Holding Co., Ltd. and its subsidiary, Zhejiang Sunyes Zhongning New Energy Co., Ltd.*(浙江新亚中宁新能源有限公司)
Ulica Solar	Ningbo Ulica SOLAR Co., Ltd.
Inner Mongolia Qingshan	Inner Mongolia Qingshan Automobile Co., Ltd.
Shanshan Brand Company	Shanshan Brand Management Co., Ltd
2022 Equity Incentive Plan	2022re Option and Restricted Share Incentive Plan

* For identification purpose only

Section II Company Profile and Key Financial Indicators

I. Company Information

The Chinese name of the Company	宁波杉杉股份有限公司
Chinese abbreviation of the Company	杉杉股份
Foreign name of the Company	NINGBO SHANSHAN CO.,LTD.
Foreign abbreviation of the Company	NBSS
Legal representative of the Company	Zheng Ju

II. Contact Details

	Board Secretary	Securities Representative
Name	Chen Ying	Lin Feibo
Correspondence address	F/28, Shanshan Plaza, 777 Rili Middle Road, Yinzhou District, Ningbo City, Zhejiang Province	F/28, Shanshan Plaza, 777 Rili Middle Road, Yinzhou District, Ningbo City, Zhejiang Province
Tel.:	0574-88208337	0574-88208337
Fax:	0574-88208375	0574-88208375
Email	ssgf@shanshan.com	ssgf@shanshan.com

III. Changes in General Information

Registered office of the Company	Room 801 (Shanshan Plaza), No. 777 Rili Middle Road, Shounan Street, Yinzhou District, Ningbo City, Zhejiang Province
Change of the Company's registered address	In September 1996, the registered address of the Company was changed from No. 139 Baizhang Road, Jiangdong District to No.158 Baizhang Road, Jiangdong District; In August 2007, the registered address of the Company changed from No. 158 Baizhang Road, Jiangdong District to No. 238 Central Yunlin Road, Wangchun Industrial Park, Ningbo; In February 2016, the registered address of the Company was changed from No. 238 Central Yunlin Road, Wangchun Industrial Park, Ningbo to Room 801 (Shanshan Plaza) No. 777 Rili Middle Road, Shounan Street, Yinzhou District, Ningbo City.
Office address of the Company	Shanshan Plaza, No. 777 Rili Middle Road, Yinzhou District, Ningbo City, Zhejiang Province
Postal code of the office address of the Company	315100
Company's website	www.ssgf.net
Email	ssgf@shanshan.com

IV. Introduction to Information Disclosures and the Change of Locations

Names of newspapers selected by the Company for information disclosure	China Securities Journal, Shanghai Securities News, Securities Daily and Securities Times (hereinafter collectively called "designated media")
Website for publication of the Interim Report	www.sse.com.cn
Location for inspection of the Interim Report of the Company	F/28, Shanshan Plaza, No. 777 Rili Middle Road, Yinzhou District, Ningbo City, Zhejiang Province

V. Shares of the Company

Type of shares	Stock exchange for listing	Stock Abbreviation	Stock Code
A Share(s)	Shanghai Stock Exchange	Ningbo Shanshan Co., Ltd.	600884
GDR	SIX Swiss Exchange	Ningbo Shanshan Co., Ltd.	SSNE

VI. Key Accounting Data and Financial Indicators**(I) Major accounting data**

Unit: Yuan Currency: RMB

Major accounting data	The Reporting Period (January-June)	The same period of the last year	Increase/decrease over the same period of the previous year (%)
Operating income	8,819,856,035.91	9,467,775,923.82	-6.84
Net profits attributable to shareholders of the listed company	17,574,536.66	1,013,091,536.67	-98.27
Net profit attributable to shareholders of the listed company, net of non-recurring profit/loss	23,906,435.46	587,813,365.37	-95.93
Net cash flow from operating activities	691,472,175.58	-1,464,124,850.13	NA
	At the end of the period	As of the end of the previous year	Increase/decrease at the end of the period as compared with the previous year-end (%)
Net assets attributable to shareholders of the listed company	22,057,830,433.32	22,669,169,067.26	-2.70
Total assets	50,312,352,232.70	48,474,965,995.75	3.79
Total share capital at the end of the period	2,253,841,668.00	2,258,223,223.00	-0.19

(II) Key financial indicators

Key financial indicators	The Reporting Period (January-June)	The same period of the last year	Increase/decrease over the same period of the previous year (%)
Basic earnings per share (RMB/share)	0.008	0.542	-98.52
Diluted earnings per share (RMB/share)	0.008	0.542	-98.52
Basic earnings per share after deducting non-recurring profit and loss (RMB/share)	0.011	0.315	-96.53
Weighted average return on net assets (%)	0.078	4.340	Decreased by 4.262 percentage points
Weighted average return on net assets ratio after deducting non-recurring profit (%)	0.106	2.518	Decreased by 2.412 percentage points

Description of key accounting data and financial indicators

 Applicable Not Applicable**VII. Discrepancies in Accounting Data under Domestic Accounting Standards and Overseas Accounting Standards** Applicable Not Applicable

VIII. Non-recurring Profit and Loss Items and Amounts

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Non-recurring profit and loss items	Amount
Gains and loss from the disposal of non-current assets (including the written off part for which provision for asset impairment has been made)	-57,291,888.15
Government grants included in the current profit and loss, except those closely related to the Company's normal operations, conforming to the State policies and regulations, enjoyed persistently in line with certain standard ratings or rations, and having a lasting impact on the Company's profit and loss	83,751,642.66
Payment for the use of funds included in the current profit and loss and collected from non-financial business	3,675,997.31
Gains or losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and gains or losses from disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's normal business operations	-6,675,000.00
Non-operating income and expenses other than those mentioned above	-20,359,822.19
Less: Amount affected by income tax	4,856,803.17
Affected amount of non-controlling interest (after tax)	4,576,025.26
Total	-6,331,898.80

The reason for the Company defining items not listed in the *Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No.1 – Non-recurring Profit or Loss* (《公开发行证券的公司信息披露解释性公告第1号——非经常性损益》) as non-recurring profit or loss items with significant amount, and the reason for defining the non-recurring profit or loss items illustrated in the *Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No.1 – Non-recurring Profit or Loss* (《公开发行证券的公司信息披露解释性公告第1号——非经常性损益》) as recurring profit or loss items should be specified.

□ Applicable √ Not Applicable

Section III Management Discussion and Analysis

I. Description of the Industry in which the Company Operated and Its Principal Business during the Reporting Period

I. Description of the industry in which the Company operated and its principal business during the Reporting Period

The Company is a world-leading high-tech company committing to the development of anode materials for lithium batteries and polarizer business. The Company is the first company engaged in research and development and production of artificial graphite anode materials for lithium ion batteries in China. With more than 20 years of research and development and industrial production practice in the field of lithium battery materials, it is a global leader in anode materials field. The Company became the global polarizer leader through the acquisition of LG Chem's LCD polarizer business in 2021, thus forming a new pattern of dual-main business development. In the era of electrification and intellectualization, the Company will enhance its global competitiveness by focusing on the development of anode materials and polarizer businesses, with an aim to become a respected global high-tech enterprise.

The Company continued to advance its focus strategy and consistently optimized its assets. During the Reporting Period, the Company disposed of its relevant equity in Ningbo Qingshan Automobile Co., Ltd.

(I) Anode material business

1. Business profile

The Company's anode materials business covers the R&D, production and sales of anode materials for lithium-ion batteries. The main products of the Company include artificial graphite, natural graphite, and silicon-based anode. All the above products can be primarily applied in NEVs, consumer electronics and energy storage industries, etc.

The main products and applications of the Company's anode materials business are detailed below:

Classification	Product	Application
Anode material	Artificial graphite	Mainly used in the 3C digitals with high-energy density and high-power density, power batteries for EVs and energy storage
	Natural graphite	Mainly used in the 3C digitals with high-energy density and high-power density and power batteries for EVs, including cylinder battery and blending
	Silicon-based anode materials	Mainly used in the 3C digitals with high-energy density, electric tools, and power batteries for EVs

2. Operating model

(1) Procurement

The Company adopts a management model combining centralized and decentralized procurement.

For raw and auxiliary materials, production equipment, testing equipment, logistics and transportation, general consumables and others required for production, the supply chain center of anode integrates the demand of each factory, collaborates with R&D, technology, quality and others to select superior suppliers, and the headquarter of anode centralizes pricing through bidding, competitive negotiation, price comparison and cost analysis, and signs framework agreements. The factory places purchase orders or purchase and sales contracts as required and follows up delivery, acceptance, account checking, payment and other affairs.

For local demands such as preparation for parts and small works, the procurement department of each factory, following the commercial management requirements of multiple inquiries and cost analysis, develops suppliers nearby, organizes commercial negotiations, initiates inquiries and pricing applications, places purchase orders based on pricing results, and follows up the deliveries to efficiently respond to factory needs.

For key materials or equipment, the supply chain center of anode, based on the supply structure and market research, makes the best choice, to promote the construction of strategic partnership with suppliers and achieve guaranteed supply, win-win cooperation and long-term development.

(2) Production

According to the principle of production based on sales, the Company plans monthly in accordance with the sales plan, and produce and reserve products based on the production plan and market forecast in advance in order to meet the needs of customer orders, shorten the delivery cycle, and improve the rate of order fulfillment and customer satisfaction. All departments coordinate closely to meet the market demand with a more flexible production model.

The Company's products are mainly supplied for itself after independent development and tests; products cover the conventional and the customized for clients' needs. The Company can provide clients with dedicated production lines to meet their one-stop procurement needs.

(3) Sales

The Company, under the mechanism coordinated with the department of sales, R&D, quality, technical support and others, establishes the task groups in light of clients' demand for products, and forms a sales model dominated by sales, guaranteed by R&D and quality and propped up by technical supports, to provide clients with cost-effective products and services. Based on the centrality or importance of clients, the Company understands their needs and keeps abreast of their feedback on product quality, changes in demand for product types and other issues through setting up sales offices in various places, so as to respond quickly, provide better sales and technical services to them, and establish close and efficient cooperation.

3. Market status of products

According to ICC, the Company maintained its top position in the industry in terms of artificial graphite market share in the first half of 2024. Leveraging its constant iteration and upgrades of product technology, the Company maintained its leading product advantages in market competition. In particular,

we maintained a leading market share in terms of consumer fast-charging products, and saw rapid growth in the shipment volume of power fast-charging products. Meantime, our new generation of silicon-based anode products has been successfully introduced to overseas customers and achieved mass production.

4. Key performance drivers

(1) Stable growth in the industry demand

In the first half of 2024, the domestic new energy vehicle (NEV) market maintained stable growth. According to the China Association of Automobile Manufacturers (CAAM), the production and sales of new energy vehicles were 4.929 million units and 4.944 million units in the first half of 2024, respectively, representing a year-on-year increase of 30.1% and 32%, respectively. The energy storage industry remained high prosperity. According to ICC, the global energy storage battery shipments reached 130 GWh in the first half of 2024, representing a year-on-year increase of 35%. Benefiting from the growth in the end demand for new energy vehicles and energy storage, the rising demand for lithium batteries has also driven the growth of upstream anode material demand. According to ICC, the global production of anode materials reached 608 GWh in the first half of 2024, representing a year-on-year increase of approximately 20%, while the global production of anode materials for lithium batteries was 967,000 tons, representing a year-on-year increase of 29%.

(2) Consolidating the advantages in product technology and deepening partnership with customers

The Company focuses on the customer needs to provide first-class, cost-effective anode products to global customers. Based on its core edges established in raw material development, product technologies, process control and customer cooperation, the Company continues to strengthen its competitiveness. During the Reporting Period, our fast charging anode products maintained a leading share in downstream applications with excellent performance. Our cooperation with global leading battery companies has been further deepened, and our sales to major customers have increased significantly year on year.

(3) Increasing production capacity of Yunnan base and effective cost reductions of new graphitization process

In the first half of 2024, our Yunnan base has gradually released its production capacity, leading to gradual growth in monthly graphite processing volume. Our Yunnan base adopted new furnace technology with higher loading capacity and rapid cooling capability, which further reduced the cost of our self-supplied graphite.

5. Industry Overview

In the first half of 2024, In the first half of 2024, due to favorable policies in China such as trade-in program and promotional campaign for new energy vehicles in rural areas, automobile manufactures accelerated the development and application of new technologies and models, along with increased market promotion efforts. Therefore, the potential for automobile consumption was further unleashed, and the sales of new energy vehicles maintained rapid growth. According to the China Association of Automobile Manufacturers (CAAM), the sales of new energy vehicle in China was 4.944 million units in the first half of 2024, representing a year-on-year increase of 32%.

With the continuous adjustment of global energy structure and the in-depth advancement of ow-carbon transformation, the energy storage industry remained high prosperity driven by favorable factors such as policy support and cost reductions. According to ICC, the global energy storage battery shipments reached 130 GWh in the first half of 2024, representing a year-on-year increase of 35%.

Benefiting from the growth in downstream demand for new energy vehicles and energy storage, the rising demand for lithium batteries has also driven the growth of upstream anode material demand. According to the data of ICC, the global production of anode materials reached 608 GWh in the first half of 2024, representing a year-on-year increase of approximately 20%, while the global production of anode materials for lithium batteries was 967,000 tons, representing a year-on-year increase of 29%. Meantime, the iteration of downstream battery technology since 2024 has been focusing on fast-charging batteries and semi-solid-state batteries, further promoting the development and application of new anode materials.

In recent years, the anode materials industry has accelerated capacity expansion, leading to a phase of structural overcapacity. However, due to the differentiation of corporate orders and the clearance of excess capacity, the leading companies in the anode industry have leveraged their advantages in advanced technology, differentiated products and high-quality customers to further enhance their market share and solidify their leading position amid industry adjustments. In the first half of 2024, due to the impact arising from the slowdown in end demand growth, overcapacity and other factors, the price of anode materials remained under pressure with challenging profitability in the industry. Currently, the price of anode materials has generally stabilized, with limited room for further decline. Based on various biddings in the second half of 2024, GGII predicts that the price of anode materials may rise by over 10% quarter-on-quarter in the second half of 2024. Furthermore, the demand growth trend in new energy vehicles and energy storage industries was sustained, and ICC predicts that the shipments of lithium battery anode materials in China will reach approximately 1.89 million tons in 2024.

Major laws, administrative regulations, rules of ministries and industry policies newly issued in the first half of 2024






Publication time	Published by	Name of Policy	Main content
January 2024	National Development and Reform Commission, and National Energy Administration	Guiding Opinions on Strengthening Capacity Building for Peak Load Regulation, Energy Storage and Intelligent Dispatching of Power Grids	To develop user-side new energy storage. To rationally allocate user-side energy storage based on the source-grid-load-storage integration model and to enhance user-side power supply reliability and local consumption of distributed renewable energy, with focus on end users such as big data centers, 5G base stations, and industrial parks.
March 2024	State Council	Action Plan for Promoting Large-scale Equipment Renewals and Consumer Goods Trade-ins	To continuously promote the electrification of urban public transportation, and to support the renewal and replacement of old new energy buses and power batteries. To strengthen the industry-based capacity of electric, hydrogen-powered and other green aviation equipment. To gradually expand the application of new energy vessels powered by electricity, liquefied natural gas, biodiesel and green methanol.
April 2024	National Energy Administration	Notice on Promoting the Grid Connection and the Dispatching	To actively support the development of integrated dispatching models such as new energy + storage, aggregated storage and integrated solar-storage-charging, to prioritize the dispatch from new energy storage pilot


		and Use of New Types of Energy Storage	demonstration projects, and to fully utilize the value of various types of energy storage.
May 2024	State Council	2024-2025 Energy Conservation and Carbon Reduction Action Plan	To gradually eliminate local restrictions on the purchase of new energy vehicles; to implement supporting policies such as facilitating the passage of new energy vehicles; to promote the electrification of vehicles in the public sector, to orderly promote new energy medium and heavy-duty trucks, and to develop zero-emission freight fleets.
June 2024	Ministry of Industry and Information Technology	Standard Conditions for the Lithium-ion Battery Industry (2024)	To guide enterprises to reduce manufacturing projects solely focused on capacity expansion, and to strengthen technological innovation, improve product quality and reduce production costs. Specific requirements for battery, cathode materials, anode material and other product performance have been updated.

(II) Polarizer business

1. Business profile

The Company's polarizer business covers the R&D, production and sales of polarizers. A polarizer, a composite film consisting of multi-layer films, allows the passage of specifically polarized light waves while blocking other polarized light waves. As the core element of display technology, polarizers enable images to be displayed and seen on the screen. They are widely used in the consumer electronics such as TVs, monitors, laptops, tablets, mobile phones and commercial display. The purposes of products are as follows:

Product	Purpose	End product	Image
Polarizer	Polarizer is the core optical film material for display panels, which controls the polarization direction of a specific light beam and is used to transform natural light into linearly polarized light or circularly polarized light, so that the screen can display images and the picture clarity can be improved.	TV	
		Monitor	
		Laptop	
		Tablet	
		Mobile phone	

Product	Purpose	End product	Image
		Commercial display	

2. Operating model

(1) Procurement

The Company adopts the production-based procurement model, that is, arranging the procurement of raw materials according to the production plan formulated by the production department and the inventory status and making timely stocking according to the supply and demand of raw materials and price fluctuations. The products purchased mainly include PVA film, TAC film, PET film, protective film, release film, PSA and other raw materials.

The Company selects suppliers independently according to market principles. It first signs framework agreements with suppliers, and purchases specific raw materials by placing purchase orders to suppliers.

(2) Production

The Company mainly adopts the sales-based production model to produce products according to the demand of clients. The Company will form a sales forecast analysis after receiving the demand and decide the production plan based on the capacity and the consideration of long-term cooperation with clients, material supply, production cycle, etc. In addition, the Company will prepare some stocks based on the past product sales and specific needs of clients.

The Company's production process includes two parts: front-end work and back-end work. The Company mainly produces by itself with some outsourcing works. The Company adopts the independent production for the front-end work as it is the core part in polarizer production, and outsources some non-core processes of back-end work for external specialized companies, thus improving production efficiency. In this process, the Company will propose processing plans to the assigned processors according to the orders from clients, and provide polarizer coils to them based on the forecast of the outsourcing quantity. The assigned processors will work according to the processing plans and deliver directly to clients according to the Company's instructions.

(3) Sales

The Company mainly adopts the direct sales model. Its clients include BOE, China Star Optoelectronics Technology Co., Ltd (CSOT), LG Display, HKC, Sharp, Xianyang CaiHong Optoelectronics, TIANMA, Qunchuang and other mainstream panel manufacturers. Downstream major panel manufacturers have rigorous requirements for their suppliers, and will strictly review the suppliers' strength and qualifications (such as quality, R&D, production, management, etc.) before cooperation. The companies that obtain their supplier certifications must first undergo repeated inspections,

improvements and acceptances. The cooperative relationships established through such restrict process will not change easily. Therefore, the Company stably cooperates with clients.

The Company's back-end production lines include industry-leading RTS (coil-to-sheet) production lines and RTP (coil-to-panel) production lines, and most of its factories are located near clients' factories, so that it can timely respond to clients and meet their needs such as quick pattern changes.

3. Market status of products

According to the data of CINNO Research, the Company's market share in large-size polarizers (including TFT-LCD TVs/displays/notebooks) in terms of shipment area amounted to 34% in the first half of 2024, remaining the world's No. 1. In terms of the application fields, the market share of LCD TV polarizer business and LCD display polarizer business of the Company both ranked first in the world.

4. Key performance drivers

(1) Increase in stocking demand of brand manufacturers and year-on-year growth in downstream panel shipments.

In the first half of 2024, driven by the demand from the 618 shopping festival and international sports events during the middle of the year, the stocking demand of brand manufacturers increased. In addition, the shipment area of display panels increased year-on-year under the significant trend towards larger TV panels. According to WitsView, the global shipment area of large-size LCD panels (including LCD TV / monitor / laptop / large-size tablet panels) increased by 7% year-on-year in the first half of 2024.

(2) Further enhancement in our market competitiveness

Leveraging over 20 years of technical research and development experience in the polarizer field, the Company leads the market with differentiated technologies such as ultra-large sizes, ultra-thinness, high contrast and wide viewing angles. During the Reporting Period, the Company continued to strengthen the development and market expansion of ultra-large size, high-end LCD, OLED and automotive products, thus constantly enhancing its competitiveness. During the Period, the Company has achieved the mass production and shipment of several models of OLED TV polarizers.

5. Industry Overview

In the first half of 2024, driven by the demand from the 618 shopping festival and international sports events during the middle of the year, the stocking demand of brand manufacturers increased. In addition, the shipment area of display panels increased year-on-year under the significant trend towards larger TV panels. According to WitsView, the global shipment area of large-size LCD panels (including LCD TV / monitor / laptop / large-size tablet panels) increased by 7% year-on-year in the first half of 2024, with monitor panels increasing by 12% and laptop panels by 10%.

According to Omdia's forecast, the global display panel demand in terms of area is expected to grow by 8% year-on-year in 2024. In particular, the demand for large-sized display panels is expected to see steady growth due to enhanced production efficiency and continuous advancements in display panel

technology. In 2024, the shipment area of display panels over 80 inches is expected to account for approximately 7%, and further rise to 11% by 2030.

On 24 July 2024, the National Development and Reform Commission and the Ministry of Finance issued the *Several Measures on Further Supporting Large-scale Equipment Renewals and Consumer Goods Trade-ins* (《关于加力支持大规模设备更新和消费品以旧换新的若干措施》), proposing the allocation of ultra-long-term special government bonds to support local efforts in enhancing trade-in capabilities for consumer goods. This policy will further unleash the policy dividends from promoting consumer goods trade-ins, and further boost consumer willingness and potential for home appliance purchases. As a key upstream material for TVs and other display panels, polarizers are expected to benefit from this round of favorable trade-in policies.

II. Analysis on core competitiveness during the Reporting Period

Applicable Not Applicable

(I) Analysis of core competitiveness of anode materials

The Company has been industrializing anode materials since 1999, and has been a pioneer and technology leader in the lithium battery anode materials industry with more than 20 years of practice in R&D and industrialized production in this field. Ningbo Shanshan New Material Technology Co., Ltd., the Company's anode material subsidiary, was picked to the lists of the "National Enterprise Technology Center" and "National Manufacturing Single Champion". Shanghai Shanshan Technology Co., Ltd. was listed in the third batch of state-level specialized and innovative "small giant" enterprises.

The Company takes clients' demand as the core, leads the industry development through technological innovation, and has built long-term core competitiveness in product technology, capacity size, clients and presence of industrial chain.

1. Deep technology accumulation and cutting-edge R&D and innovation advantages

The Company is the first enterprise engaged in the research and development and production of artificial graphite anode materials for lithium-ion batteries in China, boasting independent core intellectual property rights such as material granulation, surface modification, spheroidization, and heat treatment technologies. After years of high-quality R&D investment and cultivation of independent R&D ability, the Company has developed a comprehensive R&D and innovation system, including robust mass production incubation technology team, sound anode material pilot line, rapid new material mass production conversion technology, innovative by-product development technology, and cutting-edge graphitization furnace technology, etc.

The Company attaches great importance to independent research and technological innovation. Currently, the Company has boasted a high-level R&D team led by industry-leading technical experts. Our research institute comprises departments focusing on artificial graphite, natural graphite, silicon-based new materials, soft and hard carbon, and mechanism research platforms as well as three postdoctoral research stations. The Company promotes the in-depth integration of industry, academia and research, thus

ensuring that the performance of newly developed products remains at the forefront of international standards.

Our anode material business leads the industry in the research and development of high-end products, graphitization technology, raw material development and evaluation technology.

In terms of high-end products, the Company's self-developed high energy density and fast charging, silicon-based anode, hard carbon and other product technologies are in the forefront of the industry.

- High-capacity fast-charging anode materials

The Company has broken through the technical bottleneck of high energy density fast charging, achieving constant iteration and upgrading of fast-charging products. In terms of consumer fast-charging products, we maintain a leading market share, and have achieved bulk shipment of 5C products and delivery of over one ton of 6C products. In terms of power fast-charging products, our shipments have grown rapidly. We have achieved large-scale supply of 4C and 5C products, and completed the customer identification for 6C products, which is under batch stability verification now. We have further expanded our technological leadership in fast-charging products and achieved generational leadership in the fast-charging product system.

- Silicon-based anode materials

The Company kept making technological breakthroughs in silicon-based anode products, gaining recognition from customers at home and abroad, and realizing batch supply. Silicone oxygen products have been supplied to overseas leading customers in bulk, with loading completed. In addition, we have solved the problem of low-temperature cycling of second-generation silicone oxygen, and the related products have been exported to overseas leading power tool companies. Silicon-carbon products are undergoing constant iteration. The new generation silicon-carbon products stayed ahead in the tests among leading customers, and the related core technology has been granted with patents in the U.S. and Japan.

- Hard carbon anode products

Our hard carbon anode products are leading in capacity, high temperature and processing performance. The self-designed 1,000-ton hard carbon production line has been put into production, realizing batch application in the fields of sodium battery, lithium battery (including semi-solid-state batteries) and supercapacitor.

In terms of graphitization technology, the Company commits to the improvement and innovation of graphitization process. Its furnace technology leads the industry in quality and cost control and maintains the improvement in process. The new integrated base adopts a new low-cost process, which will further reduce the production cost of graphitization. In addition, the Company is promoting the innovative R&D of new graphitization process which is now in the stage of technical cooperation, development and verification.

In terms of raw material development, the Company's basic research team for anode raw materials is led by senior experts in the coal chemical industry, and a special raw material development team is jointly established with upstream suppliers to work together to develop functional raw materials, functional

granulating agents and coating agents required for the performance of anode materials, and tailor-made raw materials for anode products with different characteristics. The Company's unique raw material allocation technology ensures the stability and adaptability of raw materials from the source.

As of 30 June 2024, in terms of anode materials, we had 302 authorized patents, including 8 international patents, 213 domestic invention patents and 81 utility model patents.

2. Superior client mix and continuous improvement in clients' recognition

Leveraging the long-term accumulation in lithium battery material field and the high-quality products and technical services, the Company has established long-term stable partnerships with global mainstream lithium battery manufacturers, including CATL, Ultiumcells, BYD, LGES, ATL, Farasis Energy, COSMX, Sunwoda Electronic, AESC and SK on. The Company continues to optimize its customer structure and deepen its ties with major customers in the industry.

3. Strengthening cost advantages through building integrated production capacity

Deeply engaged in the anode material industry for more than 20 years, the Company has a stable industry leading position, maintaining a leading market share of artificial graphite products. Currently, the Company has completed the medium-term strategic deployment of graphite anode materials capacity, including three integrated bases in Inner Mongolia, Sichuan and Yunnan. Phase I of Inner Mongolia and Sichuan bases have been put into production, and phase I of Yunnan base is ramping up. The Company will steadily promote the construction and release of production capacity according to market demand. With the release of integrated production capacity, it will effectively reduce production costs and achieve low-carbon and green manufacturing. In addition, to meet overseas market demand and enhance overseas market share, the Company plans to build an anode material production capacity of 100,000 tons in Finland, which is currently in the preliminary procedure stage. The Company has shaped a leading capacity scale and comprehensive capacity deployment advantages.

In order to further meet the needs of downstream customers and actively seize the opportunity of demand increase of silicon-based anode market, the Company has taken the lead to deploy 40,000 tons of integrated silicon-based anode production capacity base in Ningbo. The first phase is under construction and will be put into trial production at the end of 2024.

4. Deepening the cooperation with upstream partners to build a resilient supply chain

As for the upstream industry chain, the Company established a special raw material development team with upstream suppliers to work together to develop functional raw materials, functional granulating agents and coating agents required for the performance of anode materials, and tailor-made raw materials for anode products with different characteristics. To further guarantee the quality and supply, the Company has established a strategic cooperative relationship with domestic leading raw material suppliers, such as Petrochina, Sinopec, CNOOC and local refineries, and the two sides have carried out all-round cooperation in the fields of needle coke, petroleum coke, and calcined coke to

ensure the stability and safety of the Company's raw material supply. In addition, we have built a professional team to analyze the market situation, so as to ensure the supply while leveraging the price advantage of bulk purchasing. In order to meet the needs of overseas customers, we have extensively developed overseas raw materials, verified them in large quantities, and established resource pools to ensure the safety of overseas raw materials supply.

(II) Analysis of core competitiveness of polarizer

1. Deep technology accumulation and cutting-edge R&D and innovation advantages

As a leading enterprise in the polarizer field, the Company has leading technology advantages. Relying on over 20 years of technological R&D in the polarizer field, the Company leads the market through differentiated technologies of polarizers such as super-size, ultra-thin, high contrast and wide viewing angle. The Company has mastered a number of key polarizer process technologies and is continuously expanding its innovative polarizer technologies for high-end display applications. The Company has passed the certification of national high-tech enterprises, and has won a number of honorary titles such as national green factory, national intelligent manufacturing excellent scene, provincial intelligent manufacturing demonstration factory, and Nanjing Top 100 Enterprises.

The Company has industry-leading manufacturing processes and continues to break through manufacturing capabilities in terms of product quality, safety and security, and production efficiency in order to improve production efficiency and product quality. The Company has customized polarizer production equipment that enables precise control of parameters in production through carefully modulated parameters to achieve higher first pass yield of product, as well as comprehensive defect detection methods and automatic inspection technologies to ensure high product yield. The Company continues to improve key processes such as film lamination and film stretching to guarantee and improve product quality, while it has successfully applied UV curing technology to polarizer manufacturing, thus optimizing the production process.

In terms of new display technologies and applications, our independently developed OLED TV polarizers have successfully achieved mass production and shipment of several models. Our OLED polarizers for mobile phones and monitors have also reached mass production and are undergoing multiple customer certifications. Our automotive polarizers are under internal testing and are going to deliver samples as soon as possible. In addition, the Company intends to acquire the OLED polarizer and automotive polarizer businesses of LG Chem, in order to accelerate the expansion of high-end polarizer market share. The acquisition is currently progressing steadily.

As of 30 June 2024, the Company has applied for more than 1,000 LCD polarizer related patents in South Korea, China, Japan, the United States and other countries around the world, among which 1,172 patents have been authorized (including 912 overseas patents), covering 1,081 invention patents, 83 utility model patents, and 8 appearance patents.

2. Leading capacity scale, advantages of ultra-width production lines and RTP production lines

The Company has a leading scale advantage in polarizer production capacity. By continuously strengthening its investment in production capacity in the field of LCD and OLED polarizers, the Company is able to further leverage its scale advantage to meet market and customer demand. Currently, the Company has built ten world-leading polarizer production lines in Nanjing, Guangzhou and Zhangjiagang, with the world's leading production capacity. Our diverse range of polarizer products covers various LCD/OLED technologies, applications and sizes, empowering more display applications and driving new upgrades and breakthroughs in the polarizer industry.

The Company is the first in the industry to use global-leading ultra-wide production lines and is the global market leader in the ultra-wide field. Currently, the Company possesses six ultra-wide front-end production lines, of which the 2,600mm ultra-wide production line can achieve production of polarizers over 115 inches.

In addition, the Company has industry-leading RTP production lines in many cities across the country. The RTP production line is generally set in the customer's factory area, and it can achieve polarizer to coil integrated laser cutting, automatic inspection and polarizer and glass substrate attachment. With the advantages of close to customers and convenient supply, the RTP production line can reasonably control transportation and packaging costs, improve production efficiency and increase product yield while meeting the unique demands of customers' production lines.

3. Leading competitive advantage in the market

The Company is a global leader in polarizer market share. According to the data of CINNO Research, the Company's market share in large-size polarizers (including TFT-LCD TVs/displays/notebooks) in terms of shipment area amounted to 34% in the first half of 2024, remaining the world's No. 1. In terms of the application fields, the market share of LCD TV polarizer business and LCD display polarizer business of the Company both ranked first in the world.

4. Long-term and stable customer relationship

The Company's downstream customers generally have a more stringent supplier certification system, and will generally maintain a more long-term and stable relationship with companies that pass their supplier certification. The Company has established long-term good cooperative relationships and smooth communication with the world's leading panel manufacturers, namely BOE, China Star Optoelectronics Technology Co., Ltd. (CSOT), LG Display, Sharp, Xianyang CaiHong Optoelectronics, HKC, TIANMA, Qunchuang, etc., which allows us to respond to customer needs quickly and efficiently and cooperate with the development of new products. By virtue of leading technology and excellent product quality, the Company's products and services have been highly evaluated and recognized by customers, and the supply relationship between both Parties is very stable.

III. Operation discussion and analysis

Operation Profile

Since 2024, the global economy has experienced sluggish growth and faced increasing complexity, severity and uncertainty in the external environment. The anode materials industry remains at the bottom of its industrial cycle, with prices under continuous pressure. The polarizer industry still faces pressure from fierce market competition and falling prices. In this context, the Company adhered to its established development strategies with focus on its annual business plan. Through measures such as optimizing product structure, deepening customer cooperation and strengthening operational management, the Company achieved stable growth in product sales and maintained a leading global market share in the first half of 2024. In the second quarter of 2024, our two core businesses saw full order books, increased quarter-on-quarter sales, and improved quarter-on-quarter operating performance, particularly in the anode materials business, as well as a significant quarter-on-quarter increase in net profit.

During the Reporting Period, the Company realized an operating income of RMB8,819.856 million, representing a year-on-year decrease of 6.84%; net profit attributable to shareholders of the listed company of RMB17.5745 million, representing a year-on-year decrease of 98.27%; and net profit attributable to shareholders of the listed company of RMB23.9064 million after deducting non-recurring gains and losses, representing a year-on-year decrease of 95.93%. Reasons for the year-on-year decline of business results: The anode material and polarizer businesses saw a year-on-year decline in product prices and net profit due to the impact of industry downturns. Our continuous asset optimization and divestment of non-core business assets adversely affected our performance. In the same period last year, the Company disposed of part of the electrolyte business equity and recognized investment income of approximately RMB244 million, while there was no such investment income in the current period.

(I) Anode Material Business

In the first half of 2024, the demand in the anode materials industry continued to grow steadily. However, the industry chain of lithium battery materials as a whole remained in a phase of overcapacity, leading to intense market competition and sustained pressure on anode material prices. The industry is now entering an accelerated phase of consolidation. During the Reporting Period, the Company has implemented several positive measures, such as increasing market expansion efforts, further deepening cooperation with major customers, and maintaining a leading position in product iteration. Therefore, the Company recorded a significant increase in sales volume, and the sales volume of anode materials in the first half of 2024 increased by over 50% year-on-year. Benefiting from a quarter-on-quarter increase in downstream demand as well as our cost-reduction and efficiency-enhancing measures, our anode materials orders were full in the second quarter of 2024, with significant quarter-on-quarter increase in sales volume and remarkable quarter-on-quarter improvements in net profit.

The details are as follows:

- **Maintaining the leading market position and further increasing market share**

The Company continued to deepen and broaden its cooperation with global leading battery companies,

and achieved significant growth in sales to major customers, with anode materials sales growth rate outpacing the industry average and a year-on-year increase in market share. According to ICC, in the first half of 2024, the proportion of artificial graphite production as the anode material of the Company remained at the top of the industry

- **Closely following customer needs with continuous technological breakthroughs and innovative products**

The Company adhered to the strategy of product leadership and maintained a high level of investment in research and development. For artificial graphite products, guided by the needs of downstream customers, the Company kept making breakthroughs in new technologies and products, including the development and mass production of low-cost artificial graphite with enhanced energy density, optimization of ultra-fast charging technology for artificial graphite, mass production of the first generation of high-initial-efficiency artificial graphite for power use, and the development of low-expansion artificial graphite technology (suitable for matching with silicon-based anodes).

The Company kept making technological breakthroughs in silicon-based anode products, gaining recognition from customers at home and abroad, and realizing mass supply. Silicone oxygen products have been supplied to overseas leading customers in bulk, with loading completed. In addition, we have solved the problem of low-temperature cycling of second-generation silicone oxygen, and the related products have been exported to overseas leading power tool companies. The Company continued to iterated its silicon-carbon products, such as the self-developed high-performance spherical silicon-carbon characterized by high initial efficiency, high capacity and long cycles. In addition, cost-effective silicon-carbon products based on raw materials are featured with high energy density and controllable costs, which are expected to accelerate the industrial application of silicon-carbon in power batteries. These two products are expected to achieve mass production by the end of 2024.

Our hard carbon anode products are leading in capacity, high temperature and processing performance. The self-designed 1,000-ton hard carbon production line has been put into production, realizing batch application in the fields of sodium battery, lithium battery (including semi-solid-state batteries) and supercapacitor.

- **Deepening cost leadership strategy and focusing on cost reduction and efficiency enhancement**

In response to the profit pressure caused by declining product prices, the Company deeply explored potential efficiency improvements, and focused on cost reduction goals to explore cost reduction potentials and fully enhance profitability. During the Reporting Period, the Company continued to implemented measures such as reducing raw material costs, improving production processes to lower energy consumption, and enhancing intelligent manufacturing to boost production efficiency. At the same time, the Company steadily advanced the gradual release of advantageous production capacity of Yunnan integrated base. The Yunnan base adopted new furnace technology with higher loading capacity and rapid cooling capability, which further reduced the cost of our self-supplied graphite.

(II) Polarizer business

In the first half of 2024, relying on the stable production and supply, a diversified product portfolio and strong customer relationships, the Company achieved stable growth in polarizer sales, with a further increase in global market share. According to CINNO Research, the Company achieved a 34% share of the shipment area for large-sized (including TFT-LCD TV / monitor / laptop) polarizers in the first half of 2024, maintaining its global leadership position. However, due to insufficient growth momentum in end demand and intensified industry competition, polarizer prices declined year-on-year. The Company mitigated the impact of price declines through positive measures, such as optimizing the product structure and deepening cost-reduction efforts.

The details are as follows:

- **Constantly enhancing the R&D and market development of high-end LCD, OLED and automotive products**

In terms of LCD polarizers, the Company continued to advance research on differentiated technologies such as ultra-thin, high-contrast and wide-viewing-angle products, while continually launching ultra-large and high-end products to strengthen its competitive edge. In terms of high-end products, TV wide viewing angle polarizers, TV ultra-low reflection polarizers, TV high transmittance polarizers, and small and medium-sized ultra-thin polarizers have all been mass-produced and shipped during the Reporting Period. In terms of ultra-large-size products, our world's largest 115-inch polarizers met the requirements of 4K/8K ultra-high-definition resolution. Meanwhile, solutions for larger sized polarizer products are currently under research and evaluation

In terms of OLED polarizers, the Company focused on enhancing the performance of OLED polarizers, including light transmittance, contrast and reliability. During the Reporting Period, our independently developed OLED TV polarizers have successfully achieved mass production and shipment of several models. Our OLED polarizers for mobile phones and monitors have also reached mass production and are undergoing multiple customer certifications.

In terms of automotive polarizers, the Company focuses on developing automotive polarizers with high reliability, high stability and resistance to extreme temperatures to meet the stringent requirements of the automotive industry. During the Reporting Period, the Company the Company is actively promoting internal testing and is going to deliver samples as soon as possible.

- **Continually enhancing R&D capacity and strengthening technical research**

During the Reporting Period, the Company continued to advance the construction of its global polarizer R&D center, and strengthen collaboration between industry, academia and research. The Company actively introduced innovative talents, and increased R&D investment to promote the development of more cutting-edge basic materials and application technologies, so as to enhance its overall R&D capabilities and technical strength and foster the development of new technologies, products and applications.

- **Implementing refined production to reduce cost and improve efficiency**

During the Reporting Period, the Company continued to advance internal innovations and cost reduction and efficiency improvement measures. In terms of production processes, the Company continued to pay attention to indicators such as product yield and material loss rate, and optimize production flows through refined production principles to reduce waste and enhance production efficiency. In terms of workshop management and control, the Company upgraded intelligent manufacturing to achieve interconnected information and data while maintaining safe production and to ensure integrated control inside and outside workshops, so as to improve intelligence and automation capabilities and reduce product defect rates and energy consumption. In terms of raw material procurement, the Company continued to promote and expand the diversification, localization and self-sufficiency of raw materials, and strengthen strategic cooperation with global leading manufacturers, thus ensuring stable and secure supply chain and enhancing cost competitiveness.

- **Steadily promote the smooth closing of proposed acquisitions**

In September 2023, in order to improve the product deployment of the polarizer business, accelerate the breakthrough from LCD polarizer to LCD+OLED polarizer, and consolidate the Company's position as a global polarizer business leader, the Company's subsidiaries, Sugin Optoelectronics and Guangzhou Sugin, proposed to acquire LG Chem's polarizers for automotive, OLED, and high-end IT displays, after consideration by the general manager's office meeting of the Company. The acquisition is currently progressing steadily.

(III) Other Business

The Company continued to implement its focus strategy and optimize its assets. During the Reporting Period, the Company completed the disposal of its equity in Ningbo Qingshan Automobile Co., Ltd., further divesting low-efficiency and non-performing assets to improve asset quality.

Material changes in the Company's operating situation during the Reporting Period, and matters occurring during the Reporting Period that have a significant impact on the Company's operating situation and are expected to have a significant impact in the future

Applicable Not applicable

IV. Operation Situation of the Principal Business during the Reporting Period

(I) Analysis of principal businesses

1 Analysis of changes in relevant items in the financial statements

Unit: Yuan Currency: RMB

Item	Amount for the current period	Amount for the same period last year	Change ratio (%)
Operating income	8,819,856,035.91	9,467,775,923.82	-6.84
Operating costs	7,538,254,323.33	7,733,118,698.69	-2.52
Selling expenses	118,354,195.17	100,600,068.48	17.65
Administrative expenses	316,990,884.67	282,685,192.20	12.14
Financial expenses	235,807,608.42	237,542,040.30	-0.73
Research and development expenses	526,079,194.76	371,427,557.37	41.64

Net cash flow from operating activities	691,472,175.58	-1,464,124,850.13	N/A
Net cash flows from investment activities	-829,006,001.68	-3,604,210,851.32	N/A
Net cash flow from financing activities	221,878,127.49	4,599,271,044.86	-95.18
Effect of foreign exchange rate changes on cash and cash equivalents	-3,679,768.44	-9,295,039.44	N/A
Impairment loss on assets	-2,139,445.97	34,871,644.47	-106.14
Gains from changes in fair value	-6,675,000.00		N/A
Investment income	-57,812,211.73	355,155,673.86	-116.28
Gain on disposal of assets	1,901,111.53	-6,367,937.29	N/A
Other income	166,438,650.31	310,461,225.20	-46.39
Non-operating income	4,251,388.57	6,386,375.48	-33.43
Non-operating expenses	24,611,210.76	8,641,319.53	184.81
Income tax expenses	70,738,232.71	302,138,787.40	-76.59
Net profit attributable to owners of parent company	17,574,536.66	1,013,091,536.67	-98.27
Non-controlling interests	4,250,786.38	57,738,245.89	-92.64
Net of tax of other comprehensive income attributable to the parent company owners	395,113,954.85	80,223,045.22	392.52

Reasons for over 30% changes year on year:

Reasons for the change in research and development expenses: It was mainly due to the year-on-year increase in research and development expenses for polarizer and anode businesses during the Reporting Period.

Reasons for the change in net cash flows from operating activities: It was mainly due to the increase in sales receipts from the anode businesses during the Reporting Period compared with the same period of last year, as well as the decrease in operating cash outflows resulting from enhanced payment control and payment with bills for purchasing inventory and prepayments.

Reasons for the change in net cash flows from investment activities: It was mainly due to a year-on-year decrease in cash paid for the purchase and construction of fixed assets and projects under construction in the anode and polarizer businesses during the Reporting Period.

Reasons for the change in net cash flow from financing activities: It was mainly because of the decrease in the net amount of bank loans by the Company during the Reporting Period, as compared to the same period of the previous year.

Reasons for the effect of foreign exchange rate changes on cash and cash equivalents: It was mainly due to the impact of exchange rate changes.

Reasons for the change in impairment loss on assets: It was mainly due to the significant reversal of provision for inventory impairment resulting from the consumption of inventory with a longer account age in the anode business in the same period of last year.

Reasons for the change in gains from changes in fair value: It was mainly due to the change in fair

value of the Company's financial assets during the Reporting Period.

Reasons for the change in investment income: It was mainly due to the investment income generated from the transfer of Quzhou Shanshan's equity in the same period of last year.

Reasons for the change in gain on disposal of assets: It was mainly due to the gains on disposal of fixed assets during the Reporting Period; the losses on disposal of fixed assets by Ulica in the same period of last year.

Reasons for the change in other income: It was mainly due to a year-on-year decrease in industrial supporting subsidies for the anode business during the Reporting Period.

Reasons for the change in non-operating revenue: It was mainly due to the decrease in insurance claims received by the Company during the Reporting Period compared with the same period of last year.

Reasons for the change in non-operating expenses: It was mainly due to the litigation compensation for the Company's breach of contract and the year-on-year increase in asset scrapping expenses during the Reporting Period.

Reasons for the change in income tax expenses: It was mainly due to a decrease in income tax expenses resulting from a decline in total profit of the Company during the Reporting Period.

Reasons for the change in net profit attributable to owners of parent company: It was mainly due to a year-on-year decrease in product prices of anode and polarizer businesses affected by the impact of market conditions in the industry, resulting in a year-on-year decline in net profit attributable to the Company during the Reporting Period; and the recognition of gains from the transfer of equity in Quzhou Shanshan by the Company.

Reasons for the change in non-controlling interests: It was mainly due to a decrease in performance results of the anode business during the Reporting Period, leading to a decrease in net profits attributable to non-controlling interests.

Reasons for the change in net of tax of other comprehensive income attributable to the parent company owners: It was mainly due to the change of stock price of financial assets held by the Company and the difference in the translation of foreign currency statements during the Reporting Period.

2 Detailed description of the significant change in the business type, profit composition or profit source of the Company

Applicable Not applicable

For detailed reasons for changes in current corporate performance, please refer to the "III. OPERATION DISCUSSION AND ANALYSIS" in this section.

(II) Description of significant change in profit caused by non-principal business

Applicable Not applicable

(III) Analysis of assets and liabilities

Applicable Not applicable

1. Assets and liabilities

Unit: RMB

Item	Amount at the end of the Period	Proportion of the amount at the end of the Period in the total assets (%)	Amount at the end of the previous year	Proportion of the amount at the end of the previous year in the total assets (%)	Change ratio of amount at the end of the current period compared with amount at the end of the previous year (%)	Explanation
Receivable financing	283,053,797.20	0.56	819,020,204.62	1.69	-65.44	It was mainly due to the discount of bank bills for the anode business during the Reporting Period.
Assets held for sale			504,815,183.07	1.04	-100.00	The main reason is that Ulica and its subsidiary Ulica Solar GmbH withdrew from the consolidated financial statements during the Reporting Period.
Non-current assets due within one year			43,356,102.91	0.09	-100.00	The main reason is that the subsidiary Inner Mongolia Qingshan withdrew from the consolidated financial statements during the Reporting Period.
Other non-current assets	64,323,744.80	0.13	136,235,292.10	0.28	-52.78	The main reason is that the Company recovered the house purchase intention deposit prepaid last year during

						the Reporting Period.
Accounts payable	3,907,595,632.83	7.77	2,812,406,457.12	5.80	38.94	The main reason is that the Company strengthened supply chain management and rationally optimized payment methods during the Reporting Period.
Advances from customers	3,622,226.87	0.01	20,835,376.00	0.04	-82.62	The main reason is that the subsidiary Ulica withdrew from the scope of consolidation during the Reporting Period, and the Company converted the prepaid equity intention payment from Ulica at the beginning of the year into equity payment.
Payroll payable	32,545,365.60	0.06	142,380,004.37	0.29	-77.14	The main reason is that during the Reporting Period, the subordinate industrial companies paid various performance wages and bonuses accrued at the end of last year.
Taxes and duties payable	135,117,347.27	0.27	79,179,764.82	0.16	70.65	It mainly due to the provision of corporate income tax by the Company for the disposal of shares of Luoyang Molybdenum

						during the Reporting Period.
Liabilities held for sale			427,188,378.77	0.88	-100.00	The main reason is that Ulica and its subsidiary Ulica Solar GmbH withdrew from the consolidated financial statements during the Reporting Period.
Treasury stock	1,475,374,754.39	2.93	981,321,182.46	2.02	50.35	It was mainly due to share repurchases by the Company during the Reporting Period.
Other comprehensive income	40,743,884.56	0.08	-77,894,085.74	-0.16	Not applicable	It was mainly due to the impact of changes in the fair value of the Company's holdings of Luoyang Molybdenum and other stocks during the Reporting Period.
Special reserves	10,880.60	0.00002	1,724,238.27	0.004	-99.37	The main reason is that the subsidiary Inner Mongolia Qingshan withdrew from the consolidated financial statements during the Reporting Period.

2. Overseas assets

√ Applicable □ Not applicable

(1) Asset size

Among which, overseas assets were 420,916,869.16 (Unit: Yuan Currency: RMB), accounting for 0.84% of the total assets.

(2) Description of the relatively high proportion of overseas assets

Applicable Not applicable

3. Restrictions on assets as of the end of the Reporting Period

Applicable Not applicable

As of the end of the Reporting Period, the assets whose ownership or use is restricted are referred to “22. Assets with restricted ownership or use rights” in note “VII. Notes to Consolidated Financial Statement Items”

4. Ohters

Applicable Not applicable

(IV) Analysis of investment**1. Overall analysis of external equity investments**

Applicable Not applicable

During the Reporting Period, the Company's foreign investment was RMB1,350.00 million, a year-on-year decrease of RMB779.15 million or 36.59%. The investment projects are as follows:

Invested company name	Invested amount during the reporting period (RMB0'000)	Main business	Equity ratio (%)	Remarks
Ningbo Shanshan Silicon-based Materials Co., LTD	10,000.00	Anode	87.0770	Capital paid in
Ningbo Shanshan New Material Technology Co., Ltd.	50,000.00	Anode	87.0770	Capital increase
Sichuan Shanshan New Material Co., Ltd.	75,000.00	Anode	87.0770	Capital increase

(1). Significant equity investments

Applicable Not Applicable

(2). Major Non-equity Investment

Applicable Not applicable

Project name	Project amount (RMB0'000)	Investment in the year (RMB0'000)	Total investment (RMB0'000)	Source of funds	Progress of project
The lithium ion battery anode material integration base project with the annual output of 200,000 tons in Meishan, Sichuan	800,000.00	6,867.87	396,915.91	Self-owned funds + financing	The project phase I is in operation and the project phase II is in the civil construction stage.
The lithium ion battery anode material integration base project with the annual output	970,000.00	84,581.95	322,410.95	Self-owned funds + financing	The capacity of phase I is ramping up.

of 300,000 tons in Anning, Yunnan					
The lithium ion battery silica-based anode material integration base project of Shanshan with the annual output of 40,000 tons	375,000.00	23,078.08	63,943.25	Self-owned funds + financing	The phase I project is under construction, and is expected to be put into trial production by year end.
The LCD polarizer production line with an annual output of 40 million square meters in Zhangjiagang	218,700.00	9,875.64	180,137.91	Self-owned funds + financing	Line 1 has been mass-produced and converted into fixed assets, while Line 2 is in the trial production stage.
The polarizer production line with an annual output of 50 million square meters in Mianyang	350,000.00	13,247.22	41,211.95	Self-owned funds + financing	The project is under construction.

(3).Financial assets measured by fair value

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Asset Category	Balance at the beginning of the period	Gains (losses) from changes in fair value for the current period	Accumulated changes in fair value recorded into equity	Impairment accrued in the current period	Purchase amount for the current period	Disposal/redemption amount for the current period	Other changes	Balance at the end of the period
Other equity instrument investment	842,256,655.01	161,471,893.40	145,265,072.92		6,470,023.85	271,506,500.00		738,692,072.26
Other non-current financial assets	202,225,284.01	-6,675,000.00	-9,271,000.00					195,550,284.01
Accounts receivable financing	819,020,204.62						-535,966,407.42	283,053,797.20
Total	1,863,502,143.64	154,796,893.40	135,994,072.92		6,470,023.85	271,506,500.00	-535,966,407.42	1,217,296,153.47

Securities investments

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Type of securities	Stock code	Securities abbreviation	Initial investment cost	Source of funds	Opening book value	Gains (losses) from changes in fair value for the current period	Accumulated changes in fair value recorded into equity	Purchase amount for the current period	Disposal amount for the current period	Profit and loss of investment for the current period	Ending book value	Accounting item
Stock	TSX:RM	DEFI TECHNOLOGIES INC	9,155,041.01		896,919.53	1,360,904.85	-6,897,216.63				2,257,824.38	Other equity instrument investment
Stock	ASX:ARL	ARDEA RESOURCES LTD			2,769,752.73	106,551.98	-428,083.08				2,876,304.71	Other equity instrument investment

Type of securities	Stock code	Securities abbreviation	Initial investment cost	Source of funds	Opening book value	Gains (losses) from changes in fair value for the current period	Accumulated changes in fair value recorded into equity	Purchase amount for the current period	Disposal amount for the current period	Profit and loss of investment for the current period	Ending book value	Accounting item
Stock	ASX:GRL	GODOLPHIN RESOURCES LTD(GRL AT)			58,161.29	-27,570.93	30,590.36				30,590.36	Other equity instrument investment
Stock	ASX:KAL	KALGOORLIE GOLD MINING LTD ORDINARY SHARES(KAL AU)			39,922.06	1,961.50	41,883.56				41,883.56	Other equity instrument investment
Stock	ASX:IMC	Morella Corporation Limited	225,883,583.93		10,941,899.40	-2,338,954.00	-217,280,638.53				8,602,945.40	Other equity instrument investment
Stock	SH:603993	CMOC	301,493,500.00		780,000,000.00	162,369,000.00	369,369,000.00		271,506,500.00		670,862,500.00	Other equity instrument investment
Total	/	/	536,532,124.94	/	794,706,655.01	161,471,893.40	144,835,535.68		271,506,500.00		684,672,048.41	/

Securities investments

Applicable Not Applicable

Private fund investment

Applicable Not Applicable

Investment in derivatives

Applicable Not Applicable

(V) Disposal of major assets and equity interest

Applicable Not applicable

Sale of part of the equity interests of Quzhou Shanshan

The Company completed the delivery of the transfer of the equity interest in Quzhou Shanshan, a subsidiary of electrolyte business, on 17 February 2023. As the counterparty failed to pay the remaining equity transfer payment of RMB344.862 million by 30 June 2023 as agreed, after several rounds of negotiation, the parties involved in the transaction reached an agreement and entered into the Settlement Agreement, which specified the payment arrangement for the remaining equity transfer payment and capital occupancy fee. For details, please refer to the relevant announcements of the Company released on the designated information disclosure media and the website of the SSE on 30 December 2023.

As at 30 June 2024, the counterparty Sunyes Manufacturing failed to pay the remaining payables according to the relevant provisions of the Settlement Agreement. As at the date of this Report, Ningbo Yongquan, a subsidiary of the Company, has filed a lawsuit with the Ningbo Intermediate People's Court on this issue.

Sale of part of the equity of Shanshan brand

In 2020, the Company sold a portion of its equity interest in its apparel business subsidiary, Shanshan Brand, which was no longer included in the Company's consolidated statements from July 2020. As of the date of this report, the Company has received a total of RMB126.1133 million of the equity transfer payment, and will continue to follow up and urge the counterparty to pay the balance.

(VI) Analysis of major companies in which the Company has invested

Applicable Not applicable

Unit: 0'000 Currency: RMB

Holding subsidiary	Main operations	Registered capital	Equity ratio (%)	Total ending assets	Ending net assets	Operating revenue during the Reporting Period	Profit during the Reporting Period
Shanjin Optoelectronics (Suzhou) Co., Ltd.	Production, processing and R&D of polarizers	710,522.56	100.00	931,846.66	924,784.27	46,000.00	1,041.11
Shanjin Optoelectronics (Guangzhou) Co., Ltd.		170,000.00	100.00	624,671.51	306,220.93	256,979.00	12,006.64
Shanjin Optoelectronics (Nanjing) Co., Ltd.		380,000.00	100.00	713,382.27	470,441.50	350,085.55	13,428.05

Shanghai Shanshan Lithium Battery Material Technology Co., Ltd.	R&D, production and sale of anode materials and carbon materials	118,200.00	87.0770	866,005.44	583,004.37	-	-0.80
Ningbo Shanshan New Material Technology Co., Ltd.		280,000.00	87.0770	568,887.48	321,143.55	173,019.60	5,575.84
Fujian Shanshan Technology Co., Ltd.		20,000.00	87.0770	157,547.28	47,436.72	121,985.06	3,370.73
Shanghai Shanshan New Material Co., Ltd.		100,000.00	87.0770	488,533.01	140,498.14	323,394.07	8,272.39
Inner Mongolia Shanshan Technology Co., Ltd.		130,000.00	87.0770	301,089.70	166,885.53	121,672.38	4,285.04
Yunnan Shanshan New Material Co., Ltd.		205,000.00	87.0770	585,262.48	226,564.82	50,176.96	-52.38
Shareholding subsidiary	Main operations	Registered capital	Equity ratio (%)	Total assets at the end of the period	Assets (net) at the end of the period	Operating income for the Reporting Period	Net profit for the Reporting Period
BASF Shanshan Battery Materials Co., Ltd.	R&D, production and sale of lithium-ion battery anode materials	57,884.55	49.00	662,119.15	524,198.02	197,027.83	-677.83
Zhejiang Chouzhou Commercial Bank Co., Ltd.	Raise public deposits, issue loans and handle domestic settlement, etc	420,000.00	7.06	32,145,058.55	2,504,911.17	462,901.13	89,805.64

(VII) Structured entities under the control of the Company

□ Applicable √ Not Applicable

V. Other Disclosure**(I) Potential risk exposures**

√ Applicable □ Not applicable

1. Policy risks

The core business of the Company are all the key industries supported by the State, and the relevant policies of the State on lithium-ion batteries and the LCD polarizer industry will somewhat affect the Company's operation.

Countermeasures: to improve profitability through continuous technological innovation to address the impact of the adjustment in State's support policies; Continue to pay attention to the relevant policies of the national and local governments, conduct sufficient research and demonstration in the industrial input, and timely adjust the business input to reduce the impact of uncertainty caused by policy fluctuations.

2. Market competition risks

With the support of the State for the new energy industry, new players are attracted to enter and compete in the lithium battery material industry through direct investment, industrial transformation or merger and acquisition. At the same time, the existing lithium battery material enterprises have expanded their capacity, causing the tendency of fiercer market competition. If downstream demand grows sluggishly in the future, it may lead to a decline in anode demand or a continuous drop in prices, which could adversely affect the operating performance of the Company.

As the display panel industry shifts to China, the demand for domestic polarizers as upstream raw materials has increased rapidly, and a large number of domestic polarizer manufacturers begin to plan new production capacities. With the release of new production capacity for polarizers, there is a risk of intensified market competition.

Countermeasures: The Company will continue to promote product iteration and upgrading by persisting with technological innovation, and enhance cost competitiveness by improving operational efficiency and refined production.

3. Risks of fluctuations in raw material prices

The main raw materials for the lithium-ion battery anode material business of the Company include petroleum coke and needle coke. The cost of raw materials accounts for a high proportion of the cost of anode products, and the price of raw materials is affected by the market supply and demand relationship, and will fluctuate to different degrees. If the pressure of rising raw material prices cannot be transmitted to the downstream or the rising cost pressure cannot be offset through technological process innovation, it will cause certain impact on the Company's production and operation.

LCD polarizer raw materials are mainly supplied by the relevant enterprises in Japan and South Korea, especially PVA films and TAC films, which are mainly purchased from the relevant enterprises in Japan. The possible great change to the operation of upstream raw material or the foreign trade environment will add to the uncertainty for the Company's production and operation in the LCD polarizer business.

Countermeasures: to track the price fluctuation of upstream raw materials in real time, deepen the cooperation with upstream raw material suppliers, and optimise the supply chain system, so as to secure the Company's raw materials supply chain and reduce the risk of cost fluctuations.

4. Risks of development of new products and technologies

Lithium-ion batteries are the most widely used type in the field of secondary batteries, and boast mature technology and industrial chain support after years of development. Therefore, it is expected that it will remain the mainstream technology in the market for a long time in the future. However, with changes in terminal demand and advances in technology, the industrialization process of other types of batteries such as solid-state batteries, etc., may be accelerated. If the Company fails to upgrade or innovate its products in a timely manner according to technological trends change, its market position and profitability will be impacted.

LCD dominates the display panel industry at present, but the advancing new display technologies such as OLED and Micro LED may pose a challenge to the LCD display market position and need, thus affecting the demand and profit space of the Company's LCD polarizer business

Countermeasures: Based on deep technology accumulation and leading research and development capabilities, the Company will continue to strengthen research and development innovation to keep the technology forward looking and leading.

5. Risk of changes in the international trade environment

The current international environment is becoming increasingly complex, with geopolitical conflicts, trade protectionism and other factors exacerbating the instability of the international trade environment, resulting in significant increase of instability and uncertainty of the global supply chain. Based on the protection and localization requirements of the local industrial chain in Europe and the United States and other major countries and regions, relevant industrial policies may not be conducive to the development of domestic lithium battery overseas market, and may also affect the procurement demand of the Company's overseas customers on the procurement needs of domestic enterprises.

Countermeasures: We shall actively pay attention to changes in the international trade environment, strengthen communication with overseas customers, promote the deployment of overseas factories according to customer needs, and realize the localization of supply chains in overseas markets.

6. Risk of exchange rate

As part of the Company's procurement and sales come from overseas, the settlement with overseas payment channels involves USD, Euro and other currencies. Therefore, foreign currency assets are exposed to certain exchange rate fluctuation risk.

Countermeasures: To keep an eye on the exchange rate dynamics, take into account the corresponding exchange rate fluctuation risks in signing contracts, and use relevant financial instruments reasonably and prudently to avoid exchange rate risks.

7. Risk of overseas investment

The Company may face various risks in overseas construction of anode material projects, such as lack of experience, slower-than-expected progress and lower-than-expected investment returns.

Countermeasures: The Company will conduct comprehensive investigations, verification and prudent evaluation of the projects; introduce high-level talents with experience in overseas investment project management; carefully select local partners to build a localized supply chain ecosystem; and phase the construction based on changes in market demand and in full consultation with customers.

(II) Other disclosure

Applicable Not Applicable

Section IV Corporate Governance

I. General Meetings

Meeting	Date of Meeting	Designated website for publication of the poll results	Date of publication of the poll results	Meeting resolution
Annual General Meeting for 2023	16 May 2024	Website of the SSE at http://www.sse.com.cn	17 May 2024	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE.

Preferred shareholders whose voting rights have been restored requested an Extraordinary General Meeting

Applicable Not Applicable

Particulars of General Meetings

Applicable Not Applicable

II. Change of the Directors, Supervisors and Senior Management of the Company

Applicable Not Applicable

Description of the change of the directors, supervisors and senior management of the Company

Applicable Not Applicable

III. Plan of Profit Distribution or Capitalisation of Surplus Reserve

The interim plan for profit distribution and capitalisation of capital reserves

Whether distributed or capitalised	No
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IV. Share Option Incentive Scheme, Employee Share Scheme or Other Employee Incentives and Their Impact

(I) Related matters under the equity incentive schemes which were disclosed in the extraordinary announcements and had no further progress or change in implementation

Applicable Not applicable

Overview	Resolutions are publicized
<p>On 24 April 2024, the eighth meeting of the 11th Board of Directors and the seventh meeting of the 11th Supervisory Committee deliberated and approved the Proposal on the Cancellation of Some Share Options and Repurchase and Cancellation of Some Restricted Shares of the Company's 2022 Share Options and Restricted Share Incentive Plan.</p> <p>On 6 June 2024, the tenth meeting of the 11th Board of Directors and the ninth meeting of the 11th Supervisory Committee deliberated and approved the Proposal on the Adjustment of Relevant Equity Prices of the Company's 2022 Share Options and Restricted Share Incentive Plan.</p> <p>On 27 June 2024 and 1 July 2024, the Company completed the procedures for the repurchase and cancellation of part of the aforesaid restricted shares, the cancellation of some share options and the adjustment of relevant equity prices at the CSDC Shanghai Branch, respectively.</p>	<p>For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 26 April 2024, 7 June 2024 and 25 June 2024.</p>

(II) Incentives which were undisclosed in the extraordinary announcement or might have had subsequent progress

Share option incentive

Applicable Not Applicable

Employee share scheme

Applicable Not Applicable

Other incentives measures

Applicable Not Applicable

Section V Environmental and Social Responsibility

I. Environmental Protection Information

(I) Explanation on environmental protection information of the highly polluting companies and their major subsidiaries as announced by the environmental protection authorities

√ Applicable □ Not applicable

1. Pollutant discharge

√ Applicable □ Not applicable

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented
ShanJin Optoelectronics (Nanjing) Co., Ltd.	Waste water	Chemical oxygen demand	277.6mg/L	173.315	702.255	None	Indirect discharge	1 Discharge Outlet	Discharge Standard of Water Pollutants for Electronic Industry (GB39731-2020) and takeover standards of sewage treatment plants in Nanjing Economic and Technological Development Zone
		Ammonia nitrogen	0.55mg/L	0.34	3.701				
		Total phosphorus	0.16mg/L	0.098	0.633				
		Total nitrogen	6.2mg/L	4.104	21.531				
		Suspended matter	32mg/L	12.115	564.297				
	Waste gas	SO ₂	≤16.5mg/m ³	0.083	0.49	None	Organised discharge	9 Discharge Outlet	Integrated Emission Standard of Air Pollutants (DB32/4041-2021)
		NO _x	≤4mg/m ³	1.8	8.095			9 Discharge Outlet	
		VOCs (in total non-methane hydrocarbons)	5.6mg/m ³	10.4	96.777			15 Discharge Outlet	
Particulate matter		3.2mg/m ³	0.15	3.446	12 Discharge Outlet				
Shanjin Optoelectronics (Guangzhou) Co., Ltd.	Waste gas	VOCs	≤30mg/m ³	10.79	Total≤121.6	None	Organised discharge	12 discharge outlets: around the plants and on the roofs of the buildings	Emission Standard of Volatile Organic Compounds - Furniture

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented
		Particulate matter	$\leq 20\text{mg}/\text{m}^3$	0.78	Total ≤ 1.175			8 Discharge Outlet	Manufacturing Industry (DB44/814-2010) Level 2 standard of Guangdong Emission Limits of Air Pollutants (DB44/27-2001) in the second time period Table 2 Limits of emission concentration of air pollutants from gas-fired boilers in Guangdong Provincial Standards for Boiler Emission of Air Pollutants (DB44/765-2019) Table 3 Limits of emission concentration of air pollutants from gas-fired boilers in Guangdong Provincial Standards for Boiler Emission of Air Pollutants (DB44/765-2019)
		SO ₂	$\leq 50\text{mg}/\text{m}^3$	0	Total ≤ 2.688			8 Discharge Outlet	
		NO _x	$\leq 150\text{mg}/\text{m}^3$	0	Total ≤ 12.574			8 Discharge Outlet	
	Waste water	BOD5	$109.95\text{mg}/\text{m}^3$	62.62	/	None	/	1 Discharge Outlet	1. Domestic sewage: subject to the level 3 standard of Guangdong Emission Limits for Water Pollutants (《水
		Suspended matter	$13.04\text{mg}/\text{m}^3$	7.26	/				
		Total phosphorus	$0.06\text{mg}/\text{m}^3$	0.04	/				

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented
		LAS	0.47mg/m ³	0.26	/				污染物排放限值》) (DB44/26-2001) in the second time period 2. Production wastewater: subject to the indirect emission limits in Table 1 of the Discharge Standard of Water Pollutants for Electronic Industry (GB39731-2020) Difference: 1. 20mg/L for Ammonia nitrogen; 2. 45mg/L for Ammonia nitrogen
		Iodide	57.23mg/m ³	34.77	/				
		Total nitrogen	7.44mg/m ³	4.14	/				
		COD	230.42mg/m ³	128.75	510.421				
		Ammonia nitrogen	0.40mg/m ³	0.19	1.734				
Shanghai Shanshan Technology Co., Ltd.	Waste gas	Particulate matter	<1mg/m ³	0	0.036362	None	Organized (Discharged at an altitude of 15m after treatment according to relevant standards), unorganized	5 discharge outlets: workshop 2 (1), workshop 3 (2), workshop 4 (2)	Integrated Emission Standards of Air Pollutants (DB31/933-2015)
Ningbo Shanshan New Material	Waste gas	VOCs	5.26mg/m ³	0.27156	1.153	None	Discharged at an altitude of 15m after treatment	12 discharge outlets: 9 dust outlets, 2 exhaust	Integrated Emission Standards of Air Pollutants (GB16297-
		SO ₂	8mg/m ³	0.283	0.566				
		NO _x	33mg/m ³	0.079	0.158				

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented
Technology Co., Ltd.		Particulate matter	171.9mg/m ³	2.97995	7.058		according to relevant standards	outlets, 1 canteen fume outlet	1996) Emission Standard of Cooking Fume (Trial) (GB18483-2001) Implementation Plan for Comprehensive Control of Air Pollution of Industrial Furnaces in Zhejiang Province
Fujian Shanshan Technology Co., Ltd.	Waste gas	SO ₂	200mg/Nm ³	0.348778	5.778	None	Organised discharge	10 discharge outlets: semi-finished product processing workshop discharge outlet 1#, semi-finished product	Integrated Emission Standard of Air Pollutants (GB16297-1996) Emission Standard of
		Particulate matter	30mg/Nm ³	0.043747	1.341				
		Asphalt fume	40mg/Nm ³	0.261412	10.1(VOCS)				
		NMHC	80mg/Nm ³	1.241135					

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented
		Benzopyrene	0.0003mg/Nm ³	0				processing workshop discharge outlet 2#, semi-finished product processing workshop discharge outlet 3#, finished product processing workshop 1 north line discharge outlet 4#, organic exhaust gas exhaust funnel 5#, finished product processing workshop 1 south line discharge outlet 6#, breaking and grading workshop discharge outlet 7#, press-ton package room discharge outlet 8#, finished products processing workshop 2 discharge outlet 9#, semi-finished product processing workshop aqueous phase discharge outlet 10#	Air Pollutants for Industrial Furnaces (GB9078-1996) Emission Standard of Volatile Organic Compounds for Industrial Enterprises (DB35/1782-2018) Scheme for Comprehensive Control of Air Pollution of Industrial Furnaces in Fujian Province (Min Huan Bao Da Qi (2019) No.10)
Inner Mongolia Shanshan New Material Co., Ltd.	Waste gas	Particulate matter	4.4 mg/Nm ³	10.947	/	None	Organized emission + fugitive emission	5 discharge outlets: 1# graphitization workshop exhaust, 2# graphitization	Integrated Emission Standard of Air Pollutants (GB16297-1996)
		SO ₂	31mg/m ³	4.365	29.18				
		NO _x	72 mg/Nm ³	10.482	55.86				

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented
		NMHC	1.32 mg/Nm ³	6.486	63.722			workshop exhaust, 3# graphitization workshop exhaust, 4# graphitization workshop exhaust, 2# warehouse exhaust	Emission Standard of Air Pollutants for Industrial Furnaces (GB9078-1996)
		Asphalt fume	< 18 mg/Nm ³	8.325	/				
		Benzopyrene	< 0.000002 mg /Nm ³	6.50E-06	/				
	Waste water	BOD5	37.4mg/L	0.681	/	None	Connected to the sewage network	3 discharge outlets: the discharge outlets are located next to the south west gate of the plant, the east of the north gate of the plant and the west of the north gate of the plant respectively	Integrated Wastewater Discharge Standard (《污水综合排放标准》) (GB8978-1996)
		Total salt content	674mg/L	21.195	/				
		Animal and vegetable oil	1.11mg/L	0.015	/				
		COD	135mg/L	2.691	22.15				
		Suspended matter	19mg/L	0.624	/				
		Ammonia nitrogen	9.76mg/L	0.267	2.93				
Inner Mongolia Shanshan Technology Co., Ltd.	Waste gas	Particulate matter	2.6mg/m ³	0.234312	4.5	None	Organised emission after treatment with the exhaust gas treatment facilities and meeting the	10 discharge outs: 6 for drying, 1 for modification, 1 for pilot test, 1 for carbonization, 1 for boiler	Emission Standard of Air Pollutants for Coal-burning Oil-burning Gas-fired Boilers (GB13271-2014) Emission Standard of Pollutants for Battery
		NO _x	23mg/m ³	0.89544	35.394				
		SO ₂	17.8mg/m ³	0.095784	0.72				
		NMHC	8.86mg/m ³	2.50536	/				
		Asphalt fume	16.00mg/m ³	0.52104	/				

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented	
		Benzopyrene[a]	Not detected	3.49*10 ⁻⁷	/		standard; fugitive emission		Industry (GB30484-2013) Integrated Emission Standard of Air Pollutants (GB16297-1996) Emission Standard of Air Pollutants for Industrial Furnaces (GB9078-1996)	
		Waste water	BOD5	79.5mg/L	/	/	None	Connected to the sewage network	3 discharge outlets: the discharge outlets are located at the east, west and south gates respectively	Integrated Wastewater Discharge Standard (《污水综合排放标准》) (GB8978-1996)
			Total salt content	634mg/L	/	/				
			Animal and vegetable oil	0.54mg/L	/	/				
			COD	266mg/L	2.295	42.56				
			Total phosphorus	3.04mg/L	/	/				
			Suspended matter	42mg/L	/	/				
Ammonia nitrogen	17.2mg/L	0.7485	1.76							
Yunnan Shanshan New Material Co., Ltd.	Waste gas	Particulate matter	≤23.8	9.65	149.373	None	Organized emission + fugitive emission	26 discharge outlets: 9 in 1# grinding workshop, 6 in 2# grinding workshop, 3 in modification workshop, 4 in 1# graphitization	Integrated Emission Standard of Air Pollutants (GB16297-1996) Emission Standard of Air Pollutants for Industrial Furnaces	
		NMHC	≤7.57	2.58	139.1319					
		Benzopyrene[a]	<0.00002	0	0.0000122					
		NOx	≤48	3.38	260.2442					
		SO ₂	≤136	9.1	169.7015					

Company Name	Pollutant Category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets	Pollutant Discharge Standards Implemented
		Asphalt fume	<20	3.83	81.785			workshop, and 4 in 2# graphitization workshop	(GB9078-1996) Control Standard for Unorganized Emission of Volatile Organic Compounds (GB37822-2019)
	Waste water	Suspended matter	61	/	/	None	Domestic wastewater is discharged to Caopu Wastewater Treatment Plant through the sewage collection network	3 discharge outlets: the discharge outlets are located at east, west and south gate respectively.	Takeover standards of Caopu Wastewater Treatment Plant in Anning Industrial Zone
		COD	222	/	/				
		BOD5	55.1	/	/				
		pH	7.3	/	/				
		Total phosphorus	2.45	/	/				
		Ammonia nitrogen	23.2	/	/				

2. Construction and operation of pollution prevention and control facilities√ Applicable Not applicable

During the Reporting Period, the pollution prevention and control facilities of the above subsidiaries were constructed and operated as required: waste gas and waste water generated in the production process were discharged after treatment and meeting the standards; general waste was externally transported and disposed by the designated sanitation department, and other recyclable general solid waste was recycled and disposed by entrusted manufacturers with business licenses; hazardous waste was stored in special sites and entrusted and transferred to qualified third party for disposal.

3. Evaluation on environmental impact of construction projects and other administrative permissions for environmental protection√ Applicable Not applicable

During the Reporting Period, the above subsidiaries have strictly implemented the national laws of evaluation on environmental impact, and carried out evaluation on environmental impact for relevant construction projects in accordance with the requirements.

4. Environmental emergency plan√ Applicable Not applicable

The above companies have prepared contingency plans for environmental emergencies, taking into account the actual situation, in order to implement the *Emergency Response Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China*, *Interim Measures for the Management of Environmental Emergency Response Plans* (《突发环境事件应急预案管理暂行办法》) and other relevant laws and regulations, practice emergency rescue measures and responsibilities, guarantee the personal safety of employees, and reduce property damage and environmental pollution, thus enabling the rapid, effective and orderly implementation of emergency rescue efforts after an accident.

5. Environmental self-monitoring program√ Applicable Not applicable

All the above companies organise self-monitoring for the pollutants discharged in accordance with the relevant regulations, and formulate self-monitoring programs.

6. Administrative penalties for environmental problems during the Reporting Period√ Applicable Not applicable

On 29 April 2024, Inner Mongolia Shanshan New Material Co., Ltd. was imposed administrative penalties and a fine of RMB750,000 by the Baotou Municipal Ecology and Environment Bureau for putting its pre-graphitization workshop into operation before the completion of supporting environmental protection facilities. As at the disclosure date of this Report, Inner Mongolia Shanshan New Material Co., Ltd. has shut down the pre-graphitization workshop and carried out corresponding rectifications

7. Other environmental information that should be disclosed

Applicable Not Applicable

(II) Explanation of environmental protection efforts of companies other than key emission units

Applicable Not applicable

1. Administrative penalties for environmental problems

Applicable Not Applicable

2. Disclosure of other environmental information with reference to key emission units

Applicable Not applicable

The Company and its subsidiaries other than the above-mentioned key emission units are not among the key emission units announced by the environmental protection authorities. All aspects of the research and development, production and sales of the Company's lithium battery materials business and polarizer business follow the relevant national environmental regulations; the Company actively promotes energy conservation and emission reduction and pursue green and low-carbon development by increasing its investment in environmental protection equipment and technical transformation.

3. Reasons for not disclosing other environmental information

Applicable Not Applicable

(III) Explanation of the subsequent progress or changes in the disclosure of environmental information content during the Reporting Period

Applicable Not Applicable

(IV) Information that contributes to the protection of ecology, prevention of pollution and fulfillment of environmental responsibilities

Applicable Not applicable

The Company upholds the development concept of green and environmental protection, actively fulfills its responsibility for environmental governance, regulates production and operation activities in strict accordance with various laws, policies and social criteria, and insists on the unity of economic profit, social responsibility and environmental protection. During the Period, the Company and its subsidiaries strictly complied with the management requirements of emission permits, improved internal environmental governance, took the initiative to optimise and upgrade environmental protection treatment facilities, prevented pollution at source, vigorously implemented clean production and comprehensive utilisation of waste, and consciously reduced environmental pollution and ecological damage and other behaviours. At the same time, the Company carries environmental awareness and behaviour through the actual production operation process. For example, it actively carried out environmental education and training, and organised the practice of good environmental behaviors, such as garbage sorting and tree planting, so that employees have full knowledge and understanding of environmental protection.

(V) Measures taken to reduce its carbon emissions during the Reporting Period and the results

√Applicable □ Not Applicable

The Company actively fulfills its commitment to energy management, strives to mitigate the environmental and climate impact of global warming caused by greenhouse gas emissions, and promotes the concept of sustainable development to assume environmental and social responsibilities. The following sets forth the measures taken by the Company to reduce carbon emissions and their results:

1. Increasing the proportion of green electricity procurement

During the Reporting Period, all of Shanshan's anode factories actively reduced carbon emissions from electricity by purchasing green electricity, with green electricity accounting for 40% of the total, reducing carbon dioxide emissions by approximately 560,000 tons.

2. Rooftop photovoltaic power generation

During the Reporting Period, the Qingshan Factory of Shanshan Anode and the Nanjing Factory of Sugin Optoelectronics utilized rooftop photovoltaic power generation to supply energy to these factories. As such, QingShan Factory reduced carbon dioxide emissions by approximately 6,570 tons, while the Nanjing Factory reduced emissions by approximately 651 tons. In addition to the above two factories, the Zhangjiagang Factory of Sugin Optoelectronics also plans to build a rooftop photovoltaic system, with an estimated installed capacity of 104.5KW, which is expected to reduce carbon dioxide emissions by approximately 111 tons every year under normal operating conditions.

3. Energy-saving equipment transformation

During the Reporting Period, the Sichuan Factory of Shanshan Anode recovered waste heat from steam and transported it to the centralized heating company in the park, reducing carbon dioxide emissions by approximately 1,481 tons. Jiuyuan Factory utilized waste heat from roasting process kilns for heating instead of natural gas boilers, reducing carbon dioxide emissions by approximately 122 tons. Ningbo Factory promoted waste heat recovery from TO furnaces and energy-saving transformation of continuous rotary kilns, reducing carbon dioxide emissions by approximately 603 tons. The waste heat reuse project at QingShan Factory is under construction and is expected to be completed and put into operation by mid-October 2024, potentially reducing carbon dioxide emissions by approximately 817 tons.

4. Development of green products

Sugin Optoelectronics remains committed to developing environment-friendly polarizer products to support the sustainable development of the low-carbon economy. Currently, it offers a variety of green and low-carbon products, such as low-solvent PSA, solvent-free PSA and UV adhesives. During the period, the "Eco-Friendly Polarizer" product independently developed by Sugin Optoelectronics achieved a significant breakthrough in the environmental field with a bio-based carbon content as high as 32%, and subsequently received the "SGS Green Mark" Environmental Claims Certificate.

5. Green factory construction

The Company actively promotes the construction of a green manufacturing system, and accelerates the establishment of resource-saving and environment-friendly new production bases. As of the disclosure date of this report, the Company has a total of three green factories, of which the Nanjing Factory of Sugin Optoelectronics was rated as a national-level green factory, the Chenzhou Factory of Shanshan Anode as

a provincial-level green factory, and the Sichuan Factory of Shanshan Anode as a municipal-level green factory and a zero-waste enterprise.

In the future, the Company will continue to focus on energy conservation, emission reduction and climate change. While controlling and reducing its own carbon emissions, the Company will effectively drive decarbonization across the value chain, thereby contributing its share to the industry, the sector and the society at large.

II. Particulars of Consolidating and Expanding the Results of Poverty Alleviation and Rural Revitalization

Applicable Not Applicable

Section VI Important Matters

I. Performance of Commitments

(I) Commitments of the de facto controller, shareholders, related parties and acquirer of the Company and the Company and other commitment-related parties during or subsisting at the time of the Reporting Period

√ Applicable □ Not applicable

Background	Type	Party(ies)	Details	Effective time	Whether the commitments have a performance deadline	Validity period	Whether the commitments have been strictly performed in a timely manner
Commitments made in the report on acquisition or the report on the change in shareholding	Others	Shanshan Group, Pengze Trading (朋泽贸易), Yinzhou Jielun (鄞州捷伦), Shanshan Holdings and Mr. Zheng Yonggang	Commitments on the truthfulness, accuracy and completeness of the information provided, commitments on maintaining the independence of the listed company, commitments on avoiding horizontal competition, commitments on reducing and regulating related transactions, commitments on the absence of the circumstances stipulated in Article 6 of the Measures for the Administration of Acquisition of Listed Companies and compliance with Article 50 of the Measures for the Administration of Acquisition of Listed Companies.	31 December 2021, 22 September 2022	No	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 1 January 2022 and 23 September 2022.	Yes
Commitments in relation to refinancing	Addressing horizontal competition	Shanshan Group	Shanshan Group currently has no engagement and guarantees that it will not engage in business activities that compete with the business of Ningbo Shanshan Co., Ltd. directly or indirectly through any other means in future, and is willing to bear the compensation liability for the economic loss caused to Ningbo Shanshan Co., Ltd. by the violation of the above commitments.	April 2001	No	The commitment was made in April 2001 and long-term effective.	Yes

	Addressing horizontal competition	Shanshan Holdings, Shanshan Group and Mr. Zheng Yonggang (the Covenantors)	There is no substantial horizontal competition between the enterprises directly or indirectly controlled by the Covenantors and Ningbo Shanshan Co., Ltd. and its holding enterprises. During the Period when the Covenantors are the (indirect) controlling shareholder/de facto controller of Ningbo Shanshan Co., Ltd., the Covenantors and the enterprises controlled by the Covenantors other than Ningbo Shanshan Co., Ltd. and its holding enterprises will avoid engaging in any business that competes with the main business of Ningbo Shanshan Co., Ltd. and its holding enterprises, and will not engage in any activity that causes damage to the interests of Ningbo Shanshan Co., Ltd. and its holding companies. If the Covenantors and the enterprises controlled by the Covenantors other than Ningbo Shanshan Co., Ltd. and its holding enterprises encounter business opportunities within the scope of the main business of Ningbo Shanshan Co., Ltd. and its holding enterprises, the Covenantors will facilitate the transfer of such opportunities to Ningbo Shanshan Co., Ltd. and its holding enterprises. In case of any breach of the above commitments, the Covenantors shall bear all losses caused to Ningbo Shanshan Co., Ltd..	May 2015	No	The commitment was made in May 2015 and became effective since its issuance, and continues to be valid and irrevocable during the period when the Covenantors are the (indirect) controlling shareholder/de facto controller of Ningbo Shanshan Co., Ltd..	Yes
	Others	Shanshan Group, Pengze Trading (朋泽贸易), Yinzhou Jielun (鄞州捷伦)	Commitments on the source of funds for subscribing to this non-public offering of A-shares of Ningbo Shanshan Co., Ltd..	25 June 2021	No	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 26 June 2021.	Yes

	Others	Ningbo Shanshan Co., Ltd.	For details of commitments that no new capital investment will be made in finance-like business, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 6 August 2021.	25 June 2021	Yes	For a period from the date of making the commitments to the completion of the use of the proceeds or within 36 months since the availability of the proceeds.	Yes
	Others	Directors, senior officers, controlling shareholders and de facto controllers of Ningbo Shanshan Co., Ltd.	Commitments on taking mitigation and remediation measures for the immediate return dilution resulting from this non-public offering of shares.	9 June 2020, 26 April 2021, 17 October 2022	No	For details, please refer to of the Company released on the designated journals and media and the website of the SSE on 10 June 2020, 27 April 2021 and 18 October 2022.	Yes
	Others	Ningbo Shanshan Co., Ltd.	The Company does not provide financial assistance or compensation to investors participating in the subscription, either directly or through interested parties.	9 June 2020	No	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 10 June 2020.	Yes
	Shares subject to trading restrictions	Shanshan Group, Pengze Trading (朋泽贸易), Yinzhou Jielun (鄞州捷伦)	The shares subscribed for by the target subscribers in this non-public issue shall not be transferred within 36 months from the closing date of this issuance, and the shares of the Company increased after the closing of this issuance as a result of bonus issue and the conversion of capital reserve to share capital by the Company shall also comply with the above-mentioned arrangement of lock-up period. The reduction of the shares subscribed by the target	9 June 2020, 26 April 2021, 29 April 2021	Yes	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 10 June 2020, 27 April 2021 and 30 April 2021.	Yes

			subscribers in this non-public issue after the expiry of the lock-up period is subject to the relevant regulations of the CSRC, the SSE and other regulatory authorities.				
Commitments in relation to equity incentive	Others	Ningbo Shanshan Co., Ltd.	The Company undertakes that none of the major shareholders or de facto controllers who hold more than 5% of shares and their spouses, parents and children participate in this incentive plan.	23 February 2022	Yes	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 24 February 2022.	Yes
	Others	Ningbo Shanshan Co., Ltd.	The Company undertakes that it will not provide loans and financial support in any other forms, including providing guarantee for loans, to the incentive recipients with respect to the acquisition of the relevant equity under this incentive scheme.	23 February 2022	Yes	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 24 February 2022.	Yes
Other commitments	Addressing horizontal competition	Ningbo Shanshan Co., Ltd.	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 4 February 2020.	1 February 2020	No	Until both of Shaanxi Maoye Industry and Trade Co., Ltd. (陕西茂叶工贸有限公司) and Ningbo Liankangcai Brand Management Co., Ltd. (宁波联康财品牌管理有限公司) cease to be shareholders of Shanshan brand companies.	Yes
	Addressing horizontal competition	Shanshan Group	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 13 December 2016.	12 December 2016	No	The Agreement shall continue to be valid and irrevocable from the date of its entry into force through the term when	Yes

						Shanshan Group is the controlling shareholder of the listed company.	
	Addressing related transactions	Shanshan Co., Ltd., Mr. Zheng Yonggang	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 9 June 2016.	8 June 2016	No	For details, please refer to the relevant announcements of the Company released on the designated journals and media and the website of the SSE on 9 June 2016.	Yes

II.Appropriation of Funds by the Controlling Shareholders and Other Related Parties for Non-Operating Purpose during the Reporting Period

√ Applicable □ Not applicable

Unit: 10,000 Yuan Currency: RMB

Name of shareholder or related party	Connections	Time of appropriation	Reason	Opening amount	Additional amount appropriated during the Reporting Period	Total amount repaid during the Reporting Period	Closing balance	Balance as at disclosure date of interim report	Expected repayment method	Expected repayment amount	Expected repayment time
Shanshan Holdings	Indirect controlling shareholder	January 2024	Fund embezzlement	8,000.00	15,000	23,000	0	0	The principal has been paid in cash	N/A	N/A
Total	/	/	/	8,000.00	15,000	23,000	0	0	/	/	/
Total value at the end of the period as a percentage of the latest audited net assets				0							
Decisio procedures for appropriation of funds by the controlling shareholders and other related parties for non-operating purpose				N/A							
Reasons for the increase in funds appropriated by controlling shareholders and other related parties for non-operating purposes during the period,				As at 1 April, 2024, Shanshan Holdings has fully returned the principal and interest on the aforementioned pppropriation of funds for non-operating purpose. For details, please refer to the Special Explanation of Board of Directors of Ningbo Shanshan Co., Ltd. on the Unqualified Audit Report with Emphasized Matters of the							

investigation of responsible persons and measures proposed by the Board of Directors	Company for 2023 and the Unqualified Audit Report with Emphasized Matters on the Internal Control disclosed by the Company on 26 April 2024 at the website of Shanghai Stock Exchange.
Reasons for failure to repay the funds appropriated for non-operating purposes as planned, responsibility investigation and measures proposed by the Board of Directors	N/A
CPA's special audit opinion on funds appropriation (if any)	For details, please refer to the Special Report of BDO China Shu Lun Pan Certified Public Accountants LLP on Funds Appropriated for Non-operating Purposes and Transactions of Other Related Funds of Ningbo Shanshan Co., Ltd (BDO Report [2024] No.ZA11875) and the Special Report of BDO China Shu Lun Pan Certified Public Accountants LLP on Repayment of Funds Appropriated for Non-operating Purposes by Related Parties of Ningbo Shanshan Co., Ltd. in 2023 (BDO Report [2024] No.ZA11876) disclosed by the Company on 26 April 2024 at the website of Shanghai Stock Exchange.

III. Illegal Guarantee

Applicable Not Applicable

IV. Interim Report Audit

Applicable Not applicable

V. Changes in and Handling of the Matters Related to Non-standard Audit Opinions in the Annual Report for the Previous Year

Applicable Not applicable

In 2023, the Company was issued an audit report with emphasized matters and an audit report with emphasized matters on the internal control by BDO China Shu Lun Pan Certified Public Accountants LLP, the annual audit agency, for its appropriation of funds for non-operating purposes. As at 1 April 2024, the Company has recovered all principal and interest settled at the bank loan interest rate for the same period.

All Directors and senior management of the Company paid high attention to emphasized matters stated by the annual audit agency, and have taken active measures to mitigate the impact. For details, please refer to the “Special Explanation of Board of Directors of Ningbo Shanshan Co., Ltd. on the Unqualified Audit Report with Emphasized Matters of the Company for 2023 and the Unqualified Audit Report with Emphasized Matters on the Internal Control” disclosed by the Company on 26 April 2024.

VI. Matters Relating to Bankruptcy and Restructuring

Applicable Not Applicable

VII. Significant Litigations, Arbitrations

There was material litigation or arbitration during the reporting period There was no material litigation or arbitration during the Reporting Period

During the Reporting Period, other non-material litigation matters of the Company are detailed in Note “XVI. Commitments and Contingencies - 2. Contingencies” to financial statements.

VIII. Punishment on and Rectification of the Listed Company, Its Directors, Supervisors, Senior Management, Controlling Shareholders and De Facto Controllers for Suspected Breaches of Laws and Rules

Applicable Not applicable

In December 2023, Shanshan Holdings, the indirect controlling shareholder of the Company, received the Notice of Case Filing (No.: Zheng Jian Li An Zi No.0022023009) issued by the China Securities Regulatory Commission (CSRC). Because Shanshan Holdings was suspected of failing to fulfill its obligations as an acquirer, the CSRC decided to file a case against Shanshan Holdings according to the Securities Law of the People’s Republic of China, the Law of the People’s Republic of China on Administrative Penalty and other relevant laws and regulations. As at the date of approval of this Report, the case was still under preliminary investigation, and the CSRC has not yet made a conclusion on the investigation. This case filing involved Shanshan Holdings and Jinzhou Yongshan Lithium Industry Co., Ltd, but will not affect the normal production and operation activities of the Company.

In June 2024, the Company received the Notice on Administrative Regulatory Measures issued by the CSRC Ningbo Bureau (No. [2024] 31), pursuant to which the CSRC Ningbo Bureau decided to issue a warning letter to the Company and relevant personnel. For details, please refer to the relevant announcement of the Company released on 28 June 2024. Upon receiving the Notice on Administrative

Regulatory Measures, the Company and relevant personnel paid high attention to it, and have submitted written reports to the CSRC Ningbo Bureau according to regulations and implemented relevant rectification measures, which will be further standardized in the future.

IX. Explanation on the Integrity of the Company, Its Controlling Shareholders and De Facto Controllers during the Reporting Period

Applicable Not applicable

As at the disclosure date of this Report, the Company maintains a good credit standing, and there were no circumstances where the Company failed to fulfill any obligation as determined by the effective legal documents of a court or debts of a relatively large amount that were due but not settled. The controlling shareholder, Shanshan Group, has some loan interest and bill deferred payments or overdue situations, please refer the relevant announcements published by Shanshan Group on the website of Shanghai Stock Exchange; the controlling shareholder, Shanshan Group, and its persons acting in concert, Shanshan Holdings and Pengze Trading, have been listed as executed persons by relevant courts due to litigation. Currently, the controlling shareholder of the Company is actively taking relevant measures to alleviate pressure, and investors are advised to pay attention to investment risks.

X. Major Related Transactions

(I) Related Transactions Related to Daily Operations

1. Matters Disclosed in Extraordinary Announcements without Subsequent Progress or Changes

Applicable Not Applicable

2. Matters Disclosed in Extraordinary Announcements with Progress or Change in the Follow-Up Implementation

Applicable Not applicable

(1) Deposit in Related Bank

On 24 April 2024, the 8th Meeting of the eleventh Session of the Board of Directors of the Company considered and approved the "Proposal on the Estimated Amount of Daily Related Transactions of the Company for 2024". (For details, please refer to the relevant announcement issued by the Company on 26 April 2024)

During the period, the Company's maximum deposit balance with Chouzhou Bank was RMB81.7180 million and interest income was RMB0.2877 million.

(2) Provision of Guarantee to Related Parties

On 24 April 2024, the 8th Meeting of the eleventh Session of the Board of Directors of the Company considered and approved the "Proposal on the Related-party Guarantee Provided by the Company in 2024". (For details, please refer to the relevant announcements issued by the Company on 26 April 2024)

As of the end of the Period, the related-party guarantee amount provided by the Company to Ningbo Ulica SOLAR Co., Ltd. was RMB350.00 million.

3. Matters Undisclosed in Extraordinary Announcements

Applicable Not Applicable

(II) Related Transactions in Relation to Acquisition Assets or Acquisition and Disposal of Equity Interests

1. Matters which were disclosed in extraordinary announcements without subsequent progress or changes

Applicable Not Applicable

2. Matters Disclosed in Extraordinary Announcements with Progress or Change in the Follow-Up Implementation

Applicable Not Applicable

3. Matters Undisclosed in Extraordinary Announcements

Applicable Not Applicable

4. Discloseable Performance for the Reporting Period of Related Party Transactions with Agreed-upon Performance Targets

Applicable Not Applicable

(III) Significant Related Party Transactions in Relation to Joint External Investment

1. Matters Disclosed in Extraordinary Announcements without Subsequent Progress or Changes

Applicable Not Applicable

2. Matters Disclosed in Extraordinary Announcements with Progress or Change in the Follow-Up Implementation

Applicable Not Applicable

3. Matters Undisclosed in Extraordinary Announcements

Applicable Not Applicable

(IV) Amounts Due from/to Related Parties

1. Matters Disclosed in Extraordinary Announcements without Subsequent Progress or Changes

Applicable Not Applicable

2. Matters Disclosed in Extraordinary Announcements with Progress or Change in the Follow-Up Implementation

Applicable Not Applicable

3. Matters Undisclosed in Extraordinary Announcements

Applicable Not Applicable

(V) Financial Business Between the Company and Its Related Financial Company, and Between the Financial Company Held by the Company and Its Related Parties

Applicable Not Applicable

(VI) Other Major Related Transactions

Applicable Not Applicable

(VII) Others

Applicable Not applicable

In 2023, as the Company plans to purchase the office building in Junkang Financial Plaza as its headquarters, the Company engaged in financial transactions with related parties controlled by Shanshan Holdings, with a total amount of RMB520.00 million and a balance of RMB70.00 million at the end of the Period. In January 2024, the Company prepaid another RMB600 million for the office purchase. However, the Board ultimately decided that the transaction was still subject to other decision-making procedures for related-party transactions, and therefore the transaction was terminated. The Company has recovered all principal and interest at the bank loan interest rate for the same period prior to the disclosure of the 2023 annual report.

For details of other non-major related transactions, please refer to Note "XIV. Related Parties and Related Transactions" to financial statements.

XI. Material Contracts and Their Implementation

1 Custody, Contracting or Leasing Business

Applicable Not Applicable

2 Major Guarantees Performed and Outstanding during the Reporting Period

√ Applicable □ Not applicable

Unit: 10,000 Yuan Currency: RMB

Guarantees provided by the Company (excluding the guarantees to subsidiaries)													
Guarantor	Relationship between guarantor and the listed company	Secured party	Guarantee amount	Commencement date of guarantee (date of the agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Whether the guarantee has been fulfilled	Guarantee overdue	Overdue amount	Counter Guarantee available	Guarantee provided to related parties	Related relationship
Ningbo Shanshan Co., Ltd.	The Company	Ulica Solar	15,000	1 November 2021	1 November 2021	1 November 2024	Joint and several liability guarantee	No	No	0	Yes	Yes	Others
Ningbo Shanshan Co., Ltd.	The Company	Ulica Solar	20,000	19 September 2023	19 September 2023	18 September 2024	Joint and several liability guarantee	No	No	0	Yes	Yes	Others
Total amount of guarantees incurred during the Reporting Period (excluding the guarantees provided to subsidiaries)							0						
Total balance of guarantee as at the end of the Reporting Period (A) (excluding the guarantees provided for subsidiaries)							15,954.04						
Guarantees provided by the Company to subsidiaries													
Total guarantee to subsidiaries incurred during the Reporting Period							499,353.79						
Total balance of guarantee provided to subsidiaries as at the end of the Reporting Period (B)							1,250,913.34						
Total guaranteed amount of the Company (including guarantees provided to subsidiaries)													
Total amount of guarantees (A+B)							1,266,867.38						
Total guaranteed amount as a percentage of net assets of the Company (%)							57.43						
Of which:													
Amount of guarantees provided to shareholders, de facto controller and their related parties (C)							0						

Amount of debt guarantees directly or indirectly provided to the parties with the gearing ratio exceeding 70% (D)	527,702.30
Total amount of guarantees exceeding 50% of net assets (E)	163,975.86
Total amount of the above three types of guarantees (C+D+E)	691,678.16
Explanations on outstanding guarantee which may assume joint and several liabilities for repayment	No
Explanations on guarantees	The statistics on "Guarantees by the Company to subsidiaries" include mutual guarantees within the scope of consolidation.

3 Other Major Contracts

Applicable Not Applicable

XII. Use of Proceeds Raised

Applicable Not Applicable

XIII. Description of Other Significant Events

Applicable Not Applicable

Section VII Changes in Shares and Particulars of Shareholders

I. Changes in Share Capital

(I) Changes in Shares

1. Changes in shares

Unit: share

	Before this change		Increase or decrease of this change (+, -)					After this change	
	Quantity	Percentage (%)	Issue of new shares	Share dividend	Capitalization of capital reserve into share capital	Others	Subtotal	Quantity	Percentage (%)
I. Shares subject to trading restrictions	500,986,731	22.18				-4,381,555	-4,381,555	496,605,176	22.03
1. State-owned shares									
2. Shares held by state-owned legal persons									
3. Shares held by other domestic investors	499,868,481	22.14				-4,008,805	-4,008,805	495,859,676	22.00
Including: Shares held by domestic non-state-owned legal persons	488,402,766	21.63						488,402,766	21.67
Shares held by domestic natural persons	11,465,715	0.51				-4,008,805	-4,008,805	7,456,910	0.33
4. Shares held by overseas investors	1,118,250	0.05				-372,750	-372,750	745,500	0.03
Including: Shares held by overseas legal persons									
Shares held by overseas natural persons	1,118,250	0.05				-372,750	-372,750	745,500	0.03
II. Tradable shares not subject to trading restrictions	1,757,236,492	77.82						1,757,236,492	77.97
1. RMB-denominated ordinary shares	1,757,236,492	77.82						1,757,236,492	77.97
2. Domestic-listed foreign shares									
3. Overseas-listed foreign shares									
4. Others									
III. Total number of shares	2,258,223,223	100.00				-4,381,555	-4,381,555	2,253,841,668	100.00

2. Explanations on Changes in Shares

Applicable Not applicable

On 27 June 2024, the Company implemented and completed the procedures for the repurchase and cancellation of certain restricted shares under the 2022 Equity Incentive Plan and 4,381,555 restricted shares were cancelled.

3. The Impact of Changes in Shares on Earnings Per Share, Net Asset Value Per Share and other Financial Indicators at the End of Reporting Period to the Date of Interim Report (If Any)

Applicable Not Applicable

4. Other Disclosures the Company Deems Necessary or Required by Securities Regulators

□ Applicable √ Not Applicable

(II) Changes in Restricted Shares

√ Applicable □ Not applicable

Unit: Share

Name of shareholder	Number of shares subject to trading moratorium at the beginning of the Period	Number of shares released from trading moratorium during the Reporting Period	Increase in the number of shares subject to trading moratorium during the Reporting Period	Number of shares subject to trading moratorium at the end of the Reporting Period	Reasons for trading moratorium	Date of release from trading moratorium
Shanshan Group Co., Ltd.	205,264,756	0	0	205,264,756	Lock-up period for non-public issuance of shares	31 December 2024
Ningbo Pengze Trading Co., Ltd.	205,264,756	0	0	205,264,756	Lock-up period for non-public issuance of shares	31 December 2024
Ningbo Yinzhou Jielun Investment Co., Ltd.	77,873,254	0	0	77,873,254	Lock-up period for non-public issuance of shares	31 December 2024
Li Fengfeng	337,500	0	-112,500	225,000	Lock-up period for restricted incentive shares	Release of lock-up in accordance with the relevant provisions of the Company's 2022 Equity Incentive Plan or repurchase for cancellation, subject to the relevant announcement to be made by the Company at that time.
Zhu Zhiyong	220,500	0	-73,500	147,000	Lock-up period for restricted incentive shares	
Other equity incentive recipients	12,025,965	0	-4,195,555	7,830,410	Lock-up period for restricted incentive shares	
Total	500,986,731	0	-4,381,555	496,605,176	/	/

II. Particulars of Shareholders**(I) Total Number of Shareholders:**

Total number of ordinary shareholders as of the end of the Reporting Period (shareholder)	160,432
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(II) Top ten shareholders and top ten circulating shareholders (or shareholders not subject to trading restrictions) as of the end of the Reporting Period

Unit: share

Shareholding of the top ten shareholders (excluding the shares lent through refinancing)							
Name of shareholder (Full name)	Changes during the Reporting Period	Number of shares held as at the end of the Reporting Period	Proportion (%)	Number of shares held subject to trading moratorium	Shares pledged, marked or frozen		Nature of shareholders
					Status of shares	Quantity	
Shanshan Group Co., Ltd.	0	782,222,036	34.71	205,264,756	Pledged	716,992,036	Domestic non state-owned legal person
Ningbo Pengze Trading Co., Ltd.	0	205,264,756	9.11	205,264,756	Pledged	169,964,756	Domestic non state-owned legal person
Ningbo Yinzhou Jielun Investment Co., Ltd.	0	77,873,254	3.46	77,873,254	Pledged	29,580,000	Domestic non state-owned legal person
Shanshan Holdings Co., Ltd.	0	72,212,189	3.20	0	Frozen	18,471,338	Domestic non state-owned legal person
Tianan Property Insurance Co., Ltd. - Bao Ying No.1	0	54,450,098	2.42	0	Nil		Domestic non state-owned legal person
Hong Kong Securities Clearing Company Limited	2,602,459	40,477,788	1.80	0	Nil		Overseas legal person
Bailian Group Co., Ltd. (百联集团有限公司)	0	30,743,625	1.36	0	Nil		State-owned legal person
Agricultural Bank of China Limited - CSI 500 Open-Ended Index Securities Investment Fund	7,314,445	13,381,673	0.59	0	Nil		Others
Citibank, National Association	0	6,116,560	0.27	0	Nil		Overseas legal person
Zhuang Wei	0	4,858,500	0.22	0	Pledged	827,400	Domestic natural person

Li Zhihua	0	4,858,500	0.22	0	Nil	Domestic natural person
Shareholdings of top ten shareholders not subject to trading restrictions (excluding the shares lent through refinancing)						
Name of shareholder	Number of tradable shares not subject to trading moratorium	Type and number of shares				
		Category	Quantity			
Shanshan Group Co., Ltd.	576,957,280	RMB-denominated ordinary shares	576,957,280			
Shanshan Holdings Co., Ltd.	72,212,189	RMB-denominated ordinary shares	72,212,189			
Tianan Property Insurance Co., Ltd. - Bao Ying No.1	54,450,098	RMB-denominated ordinary shares	54,450,098			
Hong Kong Securities Clearing Company Limited	40,477,788	RMB-denominated ordinary shares	40,477,788			
Bailian Group Co., Ltd.	30,743,625	RMB-denominated ordinary shares	30,743,625			
Agricultural Bank of China Limited - CSI 500 Open-Ended Index Securities Investment Fund	13,381,673	RMB-denominated ordinary shares	13,381,673			
Citibank, National Association	6,116,560	RMB-denominated ordinary shares	6,116,560			
Zhuang Wei	4,858,500	RMB-denominated ordinary shares	4,858,500			
Li Zhihua	4,858,500	RMB-denominated ordinary shares	4,858,500			
Industrial and Commercial Bank of China Limited – GF Guozheng New Energy Vehicle Battery Trading Open Index Securities Investment Fund	4,631,842	RMB-denominated ordinary shares	4,631,842			
Explanations on the special account for repurchase among the top ten shareholders	The top 10 shareholders have “securities account for share repurchase of Ningbo Shanshan Co., Ltd.”, holding 101,219,494 tradable shares not subject to trading restrictions.					
Explanation on the above-mentioned shareholders' proxy voting rights, entrusted voting rights, and waiver of voting rights	N/A					
Note on connected relationship or acting in concert of the above shareholders	Shanshan Holdings is the controlling shareholder of Shanshan Group, Pengze Trading is a wholly-owned subsidiary of Shanshan Group, and Yinzhou Jielun is a wholly-owned subsidiary of Shanshan Holdings. Mr. Li Zhihua is a director and the general manager of the Company and currently serves as a director of Shanshan Holdings. His shares were acquired through the exercise of equity incentives of the Company and the purchase through trading in secondary market. Save for the abovementioned, the Company is not aware of whether there is any other relationship between the other shareholders or whether they are parties acting in concert.					
Preferred shareholders with their voting rights restored and the number of shares they hold	N/A					

Note 1: As of the end of the reporting period, Shanshan Group held 782,222,036 shares of the Company, and pledged 716,992,036 shares in total. Both the shares held and the shares pledged include a total of

429,980,000 shares transferred to the pledge special account by Shanshan Group due to the non-public offering of exchangeable corporate bonds.

Note 2: Citibank and National Association are the depositaries of the Company's GDR, and the underlying domestic A-shares corresponding to the GDR are registered in their names according to law. As of the end of the reporting period, the Company had 1,223,312 GDRs in existence.

Participation of shareholders holding more than 5% of the shares, top ten shareholders and top ten shareholders of unrestricted shares in lending of shares through refinancing

√ Applicable □ Not applicable

Unit: Share

Participation of shareholders holding more than 5% of the shares, top ten shareholders and top ten shareholders of unrestricted shares in lending of shares through refinancing								
Name of shareholder (full name)	Shareholdings in general and credit accounts at the beginning of the period		Shares lent through refinancing and unreturned at the beginning of the period		Shareholdings in general and credit accounts at the end of the period		Shares lent through refinancing and unreturned at the end of the period	
	Total number	Proportion (%)	Total number	Proportion (%)	Total number	Proportion (%)	Total number	Proportion (%)
Agricultural Bank of China Limited - CSI 500 Trading Open Index Securities Investment Fund	6,067,228	0.27	1,825,200	0.08	13,381,673	0.59	487,700	0.02
Industrial and Commercial Bank of China Limited - GF Guozheng New Energy Vehicle Battery Trading Open Index Securities Investment Fund	3,559,642	0.16	1,069,900	0.05	4,631,842	0.21	120,300	0.01

Changes in top ten shareholders and top ten shareholders of unrestricted shares compared with the previous period due to lending/repayment of refinancing

√ Applicable □ Not applicable

Unit: Share

Changes in top ten shareholders and top ten shareholders of unrestricted shares compared with the previous period due to lending/repayment of refinancing					
Name of shareholder (full name)	Addition/exit during the Reporting Period	Number of shares lent through refinancing and unreturned at the end of the period		Shareholdings in general and credit accounts of shareholders and number of shares lent through refinancing and unreturned at the end of the period	
		Total number	Proportion (%)	Total number	Proportion (%)
Agricultural Bank of China Limited - CSI 500 Trading Open Index Securities Investment Fund	Addition	487,700	0.02	13,869,373	0.62

Industrial and Commercial Bank of China Limited - GF Guozheng New Energy Vehicle Battery Trading Open Index Securities Investment Fund	Addition	120,300	0.01	4,752,142	0.21
Industrial and Commercial Bank of China Limited - China Universal Asset Management, China Securities New Energy Vehicle Industry Index Initiated Securities Investment Fund (LOF)	Exit	0	0	Unknown	Unknown
Bank of China Limited - ChinaAMC China Securities New Energy Vehicles Trading Open Index Securities Investment Fund	Exit	0	0	Unknown	Unknown

The number of shares held by the top ten shareholders subject to trading restrictions and the restricted conditions

√ Applicable □ Not applicable

Unit: share

No.	Name of shareholders subject to trading restrictions	Number of shares held subject to trading restrictions	Listing and trading of shares subject to trading restrictions		Trading restriction conditions
			Date eligible for listing and trading	Number of shares newly eligible for listing and trading	
1	Shanshan Group Co., Ltd.	205,264,756	31 December 2024	205,264,756	Not transferable within 36 months commencing from the listing date.
1	Ningbo Pengze Trading Co., Ltd.	205,264,756	31 December 2024	205,264,756	
3	Ningbo Yinzhou Jielun Investment Co., Ltd.	77,873,254	31 December 2024	77,873,254	
4	Li Fengfeng	225,000			These are restricted shares subject to the third and fourth lock-up periods initially granted under the Company's 2022 Equity Incentive Plan, which will be released from restriction or repurchased for cancellation in accordance with the relevant provisions of the Company's 2022 Equity Incentive Plan, subject to the relevant announcements of the Company at that time.
5	Ding Xiaoyang	180,000			
6	Zhu Zhiyong	147,000			
7	Gan Lu	135,000			
7	Geng Hailong	135,000			
7	Jiang Ninglin	135,000			
10	Zhang Hua	120,000			
10	Li Peng	120,000			

Note on connected relationship or acting in concert of the above shareholders	<p>Pengze Trading is a wholly-owned subsidiary of Shanshan Group, and Yinzhou Jielun is a wholly-owned subsidiary of Shanshan Holdings (the controlling shareholder of Shanshan Group).</p> <p>Ms. Li Fengfeng is a director and deputy general manager of the Company, the person in charge of the Company's anode material business, and the chairwoman of Shanghai Shanshan Lithium Battery Material Technology Co., Ltd. (a subsidiary of the Company) and its subsidiaries.</p> <p>Mr. Zhu Zhiyong is the director and deputy general manager of the Company, the head of the Company's polarizer business, and the director and general manager of Shanjin Optoelectronics (Suzhou) Co., Ltd., the Company's subsidiary.</p> <p>The other natural person shareholders are the main management/core technical personnel of the Company's subsidiaries.</p>
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(III) Strategic Investors or General Legal Persons Who Become the Top Ten Shareholders due to the Placement of New Shares

Applicable Not applicable

III. Directors, Supervisors and Senior Management

(I) Particulars of changes in the shareholding of existing and resigned directors, supervisors and senior management during the Reporting Period

Applicable Not applicable

Unit: Share

Name	Title	Number of shares held at the beginning of the period	Number of shares held at the end of the period	Change in shares during the Reporting Period	Reasons for change
Zheng Ju	Chairman	760,000	1,810,000	1,050,000	Increase of holdings through trading in secondary market
Li Fengfeng	Director and deputy general manager	3,262,000	3,149,500	-112,500	Repurchase and cancellation of restricted shares
Zhu Zhiyong	Director and deputy general manager	221,700	148,200	-73,500	Repurchase and cancellation of restricted shares

Explanation on other matters

Applicable Not applicable

(II) Share incentives granted to directors, supervisors and senior management during the Reporting Period

Applicable Not applicable

(III) Other notes

Applicable Not applicable

IV. Changes in Controlling Shareholder or De Facto Controller

Applicable Not applicable

On 10 February 2023, Mr. Zheng Yonggang, the former de facto controller of the Company, passed away due to illness, and the shares and related rights and interests of the Company held by him entered the succession process in accordance with relevant laws and regulations. As of the date of this report, the Company has not received any legally binding written document or notice confirming the Company's new de facto controller. The Company will pay close attention to the subsequent progress and re-identify the de facto controller based on its share inheritance.

Section VIII Information regarding Preference Shares

Applicable Not applicable

Section IX Information regarding Bonds

Applicable Not applicable

Section X Financial Report

I. Auditor's report

□Applicable √Not Applicable

II. Financial statements

Consolidated Balance Sheet
30 June 2024

Prepared by: Ningbo Shanshan Co., Ltd.

Unit: Yuan Currency: RMB

Item	Note	30 June 2024	31 December 2023
Current assets:			
Cash at bank and on hand	VII, 1	5,625,121,596.22	4,855,725,462.72
Deposit reservation for balance			
Lending funds			
Trading financial assets			
Derivative financial assets			
Notes receivable	VII, 2	504,390,324.80	585,465,243.69
Accounts receivable	VII, 3	5,213,278,055.68	4,664,088,132.51
Receivables financing	VII, 4	283,053,797.20	819,020,204.62
Prepayments	VII, 5	379,233,396.21	426,530,946.40
Insurance premium receivable			
Reinsurance premium receivables			
Reserves for reinsurance contracts receivable			
Other receivables	VII, 6	615,943,597.13	644,244,237.97
Of which: Interest receivable		3,171,559.46	
Dividend receivable		4,992,116.13	4,992,116.13
Financial assets purchased under agreements to resell			
Inventories	VII, 7	6,324,792,091.22	5,356,304,178.24

Item	Note	30 June 2024	31 December 2023
Of which: Data resources			
Contract assets			
Assets held for sale	VII, 8		504,815,183.07
Non-current assets due within one year	VII, 9		43,356,102.91
Other current assets	VII, 10	1,261,782,717.10	1,234,162,149.72
Total current assets		20,207,595,575.56	19,133,711,841.85
Non-current assets:			
Borrowings and advances issued			
Debt investment			
Other debt investment			
Long-term receivables			
Long-term equity investment	VII, 11	7,074,087,748.78	7,072,095,065.18
Investment in other equity instruments	VII, 12	738,692,072.26	842,256,655.01
Other non-current financial assets	VII, 13	195,550,284.01	202,225,284.01
Investment properties			
Fixed assets	VII, 14	11,541,427,951.41	10,917,093,804.09
Construction in progress	VII, 15	5,933,311,456.96	5,580,742,755.55
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII, 16	1,399,883,510.87	1,418,960,915.77
Intangible assets	VII, 17	2,000,686,332.21	2,000,046,938.77
Of which: Data resources			
Development costs			
Of which: Data resources			
Goodwill	VII, 18	879,235,149.99	879,235,149.99
Long-term prepaid expenses	VII, 19	82,197,252.64	93,029,622.68
Deferred income tax assets	VII, 20	195,361,153.21	199,332,670.75
Other non-current assets	VII, 21	64,323,744.80	136,235,292.10

Item	Note	30 June 2024	31 December 2023
Total non-current assets		30,104,756,657.14	29,341,254,153.90
Total assets		50,312,352,232.70	48,474,965,995.75
Current liabilities:			
Short-term borrowings	VII, 23	8,075,294,821.51	6,697,084,945.67
Borrowings from the Central Bank			
Borrowings from other banks and other financial institutions			
Trading financial liabilities			
Derivative financial liabilities			
Notes payable	VII, 24	749,461,825.78	824,517,193.64
Accounts payable	VII, 25	3,907,595,632.83	2,812,406,457.12
Advances from customers	VII, 26	3,622,226.87	20,835,376.00
Contract liabilities	VII, 27	9,320,475.86	12,376,375.15
Financial assets sold for repurchase			
Deposits from customers and inter banks			
Receiving from vicariously traded securities			
Receiving from vicariously sold securities			
Employee compensation payable	VII, 28	32,545,365.60	142,380,004.37
Taxes payable	VII, 29	135,117,347.27	79,179,764.82
Other payables	VII, 30	439,542,866.39	517,714,766.96
Of which: Interest payable			
Dividend payable		701,360.00	701,360.00
Handling charges and commissions payable			

Item	Note	30 June 2024	31 December 2023
Dividend payable for reinsurance			
Liabilities held for sale	VII, 31		427,188,378.77
Non-current liabilities due within one year	VII, 32	2,833,361,874.02	3,073,368,219.55
Other current liabilities	VII, 33	1,099,970.01	1,498,699.04
Total current liabilities		16,186,962,406.14	14,608,550,181.09
Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term borrowings	VII, 34	8,889,179,865.40	8,063,698,988.69
Bonds payable			
Of which: Preference shares			
Perpetual bonds			
Lease liabilities	VII, 35	865,705,329.12	776,916,639.42
Long-term payables	VII, 36	413,781,521.12	497,131,448.00
Long-term employee compensation payable			
Estimated liabilities	VII, 37	67,624,949.83	75,868,748.26
Deferred income	VII, 38	473,268,669.92	467,257,728.18
Deferred income tax liabilities	VII, 20	433,906,719.08	392,686,578.55
Other non-current liabilities			
Total non-current liabilities		11,143,467,054.47	10,273,560,131.10
Total liabilities		27,330,429,460.61	24,882,110,312.19
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	VII, 39	2,253,841,668.00	2,258,223,223.00
Other equity instruments			
Of which: Preferred shares			
Perpetual bonds			

Item	Note	30 June 2024	31 December 2023
Capital reserve	VII, 40	8,987,006,545.64	9,073,484,147.89
Less: Treasury shares	VII, 41	1,475,374,754.39	981,321,182.46
Other comprehensive income	VII, 42	40,743,884.56	-77,894,085.74
Special reserves	VII, 43	10,880.60	1,724,238.27
Surplus reserves	VII, 44	292,801,918.55	292,801,918.55
General risk provision			
Retained earnings	VII, 45	11,958,800,290.36	12,102,150,807.75
Total owners' equity (or shareholders' equity) attributable to parent company		22,057,830,433.32	22,669,169,067.26
Non-controlling interests		924,092,338.77	923,686,616.30
Total owners' equity (or shareholders' equity)		22,981,922,772.09	23,592,855,683.56
Total liabilities and owners' equity (or shareholders' equity)		50,312,352,232.70	48,474,965,995.75

Principal of the Company: Zheng Ju Person in charge of accounting: Li Keqin Person in charge of the accounting authority: Xu Lie

Balance Sheet of Parent Company
30 June 2024

Prepared by: Ningbo Shanshan Co., Ltd.

Unit: Yuan Currency: RMB

Item	Note	30 June 2024	31 December 2023
Current assets:			
Cash at bank and on hand		1,221,093,515.02	818,954,563.71
Trading financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable	XIX, 1	9,478,926.44	5,583,798.91
Receivables financing			
Prepayments		8,135,799.70	11,087,786.72
Other receivables	XIX, 2	1,956,250,602.28	3,011,122,040.54
Of which: Interest receivable			
Dividend receivable		4,500,000.00	4,500,000.00
Inventories			
Of which: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		8,119,392.78	5,603,770.01
Total current assets		3,203,078,236.22	3,852,351,959.89
Non-current assets:			
Debt investment			
Other debt investment			
Long-term receivables			
Long-term equity investment	XIX, 3	14,838,946,589.75	14,950,838,452.50
Investment in other equity instruments		36,550,000.00	36,550,000.00
Other non-current financial assets			
Investment properties			

Fixed assets		355,202,087.37	365,598,425.02
Construction in progress			
Productive biological assets			
Oil and gas assets			
Right-of-use assets		40,393,128.04	63,754,998.48
Intangible assets		82,218,793.54	83,806,582.20
Of which: Data resources			
Development costs			
Of which: Data resources			
Goodwill			
Long-term prepaid expenses		5,375,923.78	6,578,464.11
Deferred income tax assets		39,663,849.44	39,663,849.44
Other non-current assets			
Total non-current assets		15,398,350,371.92	15,546,790,771.75
Total assets		18,601,428,608.14	19,399,142,731.64
Current liabilities:			
Short-term borrowings		2,110,000,000.00	1,856,861,016.66
Trading financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable		36,798,081.60	38,199,726.99
Advances from customers		691,665.17	20,813,216.88
Contract liabilities			
Employee compensation payable			12,327,166.34
Taxes payable		2,903,954.88	8,135,959.43
Other payables		1,086,999,960.94	974,583,059.87
Of which: Interest payable			
Dividend payable		701,360.00	701,360.00
Liabilities held for sale			
Non-current liabilities due within one year		2,044,759,859.36	1,898,854,912.08

Other current liabilities			
Total current liabilities		5,282,153,521.95	4,809,775,058.25
Non-current liabilities:			
Long-term borrowings		2,622,333,333.34	2,692,533,333.34
Bonds payable			
Of which: Preferred shares			
Perpetual bonds			
Lease liabilities		15,188,053.25	15,188,053.25
Long-term payables			
Long-term employee compensation payable			
Estimated liabilities		11,400,000.00	11,400,000.00
Deferred income			
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		2,648,921,386.59	2,719,121,386.59
Total liabilities		7,931,074,908.54	7,528,896,444.84
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		2,253,841,668.00	2,258,223,223.00
Other equity instruments			
Of which: Preferred shares			
Perpetual bonds			
Capital reserve		7,689,285,287.70	7,745,144,150.74
Less: Treasury shares		1,475,374,754.39	981,321,182.46
Other comprehensive income		-477,837.42	-5,337,173.48
Special reserves			
Surplus reserves		294,927,373.13	294,927,373.13
Retained earnings		1,908,151,962.58	2,558,609,895.87

Total owners' equity (or shareholders' equity)		10,670,353,699.60	11,870,246,286.80
Total liabilities and owners' equity (or shareholders' equity)		18,601,428,608.14	19,399,142,731.64

Principal of the Company: Zheng Ju Person in charge of accounting: Li Keqin Person in charge of the accounting authority: Xu Lie

Consolidated Income Statement
January-June 2024

Unit: Yuan Currency: RMB

Item	Note	Half year of 2024	Half year of 2023
I. Total operating income		8,819,856,035.91	9,467,775,923.82
Of which: Operating income	VII, 46	8,819,856,035.91	9,467,775,923.82
Interest income			
Premium earned			
Income for handling charges and commissions			
II. Total operating cost		8,790,782,115.02	8,769,362,809.38
Of which: Operating cost	VII, 46	7,538,254,323.33	7,733,118,698.69
Operating cost			
Handling charges and commissions			
Surrender value			
Net amount of compensation expenses			
Net amount withdrawn for insurance contract reserves			
Policy dividend expense			
Reinsurance costs			
Taxes and surcharges	VII, 47	55,295,908.67	43,989,252.34
Sales expenses	VII, 48	118,354,195.17	100,600,068.48
Administrative expenses	VII, 49	316,990,884.67	282,685,192.20
Research and development expenses	VII, 50	526,079,194.76	371,427,557.37
Financial expenses	VII, 51	235,807,608.42	237,542,040.30
Of which: Interest expenses		277,997,627.75	254,043,771.58
Interest income		38,074,601.83	52,441,021.72
Plus: Other income	VII, 52	166,438,650.31	310,461,225.20
Investment income (loss expressed with “-”)	VII, 53	-57,812,211.73	355,155,673.86
Of which: Share of profit of associates and joint ventures		-2,866,652.46	-29,895,584.95

Item	Note	Half year of 2024	Half year of 2023
Gains from derecognition of financial assets measured at amortized cost (loss expressed with “-”)			
Foreign exchange gains (losses expressed with “-”)			
Net exposure hedging benefits(losses expressed with “-”)			
Gains from changes in fair value (losses expressed with “-”)	VII, 54	-6,675,000.00	
Credit impairment losses (losses expressed with “-”)	VII, 55	-17,863,647.09	-17,310,206.67
Assets impairment losses (losses expressed with “-”)	VII, 56	-2,139,445.97	34,871,644.47
Gains on disposal of assets (losses expressed with “-”)	VII, 57	1,901,111.53	-6,367,937.29
III. Operating profit (loss expressed with “-”)		112,923,377.94	1,375,223,514.01
Plus: Non-operating income	VII, 58	4,251,388.57	6,386,375.48
Less: Non-operating expenses	VII, 59	24,611,210.76	8,641,319.53
IV. Total profit (total loss is indicated with “-”)		92,563,555.75	1,372,968,569.96
Less: Income tax expenses	VII, 60	70,738,232.71	302,138,787.40
V. Net profit (net loss is indicated with “-”)		21,825,323.04	1,070,829,782.56
(I) Classified by operating continuity			
1. Net profit from continuing operations (net loss is indicated with “-”)		21,825,323.04	1,070,829,782.56
2. Net profit from discontinuing operations (net loss is indicated with “-”)			
(II) Classified by ownership			
1. Net profits attributable to the shareholders of the parent company (net loss to be listed with “-”)		17,574,536.66	1,013,091,536.67
2. Non-controlling interests (net loss to be listed with “-”)		4,250,786.38	57,738,245.89

Item	Note	Half year of 2024	Half year of 2023
VI. Other comprehensive income, net of tax		395,120,153.89	80,223,045.22
(I) Net of tax of other comprehensive income attributable to the parent company owners		395,113,954.85	80,223,045.22
1. Other comprehensive income that cannot be reclassified through profit or loss		397,355,627.95	77,383,092.42
(1) Changes arising from re-measurement of the defined benefit plan			
(2) Other comprehensive income that cannot be reclassified into profits or losses under the equity method			
(3) Changes in fair value of other equity instrument investments		397,355,627.95	77,383,092.42
(4) Changes in fair value of the enterprise's credit risk			
2. Other comprehensive income that will be re-classified into profits or losses		-2,241,673.10	2,839,952.80
(1) Other comprehensive income that can be reclassified into profits or losses under the equity method		4,859,336.06	157,144.62
(2) Changes in fair value of other debt investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for impairment of credit in other debt investments			
(5) Cash flow hedging reserve			
(6) Exchange differences from translation of financial statements denominated in foreign currencies		-7,101,009.16	2,682,808.18
(7) Others			

Item	Note	Half year of 2024	Half year of 2023
(II) Other comprehensive income attributable to minority shareholders, net of tax		6,199.04	
VII. Total comprehensive income		416,945,476.93	1,151,052,827.78
(I) Total comprehensive income attributable to owners of parent company		412,688,491.51	1,093,314,581.89
(II) Total comprehensive income attributable to minority shareholders		4,256,985.42	57,738,245.89
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		0.008	0.542
(II) Diluted earnings per share (RMB/share)		0.008	0.542

Principal of the Company: Zheng Ju Person in charge of accounting: Li Keqin Person in charge of the accounting authority: Xu Lie

Income Statement of Parent Company
January-June 2024

Unit: Yuan Currency: RMB

Item	Note	Half year of 2024	Half year of 2023
I. Operating income	XIX, 4	35,344,058.74	38,374,543.16
Less: Operating costs	XIX, 4	6,823,111.00	7,095,351.16
Taxes and surcharges		512,405.12	880,444.21
Sales expenses		643,081.84	8,064,465.37
Administrative expenses		70,044,386.95	86,283,799.16
Research and development expenses			
Financial expenses		103,179,032.09	120,955,907.94
Of which: Interest expense		108,623,158.45	104,369,739.38
Interest income		-9,434,737.57	28,490,333.09
Add: Other income		2,287,043.51	5,295,976.58
Investment income (loss is indicated with “-”)	XIX, 5	-241,565,095.70	218,186,555.60
Of which: Share of profit of associates and joint ventures		32,079,141.63	74,494,319.26
Gains from derecognition of financial assets measured at amortized cost (loss expressed with “-”)			
Net exposure hedging benefits(losses expressed with “-”)			
Gains from changes in fair value (losses expressed with “-”)			
Credit impairment losses (losses expressed with “-”)		170,151,831.74	-1,670,102.35
Assets impairment losses (losses expressed with “-”)			
Gains on disposal of assets (losses expressed with “-”)		2,762,017.43	
II. Operating profit (loss expressed with “-”)		-212,222,161.28	36,907,005.15
Plus: Non-operating income		165,266.59	90,625.30
Less: Non-operating expenses		1,000,000.00	1,000,000.00
III. Total profit (total loss expressed with “-”)		-213,056,894.69	35,997,630.45
Less: Income tax expenses			
IV. Net profit (net loss expressed with “-”)		-213,056,894.69	35,997,630.45

(I) Net profit from continuing operations (net loss is indicated with “-”)			
(II) Net profit from discontinuing operations (net loss is indicated with “-”)			
V. Net other comprehensive income after tax		4,859,336.06	157,144.62
(I) Other comprehensive income that cannot be reclassified through profit or loss			
1. Changes arising from re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be reclassified into profits or losses under the equity method			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of the enterprise’s credit risk			
(II) Other comprehensive income that will be reclassified into profits or losses		4,859,336.06	157,144.62
1. Other comprehensive income that can be reclassified into profits or losses under the equity method		4,859,336.06	157,144.62
2. Changes in fair value of other debt investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for impairment of credit in other debt investments			
5. Cash flow hedging reserve			
6. Exchange differences from translation of financial statements denominated in foreign currencies			
7. Others			
VI. Total comprehensive income		-208,197,558.63	36,154,775.07
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		-0.097	0.019
(II) Diluted earnings per share (RMB/share)		-0.097	0.019

Principal of the Company: Zheng Ju Person in charge of accounting: Li Keqin Person in charge of the accounting authority: Xu Lie

Consolidated Statement of Cash Flows
January-June 2024

Unit: Yuan Currency: RMB

Item	Note	Half year of 2024	Half year of 2023
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		8,664,880,134.31	8,059,700,800.33
Net increase in deposit from customer and due from bank and other financial institutions			
Net increase in borrowing from the Central Bank			
Net increase in borrowings from other financial institutions			
Cash received from premium income from direct insurance contracts			
Net cash received from reinsurance business			
Net increase in policyholders' deposits and investments contract liabilities			
Cash received from interests, handling charges and commissions			
Net increase in borrowings from other banks and other financial institutions			
Net increase in repurchase business			
Net cash received from agency purchases and sales of securities			
Refunds of taxes and surcharges		193,484,454.93	134,994,065.00
Cash received relating to other operating activities	VII, 61	270,013,829.05	455,392,836.38
Sub-total of cash inflows from operating activities		9,128,378,418.29	8,650,087,701.71
Cash paid for goods and services		6,738,322,464.06	8,137,001,872.27
Net increase in customer loans and advances			

Item	Note	Half year of 2024	Half year of 2023
Net increase of deposits in the Central Bank and other financial institutions			
Cash paid for claims under direct insurance contract			
Net increase in lending funds			
Cash paid for interests, handling charges and commissions			
Cash paid for the policy dividends			
Cash paid to and on behalf of employees		700,988,386.40	629,753,122.39
Payments of taxes and surcharges		737,588,966.21	931,740,204.97
Cash paid relating to other operating activities	VII, 61	260,006,426.04	415,717,352.21
Sub-total of cash outflows from operating activities		8,436,906,242.71	10,114,212,551.84
Net cash flows from operating activities		691,472,175.58	-1,464,124,850.13
II. Cash flows from investing activities:			
Cash received from disposal of investments		271,506,500.00	20,000,000.00
Cash received from returns on investments		353,423,002.82	308,646,397.31
Net cash received from disposal of fixed assets, intangible assets & other long-term assets		4,343,656.06	9,451,506.82
Net cash received from the disposal of subsidiaries and other business entities		26,257,327.43	102,633,407.97
Cash received relating to other investing activities	VII, 61	937,330,132.91	
Sub-total of cash inflows from investing activities		1,592,860,619.22	440,731,312.10

Item	Note	Half year of 2024	Half year of 2023
Cash paid to acquire fixed assets, intangible assets and other long-term assets		2,123,426,597.05	3,249,290,132.13
Cash paid to acquire investments		148,440,023.85	795,652,031.29
Net increase in pledge loans			
Net cash paid for the acquisition of subsidiaries and other business entities			
Cash paid relating to other investing activities	VII, 61	150,000,000.00	
Sub-total of cash outflows from investing activities		2,421,866,620.90	4,044,942,163.42
Net cash flows from investing activities		-829,006,001.68	-3,604,210,851.32
III. Cash flows from financing activities:			
Cash received from capital contributions			
Of which: Cash received from capital contributions by non-controlling interests of subsidiaries			
Cash received from borrowings		8,099,066,902.94	7,952,258,636.48
Cash received relating to other financing activities	VII, 61	231,184,801.23	803,782,037.57
Sub-total of cash inflows from financing activities		8,330,251,704.17	8,756,040,674.05
Cash repayments of borrowings		5,851,444,895.78	2,589,531,045.14
Cash payments for distribution of dividends, profits or interest expenses		752,423,448.82	896,315,839.22
Of which: Dividends and profits paid to non-controlling interests by subsidiaries			
Cash paid relating to other financing activities	VII, 61	1,504,505,232.08	670,922,744.83
Sub-total of cash outflows from financing activities		8,108,373,576.68	4,156,769,629.19

Item	Note	Half year of 2024	Half year of 2023
Net cash flows from financing activities		221,878,127.49	4,599,271,044.86
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-3,679,768.44	-9,295,039.44
V. Net increase in cash and cash equivalents		80,664,532.95	-478,359,696.03
Plus: Opening balance of Cash and cash equivalents		4,024,541,676.69	3,911,177,960.18
VI. Ending balance of Cash and cash equivalents		4,105,206,209.64	3,432,818,264.15

Principal of the Company: Zheng Ju Person in charge of accounting: Li Keqin Person in charge of the accounting authority: Xu Lie

Cash Flow Statement of Parent Company
January-June 2024

Unit: Yuan Currency: RMB

Item	Note	Half year of 2024	Half year of 2023
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		22,089,676.88	25,264,933.88
Refunds of taxes and surcharges			
Cash received relating to other operating activities		6,904,850.52	32,633,676.66
Sub-total of cash inflows from operating activities		28,994,527.40	57,898,610.54
Cash paid for goods and services		3,520,903.62	6,013,171.11
Cash paid to and on behalf of employees		25,853,989.21	25,630,592.24
Payments of taxes and surcharges		8,788,967.44	10,087,769.05
Cash paid relating to other operating activities		66,642,854.66	101,582,382.87
Sub-total of cash outflows from operating activities		104,806,714.93	143,313,915.27
Net cash flows from operating activities		-75,812,187.53	-85,415,304.73
II. Cash flows from investing activities:			
Cash received from disposal of investments			
Cash received from returns on investments			178,644,212.50
Net cash received from disposal of fixed assets, intangible assets & other long-term assets		3,075,942.92	
Net cash received from the disposal of subsidiaries and other business entities		120,410,950.00	11,142,218.93
Cash received relating to other investing activities		622,916,202.66	26,225,956.95
Sub-total of cash inflows from investing activities		746,403,095.58	216,012,388.38
Cash paid to acquire fixed assets, intangible assets and other long-term assets		600,014,498.00	1,156,002.87
Cash paid to acquire investments			921,556,662.40

Net cash paid for the acquisition of subsidiaries and other business entities			
Cash paid relating to other investing activities			272,912,074.58
Sub-total of cash outflows from investing activities		600,014,498.00	1,195,624,739.85
Net cash flows from investing activities		146,388,597.58	-979,612,351.47
III. Cash flows from financing activities:			
Cash received from capital contributions			
Cash received from borrowings		2,030,000,000.00	1,946,000,000.00
Cash received relating to other financing activities		1,145,086,437.79	
Sub-total of cash inflows from financing activities		3,175,086,437.79	1,946,000,000.00
Cash repayments of borrowings		1,677,340,000.00	542,000,000.00
Cash payments for distribution of dividends, profits or interest expenses		551,688,706.82	756,618,370.19
Cash paid relating to other financing activities		614,534,408.01	230,705,880.22
Sub-total of cash outflows from financing activities		2,843,563,114.83	1,529,324,250.41
Net cash flows from financing activities		331,523,322.96	416,675,749.59
IV. Effect of foreign exchange rate changes on cash and cash equivalents		39,218.30	281,488.01
V. Net increase in cash and cash equivalents		402,138,951.31	-648,070,418.60
Plus: Opening balance of Cash and cash equivalents		734,543,629.71	1,476,613,738.52
VI. Ending balance of Cash and cash equivalents		1,136,682,581.02	828,543,319.92

Principal of the Company: Zheng Ju Person in charge of accounting: Li Keqin Person in charge of the accounting authority: Xu Lie

Consolidated Statement of Changes in Owners' Equity
January-June 2024

Unit: Yuan Currency: RMB

Item	Half year of 2024													Non-controlling interests	Total owner's equity
	Owner's equity attributable to parent company														
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	General risk provision	Retained earnings	Others	Subtotal		
	Preferred shares	Perpetual bonds	Others												
I. Ending balance of the previous year	2,258,223,223.00				9,073,484,147.89	981,321,182.46	-77,894,085.74	1,724,238.27	292,801,918.55		12,102,150,807.75		22,669,169,067.26	923,686,616.30	23,592,855,683.56
Plus: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Opening balance of the current year	2,258,223,223.00				9,073,484,147.89	981,321,182.46	-77,894,085.74	1,724,238.27	292,801,918.55		12,102,150,807.75		22,669,169,067.26	923,686,616.30	23,592,855,683.56
III. Increase or decrease amount in the current period (decrease expressed with "-")	-4,381,555.00				-86,477,602.25	494,053,571.93	118,637,970.30	-1,713,357.67			-143,350,517.39		-611,338,633.94	405,722.47	-610,932,911.47
(I) Total comprehensive income							395,113,954.85				17,574,536.66		412,688,491.51	4,256,985.42	416,945,476.93
(II) Capital contributions or withdrawals by owners	-4,381,555.00				-86,477,602.25	494,053,571.93							-584,912,729.18	-3,851,262.95	-588,763,992.13

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1. Capital contributions by owners					494,053,571.93								-494,053,571.93	-3,851,262.95	-497,904,834.88
2. Capital contributions by other equity instruments holders															
3. Share-based payments charged into owners' equity					-30,618,739.21								-30,618,739.21		-30,618,739.21
4. Others	-4,381,555.00				-55,858,863.04								-60,240,418.04		-60,240,418.04
(III) Profit distribution													-437,401,038.60	-437,401,038.60	-437,401,038.60
1. Appropriation to surplus reserves															
2. Appropriation to general risk provision															
3. Distribution to owners (or shareholders)													-437,401,038.60	-437,401,038.60	-437,401,038.60
4. Others															
(IV) Transfer within owner's equity															
1. Transfer of capital reserve to capital (or share capital)															
2. Transfer of surplus reserve to capital (or share capital)															

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3. Surplus reserves used to offset accumulated losses															
4. Transfer remeasurement of defined benefit obligations to retained earnings															
5. Transfer from other comprehensive income to retained earnings							-276,475,984.55				276,475,984.55				
6. Others															
(V) Special reserve									-1,713,357.67				-1,713,357.67		-1,713,357.67
1. Provision in the current period															
2. Use in the current period															
3. Decrease due to consolidation									1,713,357.67				1,713,357.67		
(VI) Others															
IV. Ending balance for the period	2,253,841,668.00				8,987,006,545.64	1,475,374,754.39	40,743,884.56	10,880.60	292,801,918.55		11,958,800,290.36		22,057,830,433.32	924,092,338.77	22,981,922,772.09

Item	Half year of 2023														Non-controlling interests	Total owners' equity
	Owner's equity attributable to parent company															
		Other equity instruments	Capital reserve								Retained earnings					

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	Paid-in capital (or share capital)	Preferred shares	Perpetual bonds	Others		Less: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk provision		Others	Subtotal		
I. Ending balance of the previous year	2,263,973,358.00				9,131,320,581.39	514,721,346.78	-150,819,889.21	2,140,946.80	292,801,918.55		12,028,646,332.05		23,053,341,900.80	1,076,772,643.10	24,130,114,543.90
Add: Changes in accounting policies															
Correction of errors in the prior period															
Others															
II. Opening balance of the current year	2,263,973,358.00				9,131,320,581.39	514,721,346.78	-150,819,889.21	2,140,946.80	292,801,918.55		12,028,646,332.05		23,053,341,900.80	1,076,772,643.10	24,130,114,543.90
III. Increase/decrease for the period (decrease is indicated with "-")					2,625,719.70	230,705,880.22	80,223,045.22	-89,442.64			341,737,169.37		193,790,611.43	-95,448,128.11	98,342,483.32
(I) Total comprehensive income							80,223,045.22				1,013,091,536.67		1,093,314,581.89	57,738,245.89	1,151,052,827.78
(II) Contribution and withdrawal of capital by owners					2,625,719.70	230,705,880.22							-228,080,160.52	-153,186,374.00	-381,266,534.52
1. Ordinary shares invested by owners						230,705,880.22							-230,705,880.22	-153,186,374.00	-383,892,254.22

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2. Capital invested by holders of other equity instruments															
3. Amount of share payment credited to owner's equity					2,625,719.70								2,625,719.70		2,625,719.70
4. Others															
(III) Profit distribution													-671,354,367.30		-671,354,367.30
1. Withdrawal of surplus reserve															
2. Provision for general risk															
3. Distribution to owners (or shareholders)													-671,354,367.30		-671,354,367.30
4. Others															
(IV) Internal carry-over of owner's equity															
1. Transfer of capital reserve to capital (or share capital)															
2. Transfer of surplus reserve to capital (or share capital)															

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3. Covering loss with surplus reserve															
4. Change of defined benefit plan carried forward to retained earning															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Special reserves								-89,442.64					-89,442.64		-89,442.64
1. Provision for the period								26,316.00					26,316.00		26,316.00
2. Utilization for the period															
3. Decrease due to consolidation								115,758.64					115,758.64		115,758.64
(VI) Others															
IV. Ending balance for the period	2,263,973,358.00				9,133,946,301.09	745,427,227.00	-70,596,843.99	2,051,504.16	292,801,918.55			12,370,383,501.42	23,247,132,512.23	981,324,514.99	24,228,457,027.22

Person in charge of the Company: Zheng Ju

Person in charge of accounting: Li Keqin

Person in charge of the accounting authority: Xu Lie

Statement of Changes in Owners' Equity of Parent Company
January - June 2024

Unit: Yuan Currency: RMB

Item	Half year of 2024										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of the previous year	2,258,223,223.00				7,745,144,150.74	981,321,182.46	-5,337,173.48		294,927,373.13	2,558,609,895.87	11,870,246,286.80
Add: Changes in accounting policies											
Correction of errors in the prior period											
Others											
II. Opening balance of the current year	2,258,223,223.00				7,745,144,150.74	981,321,182.46	-5,337,173.48		294,927,373.13	2,558,609,895.87	11,870,246,286.80
III. Increase/decrease for the period (decrease is indicated with "-")	-4,381,555.00				-55,858,863.04	494,053,571.93	4,859,336.06			-650,457,933.29	-1,199,892,587.20
(I) Total comprehensive income							4,859,336.06			-213,056,894.69	-208,197,558.63
(II) Contribution and withdrawal of capital by owners	-4,381,555.00				-55,858,863.04	494,053,571.93					-554,293,989.97
1. Ordinary shares invested by owners						494,053,571.93					-494,053,571.93
2. Capital invested by holders of other equity instruments											

3. Amount of share payment credited to owner's equity											
4. Others	-4,381,555.00				-55,858,863.04						-60,240,418.04
(III) Profit distribution										-437,401,038.60	-437,401,038.60
1. Withdrawal of surplus reserve											
2. Distribution to owners (or shareholders)										-437,401,038.60	-437,401,038.60
3. Others											
(IV) Internal carry-over of owner's equity											
1. Transfer of capital reserve to capital (or share capital)											
2. Transfer of surplus reserve to capital (or share capital)											
3. Covering loss with surplus reserve											
4. Change of defined benefit plan carried forward to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserves											
1. Provision for the period											

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2. Utilization for the period											
(VI) Others											
IV. Ending balance for the period	2,253,841,668.00				7,689,285,287.70	1,475,374,754.39	-477,837.42		294,927,373.13	1,908,151,962.58	10,670,353,699.60

Item	Half year of 2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of the previous year	2,263,973,358.00				7,822,416,931.11	514,721,346.78	-28,025,733.68		294,927,373.13	3,450,687,783.57	13,289,258,365.35
Add: Changes in accounting policies											
Correction of errors in the prior period											
Others											
II. Opening balance of the current year	2,263,973,358.00				7,822,416,931.11	514,721,346.78	-28,025,733.68		294,927,373.13	3,450,687,783.57	13,289,258,365.35
III. Increase/decrease for the period (decrease is indicated with "-")						230,705,880.22	157,144.62			-635,356,736.85	-865,905,472.45
(I) Total comprehensive income							157,144.62			35,997,630.45	36,154,775.07
(II) Contribution and withdrawal of capital by owners						230,705,880.22					-230,705,880.22

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1. Ordinary shares invested by owners						230,705,880.22						-230,705,880.22
2. Capital invested by holders of other equity instruments												
3. Amount of share payment credited to owner's equity												
4. Others												
(III) Profit distribution											-671,354,367.30	-671,354,367.30
1. Withdrawal of surplus reserve												
2. Distribution to owners (or shareholders)											-671,354,367.30	-671,354,367.30
3. Others												
(IV) Internal carry-over of owner's equity												
1. Transfer of capital reserve to capital (or share capital)												
2. Transfer of surplus reserve to capital (or share capital)												
3. Covering loss with surplus reserve												

4. Change of defined benefit plan carried forward to retained earning											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserves											
1. Provision for the period											
2. Utilization for the period											
(VI) Others											
IV. Ending balance for the period	2,263,973,358.00				7,822,416,931.11	745,427,227.00	-27,868,589.06		294,927,373.13	2,815,331,046.72	12,423,352,892.90

Person in charge of the Company: Zheng Ju

Person in charge of accounting: Li Keqin

Person in charge of the accounting authority: Xu Lie

III. Basic information about the Company

1. Company profile

Applicable Not applicable

Ningbo Shanshan Co., Ltd. (hereinafter the “Company” or “the Company”) was established on 27 November 1992 as a pilot joint-stock company with private placement upon approval of Ningbo Economic System Reform Office (Document No.: Y. T. G. 27 (1992)). The Company’s enterprise unified social credit code is 91330200704803055M. In January 1996, the Company completed the issue of A shares to domestic investors and commenced trading on the Shanghai Stock Exchange. The Company belongs to industrial sector.

As of 30 June 2024, the Company has accumulatively issued a total of 2,253,841,668 shares with its registered capital RMB2,258,223,200.00. Its registered address: Room 801, ShanShan Plaza, No. 777 Rili Middle Road, Shounan Street, Yinzhou District, Ningbo City, Zhejiang Province. Headquarters address is: 28 th Floor, ShanShan Plaza, No. 777 Rili Middle Road, Shounan Street, Yinzhou District, Ningbo City, Zhejiang Province. The scope of business of the Company: General items: sales of electronic specialized materials, optoelectronic devices, graphite and carbon products; engaging in investment activities with its own funds; non residential real estate leasing; intellectual property services (excluding patent agency services); retail and wholesale of clothing and apparel; import and export of technology and goods (except for items that require approval in accordance with the law, business activities shall be carried out independently with the business license in accordance with the law). The following business items can only be operated by branches: General items: manufacturing of electronic specialized materials; R&D of electronic specialized materials; manufacturing of optoelectronic devices, graphite and carbon products, as well as clothing (except for items that require approval in accordance with the law, business activities shall be carried out independently based on the business license in accordance with the law). The parent company of the Company is Shanshan Group Co., Ltd., and the actual controller of the Company is Mr. Zheng Yonggang.

The financial statements have been approved and reported by all directors of the Company on 29 August 2024.

IV. Basis of preparation for the financial statements

1. Basis of preparation

The financial statements have been prepared in accordance with the *Accounting Standard for Business Enterprises-Basic Standard*, and the specific accounting standards and other relevant regulations issued by the Ministry of Finance (hereafter collectively referred to as “the Accounting Standards for Business Enterprises” or “ASBE”), and with reference to relevant regulations in the *Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No. 15-General Rules on Financial Reporting* issued by the China Securities Regulatory Commission (the “CSRC”).

2. Continuous operation

Applicable Not applicable

The financial statements are prepared on a going-concern basis.

V. Significant accounting policies and accounting estimates

Reminders on specific accounting policies and accounting estimates:

Applicable Not applicable

The following disclosures have covered the Company's specific accounting policies and accounting estimates based on particular production and operation characteristics.

1. The declaration on compliance with the Accounting Standards for Business Enterprises

These financial statements comply with the requirements of the *Accounting Standards for Business Enterprises* issued by the Ministry of Finance and give a true and complete view of the consolidated and the parent company's financial position as of 30 June 2024 and the consolidated and the parent company's business performance and cash flows for half year of 2024.

2. Accounting period

The financial year is from 1 January to 31 December of the Gregorian calendar.

3. Business cycle

Applicable Not applicable

The operating cycle of the Company is 12 months.

4. Recording currency

The Company adopts RMB as the bookkeeping base currency. Its subsidiaries, Taiwan Shanjin Optoelectronics Co., Ltd., Shanjin Tokyo Co., Ltd., Shanshan New Material (Hong Kong) Co., Ltd., Shanshan New Material (Luxembourg) Sarl and Ulica Solar GmbH determine their bookkeeping base currencies based on the main economic environment in which they operate, and therefore the accounting standard currencies are NTD, YEN, HKD and EUR respectively. This report is uniformly expressed in RMB.

5. Method for determining materiality criteria and selection basis

Applicable Not applicable

Item	Materiality Criteria
Accounts receivable with single accrual for bad debt provision	A single amount exceeding RMB5 million or a single accrual accounting for 10% of the total bad debt provision for various accounts receivable.
Significant accounts receivable written off during the current period	A single amount exceeding RMB5 million or single item verification amount accounting for more than 10% of the total amount of various receivables.
Important projects under construction	The budget of a single project under construction exceeds 0.5% or more of the total assets.
Important joint ventures or associates	The book value of long-term equity investments of a single invested entity exceeds 3% of the total assets of the Group.

Important non-wholly-owned subsidiaries	The net assets of a subsidiary account for more than 5% of the Group's net assets, or the net profit of a subsidiary accounts for more than 10% of the Group's net profit.
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6. Accounting treatment methods for business combinations under the common control and not under the common control

√Applicable Not applicable

Business combination under the common control: Assets and liabilities acquired by a consolidating party in a business combination (including goodwill resulting from the acquisition of the consolidated party by the ultimate controlling party) are measured at the book value of the consolidated party's assets and liabilities in the consolidated financial statements of the ultimate controlling party at the date of the consolidation. As for the balance between the carrying amount of the net assets obtained by the combining party and the carrying amount of the consideration during consolidation (or the total book value of the shares issued), the additional paid-in capital in capital reserve shall be adjusted. If the additional paid-in capital in capital reserve is not sufficient to be offset, the retained earnings shall be adjusted.

Business combination not under the common control: The cost of consolidation is the fair value of the assets paid, liabilities incurred or assumed, and equity securities issued by the acquirer to obtain control over the acquiree at the date of acquisition. Goodwill is recognized as the positive difference between the cost of the combination and the share of the fair value of the acquiree's identifiable net assets acquired in the combination. The difference between the cost of combination and the share of the fair value of the acquiree's identifiable net assets acquired in a consolidation is included into profit or loss for the current period. Each identifiable asset, liability and contingent liability of the acquiree acquired in a consolidation that qualifies for recognition is measured at fair value at the date of acquisition.

Directly related costs incurred for a business consolidation are included into profit or loss for the current period as incurred; Transaction costs for the issuance of equity securities or debt securities for a business consolidation are included into the initial recognition amount of the equity securities or debt securities.

7. Criteria for judgement of controlling and preparation method of consolidated financial statements

√Applicable Not applicable

1. Criteria for judgement of controlling

The scope of consolidated financial statements is determined on the basis of control, which includes the Company and all of its subsidiaries. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

2. Procedure of consolidation

The Company considers the entire enterprise group as one accounting entity, and prepares consolidated financial statements in accordance with consistent accounting policies to reflect the financial position, business performance and cash flows of the enterprise group as a whole. The effects of internal transactions that occurred between the Company and its subsidiaries and between subsidiaries are offset. If an internal transaction indicates that there is an impairment loss on the related asset, the full amount of such loss is recognized. If a subsidiary adopts accounting policies and accounting periods that are not consistent with those of the Company, the subsidiary's accounting policies and accounting periods shall be adjusted according to those of the Company as necessary in preparing the consolidated financial statements.

The shares held by non-controlling interests in owner's equity, the net profit and loss in the current period and the comprehensive income in the current period of subsidiaries, are separately listed under the items of owner's equity in the consolidated balance sheet, net profit and total comprehensive income in the consolidated income statement. The balance of current loss borne by non-controlling interests of the subsidiary subtracting the shares enjoyed by non-controlling interests from period-beginning owner's equity of the subsidiary shall offset against the non-controlling interests.

(1) Increase subsidiaries or business

During the reporting period, if a subsidiary or any business is added as a result of a business consolidation under the same control, the operating results and cash flows of the subsidiary or business from the beginning of the current consolidation period to the end of the reporting period are included in the consolidated financial

statements, while the opening balance of the consolidated financial statements and the related items in the comparative statements are adjusted as if the consolidated reporting entity had been in existence since the point when the ultimate controlling party began to control it.

If additional investments enable control over an investee under the same control, the equity investment held before the acquisition of control of the consolidated party, and the relevant profit and loss, other comprehensive income and other changes in net assets that have been confirmed from the date when the original equity is acquired or the date when the consolidating party and the consolidated party are under the same control (which one is later) to the consolidation date will write down the opening retained earnings or current profit and loss for the period of comparative statement, respectively.

During the reporting period, if a subsidiary or any business is added as a result of a business consolidation not under the same control, each identifiable asset, liability and contingent liability determined at the date of acquisition based on their fair value are included in the consolidated financial statements from the date of acquisition.

Where the investees not under the same control can be controlled due to additional investment or other reasons, the Company shall re-measure the acquiree's equity held before the date of purchase according to the fair value of the equity at the date of purchase, and include the difference between the fair value and its book value into the current investment income. Other comprehensive income related to the equity of the acquiree held before the acquisition date, which will be reclassified into profit or loss in the future, and other changes in owners' equity under the equity method accounting are converted into the current investment income of the acquisition date.

(2) Disposal of subsidiaries

① General treatment method

If the control right over the investee is lost due to the disposal of partial equity investment or other reasons, the Company shall re-measure the remaining equity investment after disposal according to the fair value on the date of losing control right. The sum of the consideration acquired by the disposal of equity and the fair value of the remaining equity minus the sum of the shares of the net assets of the original subsidiary continuing to calculate from the date of purchase or merger according to the original shareholding ratios and the goodwill, such obtained difference shall be included into the investment income on that very period of losing the control right. Other comprehensive income related to the equity investment of the original subsidiary that will be reclassified into profit or loss in the future, and other changes in owners' equity under the equity method accounting are converted into the current investment income when the control right is lost.

② Disposal of subsidiaries step by step

If the terms, conditions, and economic impacts on various transactions of disposing the equity investment of subsidiaries conform to one or more of the following situations provided that the equity investment of subsidiaries is disposed step by step through multiple transactions until the loss of control right, it usually indicates that the multiple transactions shall be taken as a package deal:

- i. These transactions are made simultaneously or in consideration of each other's influence;
- ii. These transactions as a whole can achieve a complete business result;
- iii. The occurrence of a transaction depends on the occurrence of at least one of other transactions;
- iv. A transaction is uneconomical individually, but it's economical when you consider it with other transactions.

Where the transactions are part of a package, the transactions are accounted for as one disposal of subsidiaries with loss of control; The difference between each disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment prior to the loss of control is included into the consolidated financial statements as other comprehensive income and is transferred into profit or loss for the current period when control is lost.

Where the respective transactions are not part of a package, the equity investment in the subsidiary is accounted for as a partial disposal without loss of control until such time as control is lost; Upon loss of control, accounting is performed in accordance with the general method for disposal of subsidiaries.

(3) Purchasing minority equity of subsidiaries

The share premium in the capital reserves in the Consolidated Balance Sheet is adjusted according to the difference between the long-term equity investment newly-obtained by the Company for the purchase of minority equity and the net asset share continuously calculated from the purchase date or the merger date of subsidiaries that shall be enjoyed by the Company by calculating as per the newly-increased shareholding ratio; when the share premium in the capital reserves is not sufficient to offset, the retained earnings shall be adjusted.

(4) Disposing partly the equity investment in subsidiaries without losing the control

For the difference between the disposal price and the share of net assets of the subsidiary corresponding to the disposal of the long-term equity investment calculated on an ongoing basis from the date of acquisition or the date of consolidation, adjust the share premium in capital reserves in the Consolidated Balance Sheet, and if the share premium in capital reserves is not sufficient for write-down, adjust the retained earnings.

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

Applicable Not applicable

The joint venture arrangements are divided into joint operation and joint venture.

A joint operation is a joint venture arrangement in which the joint venturers enjoy the assets and bear the liabilities associated with the arrangement.

The Company recognizes the following items related to its share of interest in joint operations:

(1) To confirm the assets held by the Company separately, and the assets jointly held according to the Company's shares;

(2) To confirm the liabilities assumed by the Company separately, and the liabilities jointly assumed according to the Company's shares;

(3) To confirm the revenue generated by the sale of the output shares of joint operation enjoyed by the Company;

(4) To confirm the revenue generated by the sale of output of joint operation according to the Company's shares;

(5) To confirm the expenses incurred separately, and the expenses incurred in joint operation according to the Company's shares.

The Company's investment in joint ventures is accounted for by the equity method, as described in item "V.15. Long-term Equity Investments" of this Notes to Financial Statements.

9. Confirmation standard of cash and cash equivalents

Cash refers to the Company's cash on hand and deposits that are available for payment at any time. Cash equivalents refer to the short-term and highly liquid investments that are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

10. Foreign currency business and conversion of foreign currency statements

Applicable Not applicable

1. Foreign currency business

Foreign currency business is charged to an account in RMB using the spot exchange rate on the date of the transaction as the conversion rate.

The balances of foreign monetary items at the balance sheet date are converted at the spot rate on the balance sheet date, and the resulting exchange differences are included into profit or loss for the current period, except for those arising from special borrowings in foreign currencies related to the acquisition of assets eligible for capitalization, which are treated in accordance with the principle of capitalization of borrowing costs.

2. Transaction of foreign currency financial statements

Asset and liability items of balance sheet are converted using the spot rate at the balance sheet date; Items of owners' equity, except for "Retained earnings", are converted using the spot rate at the time of occurrence. Income and expense items in the income statement are converted at the average exchange rate of the current year.

During the disposal of overseas operation, the difference arising from the translation of foreign currency financial statements related to the overseas operation shall be transferred from owner's equity items to the disposal of current profit and loss.

11. Financial instruments

Applicable Not applicable

The Company recognizes a financial asset, a financial liability or an equity instrument when it becomes a party to a financial instrument contract.

1. Classification of financial instruments

Based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets, the financial assets are classified at initial recognition as: Financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss.

The Company classifies financial assets that meet the following criteria and that are not designated as financial assets at fair value through profit or loss as financial assets measured at amortized cost:

- Business model is targeted at collecting contractual cash flows;
- Contractual cash flows only pay for the principal and the interest based on the outstanding principal amount.

The Company classifies financial assets that meet the following criteria and that are not designated as financial assets at fair value through profit or loss as financial assets at fair value through other comprehensive income (debt instruments):

- A business model with the objective of both collecting the contractual cash flows and selling the financial asset;
- Contractual cash flows only pay for the principal and the interest based on the outstanding principal amount.

For investments in non-trading equity instruments, the Company may, on initial recognition, irrevocably designate them as financial assets at fair value through other comprehensive income (equity instruments). The designation is made on the basis of a single investment and the underlying investment meets the definition of an equity instrument from the perspective of the issuer.

Except for the above-mentioned financial assets measured at amortized cost and financial assets at fair value through other comprehensive income, the Company classifies all remaining financial assets as financial assets at fair value through profit or loss. At the initial recognition time, if it is possible to eliminate or significantly reduce the accounting mismatch, the Company may irrevocably designate financial assets that would otherwise be classified as financial assets measured at amortized cost or at fair value through other comprehensive income as financial assets at fair value through profit or loss.

Financial liabilities are classified on initial recognition as: Financial liabilities at fair value through profit or loss and financial liabilities measured at amortized cost.

For those financial liabilities, if one of the following conditions is met, they may be designated, on initial recognition, as financial liabilities at fair value through profit or loss:

1) The designation can eliminate or significantly reduce accounting mismatches.

2) According to enterprise's risk management or investment strategy as set out in formal written documents, management and performance evaluation of a portfolio of financial liabilities or a portfolio of financial assets and financial liabilities are conducted on a fair value basis. And within the enterprise, report to key management personnel on this basis.

3) The financial liability contains embedded derivatives that are subject to separate spin-off.

2. Recognition basis and measurement method of financial instruments

(1) Financial assets measured at amortized cost

Financial assets measured at amortized cost, including notes receivable, accounts receivable, other receivables, long-term receivables and debt investments, are initially measured at fair value, with related transaction costs included in the initial recognition amount; accounts receivable that do not contain a significant financing component and those that the Company has decided not to consider a financing component of less than one year are initially measured at the contractual transaction price.

Interest calculated using the effective interest method during the holding period is included into profit or loss for the current period.

During recovery or disposal, the difference between the acquired price and the book value of the financial assets shall be included into profit or loss for the current period.

(2) Financial assets at fair value through other comprehensive income (debt instruments)

Financial assets at fair value through other comprehensive income (debt instruments), including receivables financing and other debt investments, are initially measured at fair value with related transaction costs included into the initially recognized amount. The financial asset is subsequently measured at fair value, and changes in fair value are included into other comprehensive income, except for interest, impairment loss or gain and exchange gain or loss calculated using the effective interest method.

Upon derecognition, the cumulative gain or loss previously included into other comprehensive income is transferred from other comprehensive income and included into profit or loss for the current period.

(3) Financial assets at fair value through other comprehensive income (equity instruments)

Financial assets at fair value through other comprehensive income (equity instruments), including investments in other equity instruments, are initially measured at fair value, with related transaction costs included into the initial recognition amount. The financial asset is subsequently measured at fair value, with changes in fair value included into other comprehensive income. Dividends received are included into profit or loss for the current period.

Upon derecognition, the cumulative gain or loss previously included into other comprehensive income is transferred from other comprehensive income and included in retained earnings.

(4) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss, including trading financial assets, derivative financial assets and other non-current financial assets, are initially measured at fair value, with related transaction costs included into profit or loss for the current period. The financial asset is subsequently measured at fair value, with changes in fair value included into profit or loss for the current period.

(5) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss, including trading financial liabilities and derivative financial liabilities, are initially measured at fair value, with related transaction costs included into profit or loss for the current period. The financial liability is subsequently measured at fair value, with changes in fair value included into profit or loss for the current period.

Upon derecognition, the difference between its book value and the consideration paid is included into profit or loss for the current period.

(6) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost, including short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable and long-term payables, are initially measured at fair value, with related transaction costs included into the initial recognition amount.

Interest calculated using the effective interest method during the holding period is included into profit or loss for the current period.

Upon derecognition, the difference between the consideration paid and the book value of the financial liability is included into profit or loss for the current period.

3. Basis of recognition and measurement of derecognition of financial assets and transfer of financial assets

The Company derecognizes a financial asset when one of the following conditions is met:

- Termination of contractual rights to receive cash flows from financial assets;
- The financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred to the transfer-in side;
- The financial asset has been transferred. Although the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial assets, it doesn't retain control over the financial asset.

An original financial asset is derecognized when the Company modifies or renegotiates a contract with counterparts and the modification constitutes a material change, and a new financial asset is simultaneously recognized in accordance with the modified terms.

A financial asset is not derecognized when a transfer of the financial asset occurs and substantially all the risks and rewards of ownership of the financial asset are retained.

In the event of determining whether the transfer of financial assets meets the termination recognition conditions of the aforesaid financial assets, the principle of substance over form shall be adopted.

The Company divides the financial asset transfer zone into the overall transfer and partial transfer of financial assets. If the transfer of an entire financial asset satisfies the conditions for stopping recognition, the difference between the amounts of the following two items shall be included into profit or loss for the current period:

(1) The book value of the transferred financial assets;

(2) The sum of the consideration received for the transfer and the cumulative amount of changes in fair value originally recognized directly in owners' equity (in the case where the financial asset involved in the transfer is a financial asset (debt instrument) measured at fair value through other comprehensive income).

Where partial transfer of financial assets satisfies the termination recognition conditions, the entire book value of the transferred financial assets shall be apportioned between the part for which termination is determined and the part for which termination is not determined as per respective relative fair values, and the difference between the following two items shall be included into profit or loss for the current period:

(1) The book value of the derecognized part;

(2) The sum of the consideration for the derecognized portion and the amount corresponding to the derecognized portion of the cumulative amount of changes in fair value originally recognized directly in owners' equity (in the case where the financial asset involved in the transfer is a financial asset (debt instrument) measured at fair value through other comprehensive income).

Where the transfer of financial assets doesn't meet the recognition conditions, the financial assets shall be continually confirmed, and the received consideration is confirmed as one financial liability.

4. Derecognition of financial liabilities

When the prevailing obligations of a financial liability are relieved in whole or in part, the financial liability can be derecognized in whole or in part. Where the Company enters into an agreement with a creditor so as to substitute the existing financial liability by way of new financial liability, and if the contract terms regarding the new financial liability are substantially different from that regarding the existing financial liability, it shall derecognize the existing financial liability, and shall recognize the new financial liability at the same time.

Where an enterprise makes substantial revisions to some or all of the contractual stipulations of the existing financial liability, it shall terminate the recognition of the existing financial liability or part of it, and at the same

time recognize the financial liability after revising the contractual stipulations as a new financial liability.

Where the recognition of a financial liability is fully or partially terminated, the difference between the book value of financial liability which has been terminated from recognition and the paid considerations (including the non-cash assets it has transferred out and the new financial liabilities it has assumed) shall be included into profit or loss for the current period.

Where our enterprise buys back part of its financial liabilities, it shall distribute, on the buy-back day, the carrying amount of the whole financial liabilities according to the comparatively fair value of the part that continues to be recognized and the part whose recognition has already been terminated. The difference between the carrying amount which is distributed to the part whose recognition has terminated and the considerations it has paid (including the non-cash assets it has transferred out and the new financial liabilities it has assumed) shall be included into profit or loss for the current period.

5. Method to determine the fair value of financial assets and financial liabilities

If there are active financial instruments, the fair value is determined using quoted prices in an active market. If there are no active financial instruments, the fair value is determined using valuation techniques. In its valuation, the Company uses valuation techniques that are applicable in the current circumstances and supported by sufficient available data and other information, selects inputs that are consistent with the characteristics of the asset or liability considered by market participants in transactions for the relevant asset or liability, and gives preference to the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are not available or not practical to obtain.

6. Test methods and accounting treatment methods for impairment of financial instruments

The Company accounts for impairment of financial assets measured at amortized cost, financial assets measured at fair value whose changes are included into other comprehensive income (debt instruments) and financial guarantee contracts, etc. based on expected credit losses.

The Company recognizes expected credit losses by calculating the probability-weighted amount of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received, taking into account reasonable and substantiated information about past events, current conditions and forecasts of future economic conditions, weighted by the risk of default.

For receivables and contract assets resulting from transactions governed by *Accounting Standards for Business Enterprises No. 14 - Revenue*, the Company consistently measures its provision for losses at an amount equal to the expected credit loss over the entire life of the asset, whether or not it contains a significant financing component.

For leasing receivables resulting from transactions governed by *Accounting Standards for Business Enterprises No. 21 - Lease*, the Company has chosen to always measure its provision for losses at an amount equal to the expected credit loss over the entire life of the duration.

For other financial instruments, the Company assesses the changes in credit risk of the relevant financial instruments since initial recognition on each balance sheet date.

The Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the risk of default of the financial instrument at the balance sheet date with the risk of default at the date of initial recognition to determine the relative change in the risk of default over the expected life of the financial instrument. The Company considers that the credit risk of a financial instrument has increased significantly when it is normally more than 30 days past due, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since initial recognition.

If the credit risk of a financial instrument is low at the balance sheet date, the Company considers that the credit risk of the financial instrument has not increased significantly since initial recognition.

If the credit risk of the financial instrument has increased significantly since initial recognition, the Company measures its provision for losses at an amount equal to the expected credit loss over the entire life of the financial instrument; If the credit risk of the financial instrument has not increased significantly since initial recognition, the Company measures its provision for loss at an amount equal to the expected credit loss of the financial instrument over the next 12 months. The resulting increase or reversal of the provision for losses is recognized as an impairment loss or gain in the current profit and loss. For financial assets (debt instruments) measured at fair value with changes recognized in other comprehensive income, their provision for losses is recognized in other comprehensive income and impairment losses or gains are recognized in the current period's profit or loss, without reducing the book value of the financial asset on the balance sheet.

If there is objective evidence that a receivable is impaired on a credit basis, the Company provides for impairment of that receivable on a single basis.

Except for the above-mentioned amounts receivable for which Bad Debt Provision are accrued respectively, the Company divides other financial instruments into several combinations based on credit risk characteristics, and determines expected credit losses on the basis of these combinations. The combination categories and determination basis for the accrual of expected credit losses for notes receivable, accounts receivable, amounts receivable financing, other receivables, contract assets, long-term receivables, etc. of the Company are as follows:

Item	Combination category	Recognition basis
Notes receivable, accounts receivable financing		Credit rating of the acceptor

Item	Combination category	Recognition basis
Accounts receivable	Account age portfolio	Determine the expected credit loss rate by combining historical loss rate with forward-looking adjustments
Other receivables	Business categories combination	Considering forward-looking factors to determine the expected credit loss rate based on the common credit risk characteristics of business categories

If the Company no longer has a reasonable expectation that the contractual cash flows from a financial asset will be fully or partially recovered, the book balance of the financial asset is written down directly.

12. Inventory

√Applicable Not applicable

Inventory categories, pricing method of issued inventory, inventory system, and amortization methods for low-value consumables and packaging materials

√Applicable Not applicable

1. Classification and cost of inventory

Inventory is classified as: Raw materials, turnover materials, inventory product, semi-finished product, goods in transit, materials for consigned processing, materials in transit, etc.

Inventories are initially measured at cost. The cost of inventories includes the cost of purchase, processing costs and other expenditures incurred in bringing the inventories to their present location and condition.

2. Pricing method of issued inventory

Inventories are valued by weighted average method when they are delivered.

3. Inventory system for inventory

The perpetual inventory system is used.

4. Amortization method of low-value consumables and packaging materials

(1) Low value consumables adopt one-off amortization method;

(2) Packaging materials adopt one-off amortization method;

Recognition standard and accrual methods for inventory depreciation reserves

√Applicable Not applicable

On the balance sheet date, the inventory is measured at the lower of the cost or the net realizable value. When the cost of inventories is higher than their net realizable value, an accrual for inventory decline should be made. Net realizable value refers to the amount after deducting the cost to be incurred upon estimation until the completion, the estimated sales expenses, and related taxes from the estimated selling price of inventory in daily activities.

The net realizable value of finished goods, inventory goods and materials for sale and other merchandise inventories used directly for sale, in the normal course of production and operation, is determined as the

estimated selling price of such inventories, less estimated selling expenses and related taxes; the net realizable value of inventories of materials subject to processing is determined in the normal course of production operations as the estimated selling price of the finished goods produced, less the estimated costs to be incurred for completion, estimated selling expenses and related taxes; the net realizable value of inventories held for the execution of sales contracts or labour contracts is calculated on the basis of the contract price. If the quantity of inventories held is more than the quantity ordered in the sales contract, the net realizable value of the excess inventories is calculated on the basis of the general sales price.

The combination categories and determination basis for making combination-based inventory impairment provision, and the basis for determining net realizable value of different inventory categories

Applicable Not applicable

The Company makes accrual for inventory impairment based on single item or combination. The combination category and determination basis, as well as the determination basis for the net realizable value of different categories of inventory, are as follows:

Inventory combination category	Combination recognition basis	Recognition basis of net realizable value
Inventory age combination	The inventory age period that significantly affects the realizable value	Comprehensive evaluation of the net realizable value of relevant inventory based on historical stagnation risk and future market demand
Single accrual		The estimated selling price minus the estimated costs to be incurred until completion, estimated sales expenses, and related taxes and fees

After the accrual for inventory impairment has been made, if the factors affecting the previous write down of inventory value have disappeared, resulting in the net realizable value of inventory being higher than its book value, it shall be reversed within the original accrual for inventory impairment, and the reversed amount shall be recognized in the current profit and loss.

13. Contract assets

Applicable Not applicable

Methods and criteria for recognition of contract assets

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the performance obligation and the customer's payment. The right to receive consideration for goods or services that the Company has transferred to customers (and which is dependent on factors other than the passage of time) is presented as a contract asset. Contract assets and contract liabilities under the same contract are presented on a net basis. The Company's unconditional (depending only on the passage of time) right to receive consideration from customers is shown separately as a receivable.

Method of recognizing expected credit losses on contract assets and accounting method

The method of recognizing expected credit losses on contract assets and accounting method are detailed in

“V. 11. 6. Test Methods and Accounting Treatment Methods for Impairment of Financial Instruments” in this Notes to the Financial Statements.

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

√ Applicable Not applicable

Determination basis and accounting methods for non-current assets or disposal groups held for sale

√ Applicable Not applicable

A non-current asset or disposal group whose book value is recovered principally through sale (including exchange of non-monetary assets with commercial substance) rather than through continuing use is classified as held for sale.

The Company classifies non-current assets or disposal groups as held for sale if they meet the following conditions:

(1) In accordance with the practice in similar transactions for the sale of such assets or disposal groups, they can be sold immediately in their current condition;

(2) The sale is highly likely to occur, i.e., the Company has resolved on a sale plan and obtained firm purchase commitments, and the sale is expected to be completed within one year. Where the relevant regulations require the approval of the relevant authority or regulatory authority of the Company before the sale can be made, such approval has been obtained.

If the book value of a non-current asset (excluding financial assets, deferred income tax assets, investment real estate that is subsequently measured using the fair value model and assets resulting from employee compensation) or disposal group classified as held for sale is higher than the net value of fair value less costs to sell, the book value is written down to the net value of fair value less costs to sell, and the write-down amount is recognized as an impairment loss on the asset and included into profit or loss for the current period, together with a accrual for impairment of assets held for sale.

Criteria for recognition and presentation of discontinued operations

√ Applicable Not applicable

A discontinued operation is a separately distinguishable component that meets one of the following conditions and which has been disposed of by the Company or classified by the Company as held for sale:

(1) The component represents a separate principal business or a separate principal area of operation;

(2) The component is part of a related plan to dispose of an independent principal business or a separate principal area of operation;

(3) The component is a subsidiary acquired exclusively for resale.

Gains or losses from continuing operations and gains or losses from discontinued operations are presented separately in the income statement. Operating gains and losses such as impairment losses and reversals of amounts from discontinued operations and gains and losses on disposals are reported as gains and losses from discontinued operations. For discontinued operations presented in the current period, the Company restates the information previously reported as gain or loss from continuing operations in the current period financial

statements as gain or loss from discontinued operations in the comparable accounting period.

15. Long-term equity investment

√Applicable Not applicable

1. Judgment standards for common control and significant influence

The common control refers to the control commonly owned for a certain arrangement according to the relevant agreement, in which the related activities of such arrangement can be decided only after the consensus of participants who share the control right. Where the Company and other joint ventures implement common control over the invested unit and have the right to the net assets of the invested unit, the invested unit is the joint venture of the Company.

Significant impact refers to the power to participate in making decisions on the financial and operating policies of an invested unit, but not to control or do joint control together with other parties over the formulation of these policies. Where the Company can have significant influence on an invested unit, the invested unit is the associate of the Company.

2. Determination of initial investment cost

(1) Long-term equity investment formed by business consolidation

For long-term equity investment in subsidiaries acquired through business consolidation under the common control, the initial investment cost of long-term equity investment at the date of consolidation is based on the share of the owner's equity of the combined party in the book value of the consolidated financial statements of the final controlling party. For the difference between the initial investment cost of the long-term equity investment and the book value of the consideration paid, adjust the share premium in capital reserves; If the share premium in capital reserves is not sufficient for write-down, adjust the retained earnings. If it is possible to exercise control over an investee under the common control due to additional investment, for the difference between the initial investment cost of the long-term equity investment recognized in accordance with the above principle and the sum of the book value of the long-term equity investment before consolidation and the book value of the consideration paid for further acquisition of shares at the date of consolidation, adjust the share premium, and if the share premium is not sufficient for write-down, write down the retained earnings.

For long-term equity investments in subsidiaries formed by business combination not under the common control, the initial investment cost of long-term equity investments is based on the cost of the consolidation determined at the date of acquisition. Where the invested units not under the common control can be controlled due to additional investment or other reasons, the sum of the book value of the equity investment originally held and the newly added investment cost shall be taken as the initial investment cost.

(2) Long-term equity investments acquired through means other than business combination

The initial cost of a long-term equity investment obtained by making payment in cash shall be the purchase cost which is actually paid.

The initial cost of a long-term equity investment obtained based on issuing equity securities shall be the fair value of the equity securities issued.

3. Confirmation method of subsequent measurement as well as profit and loss

(1) Long-term equity investment accounted by cost method

The Company accounts for its long-term equity investments in subsidiaries using the cost approach, unless the investments qualify as held for sale. Except for the actual paid price when acquiring investment or, the cash dividends or profits that has declared but not yet released in the consideration, the Company shall recognize the current investment income according to the cash dividends or profits issued by the invested unit.

(2) Long-term equity investment accounted by equity method

The long-term equity investment in associates and joint ventures shall be accounted by equity method. For the positive difference between the initial investment cost and the share of the fair value of the identifiable net assets of the investee at the time of investment, the initial investment cost of the long-term equity investment is not adjusted; For the negative difference between the initial investment cost and the share of the fair value of the identifiable net assets of the investee at the time of investment, it shall be included into profit or loss for the current period, and the cost of long-term equity investments is adjusted.

The Company recognizes investment income and other comprehensive income in accordance with its share of the net profit or loss realized by the investee and other comprehensive income that shall be shared or born, respectively, while adjusting the book value of the long-term equity investment; The portion of the entitlement shall be calculated on the basis of the profit or cash dividends declared by the investee, with a corresponding reduction in the book value of the long-term equity investment; For other changes in the ownership interest of the investee other than net profit or loss, other comprehensive income and profit distribution ("changes in other owners' equity"), adjust the book value of the long-term equity investment and recognize them in owners' equity.

In recognizing the share of the investee's net income or loss, other comprehensive income and other changes in owners' equity, the fair value of the investee's identifiable net assets at the time the investment is acquired is used as the basis for recognition, and the net income and other comprehensive income of the investee are adjusted in accordance with the Company's accounting policies and accounting periods.

Unrealized gains or losses on internal transactions between the Company and associates or joint ventures that are attributable to equity owners of the Company on the basis of their proportionate share are offset, and investment income is recognized on this basis, except when the assets invested or sold constitute a business. The unrealized internal transaction losses with the invested unit, which belongs to the impairment loss of assets, shall be recognized in full.

For the net loss incurred by joint ventures or associates, the Company, except for the obligation to assume additional losses, is limited to a write-down to zero of the book value of the long-term equity investment and other long-term interests that substantially constitute the net investment in joint ventures or associates. If joint

ventures or associates later realize net profit, the Company resumes the recognition of attributable share of income after the attributable share of income makes up for the unrecognised attributable share of loss.

(3) Disposal of long-term equity investment

When disposing of a long-term equity investment, the difference between its book value and the actual purchase price shall be included into profit or loss for the current period.

If a long-term equity investment accounted for under the equity method is partially disposed of and the remaining equity interest is still accounted for under the equity method, other comprehensive income recognized under the former equity method is carried forward in proportion to the corresponding percentage using the same basis as the direct disposal of the related assets or liabilities by the investee, and other changes in owners' equity are carried forward to profit or loss in proportion to the current period.

If the common control or significant influence over the investee is lost due to the disposal of the equity investment, etc., other comprehensive income recognized as a result of the equity method accounting for the original equity investment is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee upon the termination of the equity method accounting, and all changes in other owners' equity are transferred to current profit and loss upon the termination of the equity method accounting.

If control over the investee is lost due to the disposal of part of the equity investment, the remaining equity interest that is capable of exercising joint control or significant influence over the investee is accounted for under the equity method when preparing the individual financial statements, and the remaining equity interest is adjusted as if it had been accounted for under the equity method from the time of acquisition, and other comprehensive income recognized prior to the acquisition of control over the investee is recognized using the same basis as that used for the direct disposal of the related assets or liabilities by the investee, and the changes in other owners' equity recognized as a result of the adoption of the equity method of accounting are carried forward proportionately to current profit and loss; If the remaining equity interest cannot exercise joint control or significant influence over the investee, it is recognized as a financial asset, and the difference between its fair value and its book value at the date of loss of control is included into profit or loss for the current period, and all other comprehensive income and other changes in owners' equity recognized before control of the investee is obtained are carried forward.

Disposal of equity investments in subsidiaries through multiple transactions in steps until the loss of control, where they are a package transaction, each transaction is accounted for as one disposal of equity investments in subsidiaries with loss of control; The difference between the disposal price and the book value of the long-term equity investment corresponding to the equity interest disposed of for each disposal prior to the loss of control is recognized as other comprehensive income in the individual financial statements first, and is transferred to profit or loss for the current period when control is lost. If the transaction is not part of a package, each transaction is accounted for separately.

16. Investment property

Investment properties are real estate held for rental income or capital appreciation, or both, and include land use rights that have been leased, land use rights that are held and intended to be transferred after appreciation, and buildings that have been leased (including buildings that will be used for leasing after completion of self-construction or development activities and buildings that will be used for leasing in the future while under construction or development).

Subsequent expenditures related to investment properties are included in the cost of investment properties when it is probable that the related economic benefits will flow in and their cost can be measured reliably; Otherwise, it is included into profit or loss for the current period as incurred.

The Company adopts the cost model for existing investment properties. For investment properties measured according to the cost model - leased buildings, the same depreciation policy as the Company's fixed assets is adopted, and the leased land use rights are subject to the same amortization policy as intangible assets.

17. Fixed assets**1. Recognition criteria**

Applicable Not applicable

Fixed assets refer to the tangible assets which are held for producing commodities, providing labour services, leasing or operation management and have a service life of over one fiscal year. Fixed assets are recognized when the following conditions are met simultaneously:

- (1) The economic benefits pertinent to the fixed asset are likely to flow into the enterprise;
- (2) The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (and the effect of expected abandonment cost factors shall be considered).

Subsequent expenditures related to fixed assets are included in the cost of fixed assets when it is probable that the economic benefits associated with them will flow in and their cost can be measured reliably; Derecognition of the book value for the replaced portion; All other subsequent expenses are included into the current profit and loss as incurred.

2. Depreciation method

Applicable Not applicable

The depreciation of fixed assets is accrued by classification using the straight-line depreciation method, and the depreciation rate is determined according to the category of fixed assets, estimated service life and estimated net residual value rate. For fixed assets for which provision for impairment has been made, depreciation is determined in future periods on the basis of their book value net of provision for impairment and based on their remaining useful lives. If the service life of each component of the fixed assets is different or the economic benefits are provided for enterprises in different ways, the different depreciation rates or depreciation methods shall be selected for depreciation respectively.

The depreciation methods, depreciation lives, residuals rates and annual depreciation rates for various types

of fixed assets are as follows:

Category	Depreciation method	Period of depreciation (years)	Residual value rate	Annual depreciation rate
House buildings	Straight-line method	20-35	3%	4.85%-2.77%
Machinery equipment	and Straight-line method	8-10	3%	12.13%-9.70%

3. Fixed asset disposal

A fixed asset shall be derecognized when it is in a state of disposal or when no economic benefits are expected to arise from its use or disposal. The amount obtained after deducting the book value and relevant taxes from the disposal income from the sale, transfer, scrapping or damage of fixed assets shall be included into the current profit and loss.

18. Construction in process

Applicable Not applicable

Construction in progress is measured at the actual cost incurred. Actual costs include construction costs, installation costs, borrowing costs eligible for capitalization and other necessary expenditures incurred to bring construction in progress to its intended serviceable condition. Construction in progress is transferred to fixed assets when it reaches its intended serviceable condition and provision for depreciation starts from the following month. The standards and time point for the transfer of construction in progress to fixed assets by the Company are as follows:

Category	The standards and time point for transfer to fixed assets
House buildings	(1) The main construction project and supporting facilities have been completed and accepted; (2) If the construction project reaches the predetermined usable status of the house and building, but the final settlement for completion has not been processed, it shall be transferred to fixed assets at the estimated value based on the actual cost of the project from the date of reaching the predetermined usable status.
Equipment that needs to be installed and debugged, etc	(1) The relevant equipment and other supporting facilities have been installed; (2) If there are industry standards and regulations, they shall be implemented in accordance with industry standards; If not, the standard is to maintain continuous and stable operation for a period of time; (3) The products produced by the equipment have reached the predetermined qualified state.

19. Borrowing costs

Applicable Not applicable

1. Confirmation principles for capitalization of borrowing costs

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction or production of assets eligible for capitalization, they shall be capitalized and included into the costs of relevant assets; other borrowing costs shall be recognized as expenses based on the incurred amount and shall be included into the current profit and loss.

Assets eligible for capitalization refer to the fixed assets, investment properties, inventories, and other assets, of which the acquisition and construction or production may take quite a long time to get ready for its intended use or sale.

2. Capitalization period of borrowing costs

Capitalization period refers to the period from the commencement to the cessation of capitalization of the borrowing costs, excluding the period of suspension of capitalization of the borrowing costs.

The borrowing costs shall not be capitalized unless they meet the following conditions simultaneously:

(1) The asset expenditure has already incurred, which shall include cash payment, transfer of non-cash assets or interest-bearing debts for the acquisition and construction or production of assets eligible for capitalization;

(2) The borrowing costs have already incurred;

(3) The acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started.

When the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs shall be ceased.

3. Suspension of capitalization period

Capitalization of borrowing costs is suspended if an unusual interruption occurs during the acquisition and construction or production of an asset eligible for capitalization and the interruption lasts for more than three consecutive months; If the interruption is necessary to bring the asset acquired or produced that is eligible for capitalization to its intended serviceable or marketable condition, the borrowing costs continue to be capitalized. The borrowing costs incurred during the interruption shall be recognized as the current profit and loss and shall not be capitalized until the acquisition and construction or production of the asset restarts.

4. Calculation of capitalization rate and capitalization amount of borrowing costs

For the special borrowings borrowed for the acquisition and construction or production of assets eligible for capitalization, the capitalization amount of borrowing costs is determined by the borrowing costs actually incurred in the current period of the special borrowings minus the interest income obtained from the unused borrowing funds deposited in the bank or the investment income obtained from temporary investment.

Where a general borrowing is used for the acquisition and construction or production of assets eligible for capitalization, the Company shall calculate and determine the to-be-capitalized amount of borrowing costs on the general borrowing by multiplying the weighted average of cumulative asset expenditure exceeding the asset

expenditure of special loan by the capitalization rate of the general borrowing used. The capitalization rate shall be calculated and determined based on the weighted average real interest rate of the general borrowing.

During the period of capitalization, the exchange difference of principal and interest of special foreign currency borrowings shall be capitalized and included into the cost of assets eligible for capitalization. Exchange differences arising from the principal amount of foreign currency borrowings other than specialized foreign currency borrowings and their interest are included into the current profit and loss.

20. Intangible assets

(1). Useful life and its determination basis, estimation, amortization method or review procedure

Applicable Not applicable

1. Pricing method of intangible assets

(1) Intangible asset acquired by the Company is measured initially upon the cost;

The cost of outsourced intangible asset includes purchase price, related taxes, and other expenditures directly attributable to making such asset reach intended use.

(2) Subsequent measurement

Analyse and judge the service life of intangible assets at the acquiring time.

For intangible assets with finite useful lives, amortize over the period that provides economic benefits to the enterprise; Intangible assets with an indefinite useful life are not amortized if it is not foreseeable that they will provide economic benefits to the enterprise.

2. Service life estimation for the intangible assets with limited service life

Item	Estimated service life	Basis
Land	20-50 years	According to the use life of the land use right certificate
Proprietary technology	5-20 years	According to the estimated period of economic benefits to the enterprise
Trademark use rights	10 years	According to trademark use life
Special software	5-10 years	According to the estimated period of economic benefits to the enterprise

At the end of each year, the Company shall review the service life and amortization method of the intangible assets with limited-service life.

Upon review, no service life and amortization method of intangible assets are different from the previous estimates at the end of the year.

3. Basis for determining intangible assets with indefinite useful lives and procedures for reviewing their useful lives.

There are no such cases in the Company.

(2). Scope of R&D expenditures and related accounting methods

Applicable Not applicable

1. Scope of research and development expenditure collection

The expenditures incurred by the Company during the R&D process include related employees' salaries, consumed materials, depreciation and amortization expenses in research and development activities.

2. Specific criteria for classifying the research and development phases

The expenditures of the internal R&D project of the Company are divided into the expenditure in the research phase and the expenditure in the development phase.

Research phase: The stage of creative and planned investigation and research activities conducted to acquire and understand new scientific or technical knowledge.

Development phase: The stage of application of the research findings or other knowledge to certain plan or design to manufacture new or substantially improved materials, devices or products before commercial production or application.

3. Specific conditions for capitalization of development phase expenditures

The expenditure in the research phase shall be included into the current profit and loss as incurred. The expenditure in the development phase is recognized as intangible assets if the following conditions are met, and the expenditure in the development phase that cannot meet the following conditions is included into the current profit and loss:

(1) It is technically feasible to finish the intangible assets for use or sale;

(2) It is intended to finish and use or sell the intangible assets;

(3) The means for intangible assets to generate economic benefits include: proving that the products produced using such intangible assets have market or that the intangible assets have market themselves. Where the intangible assets are used internally, their usefulness can be proved;

(4) There is sufficient support of technological and financial resources and other resources to complete the development of the intangible assets, and the ability to use or sell the intangible assets;

(5) The expenditure attributable to the development phase of the intangible assets can be measured reliably.

If it is not possible to distinguish the expenditure in the research phase from the expenditure in the development phase, all R&D expenditures incurred are included into the current profit and loss.

The Company currently has no capitalization of research and development expenses.

21. Impairment of long-term assets

Applicable Not applicable

Long-term assets such as long-term equity investments, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives are tested for impairment if there is an indication of impairment at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of an asset is less than its book value, a provision for impairment is made for the difference and included into the impairment loss. The recoverable amount is the higher of the net value of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows. The provision for asset impairment is calculated and recognized on an individual asset basis, if it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group is determined using the asset group to which the asset belongs. An asset group is the smallest combination of assets that can generate cash inflows independently.

For goodwill resulting from business consolidations, intangible assets with indefinite useful lives, and intangible assets that have not yet reached a serviceable condition, impairment tests are performed at least at the end of each year, regardless of whether there is an indication of impairment.

The Company performs goodwill impairment tests and the book value of goodwill arising from a business consolidation is allocated to the relevant asset group from the date of purchase in accordance with a reasonable method; If it is difficult to be allocated to the relevant asset group, it is allocated to the relevant assets group portfolio. A related asset group or asset group portfolio is an asset group or asset group portfolio that can benefit from the synergistic effects of a business consolidation.

When making an impairment test on the relevant asset groups or combinations of asset groups containing goodwill, if any evidence shows that the impairment of asset groups or combinations of asset groups is possible, the Company shall first make an impairment test on the asset groups or combinations of asset groups not containing goodwill, calculate the recoverable amount, compare it with the relevant carrying value, and recognize the corresponding impairment loss. The asset group or asset group portfolio containing goodwill is then subjected to an impairment test to compare its book value with the recoverable amount. If the recoverable amount is less than the book value, the impairment loss is first reduced by the book value of the goodwill allocated to the asset group or asset group portfolio, and then according to the proportionate share of the book value of each asset other than goodwill in the asset group or asset group portfolio, the book value of other assets is then reduced in proportion.

Once recognized, the above impairment loss on assets is not reversed in the future accounting periods.

22. Long-term prepaid expenses

Applicable Not applicable

Long-term prepaid expenses are expenses that have been incurred but should be borne by the current and future periods and are allocated over a period of more than one year.

The amortization period and amortization method for each expense are:

Item	Amortization method	Amortization period
Improvement expenses for rented fixed assets	Amortized equally over the benefit period	The shorter of rent term or beneficial right
Amortization of turnover materials	Amortized equally over the benefit period	Determined by material and technique

23. Contract liabilities

Applicable Not applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the performance obligation and the customer's payment. The Company's obligations to transfer goods or provide services to customers for consideration received or receivable are presented as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

24. Employee compensation**(1). Accounting treatment for short-term compensation**√Applicable Not applicable

During the accounting period that employees of the Company provide services, the Company confirms the short-term compensation actually incurred as liability and includes it into profit or loss for the current period or related asset cost.

The social insurance premiums and housing provident fund paid by the Company for its employees, as well as the labor union funds and employee education funds withdrawn in accordance with regulations, are used to determine the corresponding amount of employee compensation based on the prescribed accrual basis and accrual ratio during the accounting period in which the employees provide services to the Company.

Employee welfare incurred by the Company are included into profit or loss for the current period or to the cost of related assets when actually incurred, based on the actual amount incurred, of which non-monetary benefits are measured at fair value.

(2). Accounting treatment for post-employment benefits√Applicable Not applicable**(1) Defined contribution plan**

The Company shall pay basic endowment insurance and unemployment insurance for employees according to the relevant regulations of local government. During the accounting period that employees provide services to the Company, the payable amount shall be calculated according to the payment base and proportion specified locally and confirmed as liability and included into profit or loss for the current period or related asset cost. In addition, the Company participates in corporate pension plans/supplementary pension funds approved by the relevant state authorities. The Company pays a certain proportion of the total wages of employees to the annuity plan/local social insurance institutions, with corresponding expenditures included into profit or loss for the current period or related asset cost.

(2) Defined benefit plan

The Company attributes the welfare obligations generated from defined benefit plan through the formula determined according to the expected cumulative benefit unit to the period that employees provide services and includes them into profit or loss for the current period or related asset cost.

The deficit or surplus formed by deducting the fair value of asset in the defined benefit plan from the present value of defined benefiting obligation shall be confirmed as a net liability or net asset of defined benefit plan. If there is surplus in the defined benefit plan, the Company shall measure the net asset of defined benefit plan according to the lower of the surplus in the defined benefit plan and the asset ceiling.

All defined benefiting obligations, including the obligation expected to be paid within 12 months after the end of annual reporting period that employees provide services, shall be discounted according to the national debt matched with the term and currency of defined benefiting obligation on the balance sheet date or the market return of high-quality corporate bonds that are active in the market.

Service costs incurred by the defined benefit plan and net interest on the net liability or net assets of the defined benefit plan are included into profit or loss for the current period or to the cost of the related assets; Changes resulting from the remeasurement of the net liabilities or net assets of the defined benefit plans are included into other comprehensive income and are not reversed to profit or loss in subsequent accounting periods, with the entire portion previously included into other comprehensive income being carried forward to Retained earnings within equity upon the termination of the original defined benefit plan.

During the settlement of defined benefit plan, the settlement gains or losses shall be confirmed according to the difference between the present value of defined benefiting obligation determined on the settlement date and the settlement price.

(3). Accounting treatment for termination benefits√Applicable Not applicable

When the Company provides termination benefits to employees, it recognizes a liability for employee compensation arising from termination benefits at the earlier of the following, and includes it in profit or loss for the current period: When the Company cannot unilaterally withdraw termination benefits provided as a result of a plan for termination of employment or a proposal for redundancy; When the Company recognizes costs or expenses related to a restructuring involving the payment of termination benefits.

25. Estimated liabilities√Applicable Not applicable

Where the obligations related to the contingencies meet the following conditions simultaneously, the Company shall confirm them as estimated liabilities:

- (1) The obligation is a current obligation undertaken by the Company;
- (2) It is likely to cause any economic benefit to flow out of the Company because of the performance of the obligation;
- (3) The amount of the obligation can be measured reliably.

The estimated liabilities shall be initially measured in accordance with the best estimate of the necessary expenditures for the performance of the related current obligation.

To determine the best estimate, the Company shall take into overall consideration of the risks, uncertainty, time value of money, and other factors pertinent to the contingencies. If the time value of money is of great significance, the best estimate shall be determined after discounting the relevant future outflow of cash.

If there is a continuous range of required expenditure and the possibility of various results within this range is the same, the best estimate shall be determined according to the middle value within this range. In other cases, the best estimates shall be handled in accordance with the following situations respectively:

- If the contingency involves a single item, it shall be determined according to the most likely amount.
- If the contingency involves multiple items, it shall be determined according to various possible results and relevant probability calculation.

If all or part of the expenditures required to pay off the estimated liabilities are expected to be compensated by a third party, the compensation amount shall be recognized separately as an asset when it is basically determined that it can be received, and the recognized compensation amount shall not exceed the book value of the estimated liabilities.

The Company reviews the book value of the estimated liability at the balance sheet date and adjusts the book value in accordance with the current best estimate if there is conclusive evidence that the book value does not reflect the current best estimate.

26. Share-based payment√Applicable Not applicable

The Company's share-based payments are transactions in which equity instruments are granted or liabilities determined on the basis of equity instruments are assumed in order to obtain services from employees or other parties. The share-based payment of the Company is divided into equity settled share-based payment and cash settled share-based payment.

1. Equity-settled share-based payment and equity instrument

The equity-settled share-based payment in return for employee services shall be measured at the fair value of the equity instruments granted to the employees. For share-based payment transactions that are immediately exercisable upon grant, the fair value of the equity instruments is recorded at the relevant cost or expense on the grant date, with a corresponding increase in capital reserves. For share-based payment transactions in which the services are in process after the grant or the rights are exercised only after the required performance conditions are met, at each balance sheet date during the waiting period, the Company recognizes the services acquired during the period as related costs or expenses, and, based on the best estimate of the number of exercisable equity instruments and the fair value at the grant date, increases capital reserves accordingly.

If clauses of equity-settled share-based payment are modified, the acquired service shall be confirmed at least according to the conditions of unmodified clauses. Moreover, in case of any modification to the fair value of granted equity instrument or of any changes in favour of employees on the date of modification due to any increase, the increase of acquired services shall be confirmed.

If a grant of equity instruments is cancelled during the waiting period, the Company treats the cancellation of the granted equity instruments as accelerated exercise of right and recognizes the amount to be recognized over the remaining waiting period immediately in profit or loss for the current period, and recognizes the capital reserves at the same time. However, if new equity instrument is granted and it is identified on the grant date of new equity instrument that the granted new equity instrument is used to replace the cancelled equity instrument, the granted alternative equity instrument shall be treated in the same manner as to treat the modification to the terms and conditions of the original equity instruments.

2. Cash-settled share-based payment and equity instrument

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken by the Company. For share-based payment transactions that are immediately exercisable upon grant, the Company recognizes the related cost or expense at the grant date at the fair value of the liability assumed, with a corresponding increase in the liability. For share-based payment transactions in which the services are in process after the grant or the rights are exercised only after the required performance conditions are met, at each balance sheet date during the waiting period, the Company recognizes the services acquired during the period as related costs or expenses, and, based on the best estimate of the circumstances of exercisable equity and the fair value of the liability assumed by the Company, recognizes them in the liability accordingly. The Company shall, on each balance sheet date and on each account date prior to the settlement of the relevant liabilities, re-measure the fair values of the liabilities and include the changes into profit or loss for the current period.

If the Company modifies the terms and conditions of a cash-settled share-based payment agreement to make it an equity-settled share-based payment, on the modification date (no matter occurring within or after the waiting period), the Company measures the equity-settled share-based payment based on the fair value of the date the equity instrument is granted, and records the services obtained into the capital reserve. At the same time, the recognition of cash-settled share-based payment liabilities that have been recognized on the modification date is terminated, and the difference between the two is included in the current profit and loss. If the waiting period is extended or shortened due to modification, the Company shall conduct accounting treatment according to the modified waiting period.

27. Revenue

(1). Disclose accounting policies used for revenue recognition and measurement according to business categories

Applicable Not applicable

The Company recognizes revenue when it has fulfilled its performance obligations under the contract, that is, when the customer obtains control of the related goods or services. Obtaining control of the relevant goods or services means being able to dominate the use of the goods or services and derive almost total economic benefit from them.

If a contract contains two or more performance obligations, the Company allocates the transaction price to each individual performance obligation on the contract commencement date in the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation. The Company measures revenue based on the transaction price allocated to each single performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled as a result of the transfer of goods or services to the customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customer. The Company determines the transaction price in accordance with the terms of the contract and its past customary practices, and considers the impact of variable consideration, the existence of significant financing components in the contract, non-cash consideration, and consideration payable to customers in determining the transaction price. The Company determines the transaction price that includes variable consideration by an amount that does not exceed the amount for which it is highly probable that there will be no material reversal of the cumulative recognized revenue when the relevant uncertainty is removed. If there is a significant financing component in the contract, the Company determines the transaction price based on the amount payable in cash assuming that the customer will pay for the goods or services as soon as control is obtained, and amortizes the difference between this transaction price and the contract consideration using the effective interest method over the term of the contract.

Performance obligations are fulfilled within a certain time period if one of the following conditions is met, otherwise, performance obligations are fulfilled at a certain point of time:

- The customer acquires and consumes the economic benefits of the Company's performance at the same time as the Company's performance.
- The customer is able to control the goods-in-process in the course of the Company's performance.
- The goods produced in the course of the Company's performance are irreplaceable and the Company is entitled to receive payment for the cumulative portion of performance completed to date throughout the term of the contract.

For performance obligations to be performed within a certain period of time, the Company recognizes revenue in accordance with the progress of performance during that period, except when the progress of performance cannot be reasonably determined. The Company uses the output method or input method to determine the performance schedule considering the nature of the goods or services. When the performance schedule cannot be reasonably determined and the costs incurred are expected to be compensated, the Company recognizes the revenue according to the amount of costs incurred until the performance schedule can be reasonably determined.

For performance obligations performed at a certain point of time, the Company recognizes revenue at the point of time when the customer obtains control of the related goods or services. In determining whether a customer has acquired control of goods or services, the Company considers the following indications:

- The Company has a present right to receive payment for the goods or services, i.e. the customer has a present obligation to pay for the goods or services.
- The Company has transferred the legal ownership of the goods to the customer, i.e., the customer has the legal ownership of the goods;
- The Company has physically transferred the goods to the customer, i.e., the customer has taken physical possession of the goods.
- The Company has transferred the major risks and rewards of ownership of the goods to the customer, i.e., the customer has acquired the major risks and rewards of ownership of the goods.
- The customer has accepted the goods or services, etc.

The Company determines whether it is the primary responsible person or agent when engaging in transactions based on whether it has control over the goods or services before transferring them to customers. If the Company is able to control the goods or services before transferring them to customers, the Company acts as the main responsible person and recognizes revenue based on the total amount of consideration received or receivable; Otherwise, the Company acts as an agent and recognizes revenue based on the expected amount of commission or handling fees that to be entitled to receive.

(2). Recognition and measurement methods for different revenues from the same business with different operating models

Applicable Not applicable

(1) Product sales and provision of processing services: According to the customer's sales contract or order, issue a sales outbound delivery order and complete the shipment. Revenue is recognized when the customer receives a signed or picked up receipt of the goods or a sales confirmation list, the payment has been collected or a receipt voucher has been obtained, and the relevant economic benefits are likely to flow in.

(2) The electricity revenue of subsidiaries engaged in the photovoltaic industry: For self generated and used electricity, the revenue is recognized based on the meter reading electricity fee settlement confirmed by the electricity user; The revenue from grid connected electricity is recognized based on the settlement list of State Grid.

(3) Transfer of asset use rights: When the economic benefits related to the transaction are likely to flow into the enterprise and the amount of revenue can be reliably measured. Determine the amount of income from the transfer of asset use rights in the following situations:

- ① The amount of interest income is calculated and determined based on the term and actual interest rate of others using the Company's monetary funds.
- ② Operating leased assets: determined based on the term that others have used the Company's assets and the rental calculation method agreed upon in the contract.

28. Contract costs

Applicable Not applicable

Contract costs include contract fulfilment costs and contract acquisition costs.

Costs incurred by the Company to perform a contract that are not regulated by relevant standards such as inventory, fixed assets or intangible assets are recognized as an asset of contract fulfilment cost when the

following conditions are met:

- This cost is directly related to a current or anticipated contract.
- This cost increases the resources available to the Company to meet its performance obligations in the future.
- This cost is expected to be recovered.

Incremental costs incurred by the Company to acquire a contract that are expected to be recovered are recognized as an asset of contract acquisition costs.

Assets related to contract costs are amortized using the same basis as revenue recognition for the goods or services to which those assets relate; However, if the amortization period of contract acquisition costs does not exceed one year, the Company recognizes them in profit or loss for the current period when they are incurred.

If the book value of an asset related to contract costs is greater than the difference between the following two items, the Company makes a provision for impairment for the excess and recognizes it as an impairment loss on the asset:

1. The residual consideration expected to be obtained as a result of the transfer of goods or services related to the asset;
2. The estimated costs to be occurred for the transfer of the relevant goods or services.

If there is a subsequent change in the impairment factors in previous periods, such that the aforementioned difference is higher than the book value of the asset, the Company reverses the provision for impairment and recognizes it in profit or loss for the current period, provided that the book value of the asset after the reversal does not exceed the book value of the asset at the date of reversal assuming no provision for impairment was made.

29. Government subsidies

√ Applicable Not applicable

1. Type

Government subsidies, which are monetary or non-monetary assets acquired by the Company from the government without consideration, are classified as asset-related government subsidies and revenue-related government subsidies.

The government subsidies pertinent to assets mean the government subsidies that are obtained by the Company used for purchase and construction or forming long-term assets in other ways. The government subsidies pertinent to income refer to all the government subsidies except those pertinent to assets.

The specific criteria for the Company to classify government subsidies as asset-related are: Government subsidies obtained by the Company for the acquisition or formation of long-term assets are classified as asset-related government subsidies.

The specific criteria for the Company to classify government subsidies as revenue-related are: Government subsidies other than those related to assets are government subsidies related to revenues. The government subsidies pertinent to assets mean the government subsidies that are obtained by the Company used for purchase and construction or forming long-term assets in other ways. The government subsidies pertinent to income refer to all the government subsidies except those pertinent to assets.

2. Confirm time point

Government subsidies are recognized when the Company is able to meet the conditions attached to them and is able to receive them.

3. Accounting treatment

Government subsidies related to assets are written down to the book value of the related assets or recognized as deferred income. For those recognized as deferred income, they are included into profit or loss for the current period over the useful life of the related assets in accordance with a reasonable and systematic method (Those relates to the Company's ordinary activities are included into other income; those not related to the Company's ordinary activities are included into non-operating income);

Government subsidies related to revenue that are used to compensate the Company for related costs or losses in subsequent periods are recognized as deferred revenue and, when the related costs or losses are recognized, included into profit or loss for the current period (Those relates to the Company's ordinary activities are included into other income; those not related to the Company's ordinary activities are included into non-operating income) or writing down related costs or losses; Those used to compensate the Company for related costs or losses already incurred are recognized directly in profit or loss for the current period (Those relates to the Company's ordinary activities are included into other income; those not related to the Company's ordinary activities are included into non-operating income) or writing down related costs or losses.

The Company distinguishes between the following two scenarios for accounting for policy-based preferential borrowing subsidies obtained:

(1) If the financial institution allocates the discounted interest funds to the lending bank and the lending bank provides borrowings to the Company at the policy preferential interest rate, the Company uses the actual amount received as the recorded value of the borrowing and calculates the related borrowing costs in accordance with the principal amount of the borrowing and the policy preferential interest rate.

(2) If the financial institution subsidies are directly allocated to the Company, the Company will write down the corresponding subsidies against the related borrowing costs.

30. The deferred income tax assets/deferred income tax liabilities

Applicable Not applicable

Income taxes consist of current income taxes and deferred income taxes. The Company recognizes current income tax and deferred income tax in profit or loss for the current period, except for income tax arising from business combination and transactions or events directly included into owners' equity (including other comprehensive income).

Deferred income tax assets and deferred income tax liabilities are recognized based on the difference between the tax basis of the assets and liabilities and their book values (temporary differences).

For the confirmation of deferred income tax assets for the deductible temporary difference, the taxable income that may be obtained in future periods and is used to offset the deductible temporary difference shall prevail. As for any deductible loss or tax deduction that can be carried forward to the next year, the corresponding deferred income tax assets shall be determined to the extent that the amount of future taxable income to be offset by the deductible loss and tax deduction to be likely obtained.

For the taxable temporary differences, except in special cases, the deferred income tax liabilities shall be confirmed.

Special circumstances in which deferred income tax assets or deferred income tax liabilities are not recognized include:

- Initial recognition of goodwill;

- It is neither a business merger nor a transaction or event that affects accounting profits and taxable income (or deductible losses) at the time of occurrence, and the initially recognized assets and liabilities do not result in equal taxable temporary differences and deductible temporary differences.

Deferred income tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, unless the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are recognized for deductible temporary differences associated with investments in subsidiaries, associates and joint ventures when it is probable that the temporary differences will reverse in the foreseeable future and it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

At the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured at the tax rates applicable to the periods when the related assets are expected to be recovered or the related liabilities to be settled, in accordance with the provisions of the tax law.

At the balance sheet date, the Company reviews the book value of deferred income tax assets. The book value of deferred income tax assets is written down if it is more likely than not that sufficient taxable income will not be available in future periods to deduct the benefit of the deferred income tax assets. When it is probable to obtain sufficient taxable income taxes, such write-down amount shall be reversed.

If the Company has the legal right to settle by the net amount and intends to settle by the net amount or acquire assets and pay off liabilities simultaneously, the current income tax assets and current income tax liabilities of the Company shall be listed according to the net amount after offset.

At the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented as net of offsetting amounts when both of the following conditions are met:

- The taxable entity has the legal right to settle current income tax assets and current income tax liabilities on a net basis;
- Deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity or on different taxable entities, but in each future period in which it is significant that the deferred income tax assets and liabilities reverse, the taxable entities involved intend to settle the current income tax assets and liabilities on a net basis or acquire the assets and settle the liabilities at the same time.

31. Leases

Applicable Not applicable

A lease is a contract in which the lessor cedes the right to use an asset to the lessee for a certain period of time for a consideration. At the contract start date, the Company assesses whether the contract is a lease or contains a lease. A contract is a lease or contains a lease if one party to the contract cedes the right to control the use of one or more identified assets for a specified period of time in exchange for consideration.

If a contract contains several single leases, the Company splits the contract and accounts for each single lease separately. If the contract contains both leased and non-leased portions, the lessee and lessor split the leased and non-leased portions.

1. The Company as the lessee

Applicable Not applicable

(1) Right-of-use assets

At the commencement date of the lease term, the Company recognizes right-of-use assets for leases other than short-term leases and leases of low-value assets. Right-to-use assets are initially measured at cost. This cost includes:

- The initial measurement amount of the lease liability;
- The amount of lease payments made on or before the commencement date of the lease term for which a lease incentive exists, less the amount related to the lease incentive already taken;
- The initial direct costs incurred by the Company;
- Costs expected to be incurred by the Company to disassemble and remove the leased assets, restore

the site where the leased assets are located or restore the leased assets to the agreed condition under the terms of the lease, excluding costs that are part of the costs incurred for the production of inventories.

The Company subsequently depreciates right-of-use assets using the straight-line method. If the ownership of the leased asset can be reasonably determined at the expiry of the lease term, the depreciation can be accrued within the remaining useful life of the leased asset. Otherwise, the leased asset is depreciated over the shorter of the lease term or the remaining useful life of the leased asset.

The Company determines whether a right-of-use asset is impaired and accounts for the identified impairment loss in accordance with the principles described in “Note 5. 21: Impairment of Long-term Assets”.

(2) Lease liabilities

At the commencement date of the lease term, the Company recognizes a lease liability for leases other than short-term leases and leases of low-value assets. The lease liability is initially measured at the present value of the lease payments outstanding. Lease payments include:

- Fixed payments (including material fixed payments), net of amounts related to lease incentives, if lease incentives exist;
- Variable lease payments that depend on an index or rate;
- Estimated payments due based on the residual value of guarantees provided by the Company;
- The exercise price of the purchase option, provided that the Company reasonably determines that it will exercise the option;
- The amount required to be paid to exercise the option to terminate the lease is subject to the lease term reflecting that the Company will exercise the option to terminate the lease.

The Company uses the implicit rate of the lease as the discount rate, but if the implicit rate of the lease cannot be reasonably determined, the Company’s incremental borrowing rate is used as the discount rate.

The Company calculates the interest expense on the lease liability for each period of the lease term at a fixed periodic interest rate, which is included into profit or loss for the current period or to the cost of the related asset.

Variable lease payments that are not included into the measurement of the lease liability are included into profit or loss for the current period or the cost of the related assets when they are actually occurred.

After the commencement date of the lease term, the Company remeasures the lease liability and adjusts the corresponding right-of-use asset if the book value of the right-of-use asset has been reduced to zero, but if the lease liability still needs to be further reduced, the difference is included into profit or loss for the current period:

- When there is a change in the valuation of the purchase option, lease renewal option or termination option, or when the actual exercise of the aforementioned options is not consistent with the original valuation, the Company re-measures the lease liability at the present value calculated by the changed lease payments and the revised discount rate;

- When there is a change in the substantive fixed payment amount, a change in the amount expected to be payable for the guaranteed residual value, or a change in the index or rate used to determine the lease payment amount, the Company remeasures the lease liability at the present value of the lease payment amount after the change and the original discount rate. However, if the changes in lease payments result from changes in floating interest rates, the present value is calculated using the revised discount rate.

(3) Short-term leases and leases of low-value assets

The Company has chosen not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and the Company recognizes the related lease payments in profit or loss for the current period or the cost of the related assets on a straight-line basis over the respective periods of the lease term. A short-term lease is a lease with a term of not more than 12 months from the commencement date of the lease term and does not include an option to purchase. A low-value asset lease is a lease with a lower value when the single leased asset is a brand-new asset. If the Company subleases or expects to sublease a leased asset, the original lease is not a low-value asset lease.

(4) Lease change

The Company accounts for the lease change as a single lease if the change occurs and the following conditions are all met:

- The lease change expands the scope of lease by adding one or more rights to use the leased assets;
- The increased consideration is equivalent to the separate price of the expanded portion of the lease adjusted for the circumstances of the contract.

If a lease change is not accounted for as a single lease, on the effective date of the lease change, the Company reapportioned the consideration of the changed contract, redetermined the lease term, and remeasured the lease liability based on the present value of the changed lease payments and the revised discount rate.

If a lease change results in a reduction in the scope of the lease or a shortening of the lease term, the Company reduces the book value of the right-of-use asset accordingly and recognizes the gain or loss related to partial or complete termination of the lease in profit or loss for the current period. If other lease changes result in a remeasurement of the lease liability, the Company adjusts the book value of the right-of-use asset accordingly.

2. The Company as the lessor

Applicable Not applicable

At the inception date of the lease, the Company classifies the lease as a financing lease and an operating lease. A financing lease is a lease that transfers substantially all of the risks and rewards associated with ownership of a leased asset, regardless of whether ownership is ultimately transferred. Operating lease refers to leases other than financing leases. When the Company acts as a sublease lessor, it classifies the sublease based on the right-of-use assets arising from the original lease.

(1) Accounting treatment for operating lease

Lease receipts under operating leases are recognized as rental income on a straight-line basis over the respective periods of the lease term. The Company capitalizes the initial direct costs incurred in connection with

operating leases, which are allocated to current profit and loss over the lease term on the same basis as rental income is recognized. Variable lease payments not included in the lease receipts are included into profit or loss for the current period when they are actually occurred. If an operating lease is changed, the Company accounts for it as a new lease from the effective date of the change, and the amount of lease receipts received in advance or receivable in connection with the lease before the change is considered to be the amount of receipts for the new lease.

(2) Accounting treatment for financing leases

At the inception date of the lease, the Company recognizes financing lease receivables for financing leases and derecognizes the financing lease assets. When the Company makes initial measurement of financing lease receivables, the net lease investment is used as the recorded value of the financing lease receivables. The net investment in leases is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received at the commencement date of the lease term discounted at the implicit rate of the lease.

The Company calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Derecognition and impairment of financing lease receivables are accounted for in accordance with “Note 5. 11: Financial Instruments”.

Variable lease payments not included in the net lease investment measurement are included into profit or loss for the current period when they are actually incurred.

When a change in a financing lease occurs and all of the following conditions are met, the Company will account for the change as a single lease:

- The lease change expands the scope of lease by adding one or more rights to use the leased assets;
- The increased consideration is equivalent to the separate price of the expanded portion of the lease

adjusted for the circumstances of the contract.

If a change in a financing lease is not accounted for as a single lease, the Company treats the changed lease separately in the following circumstances:

- If the change becomes effective on the commencement date of the lease and the lease would have been classified as an operating lease, the Company accounts for it as a new lease from the effective date of the lease change and uses the net investment in the lease prior to the effective date of the lease change as the book value of the leased asset;

- If the change becomes effective on the commencement date of the lease, the lease will be classified as a financing lease, and the Company will account for it in accordance with the policy of amending or renegotiating the contract as described in “Note 5. 11: Financial Instruments”.

3. Sale-and-leaseback transactions

The Company assesses whether the transfer of assets in sale-and-leaseback transactions is a sale in accordance with the principles described in “Note 5. 27: Revenue”.

(1) As the lessee

Where the transfer of an asset in a sale-and-leaseback transaction is a sale, the Company, as the lessee, measures the right-of-use asset created by the sale-and-leaseback at the portion of the original asset's book value that relates to the right-of-use acquired by the leaseback and recognizes the related gain or loss only for the right transferred to the lessor;

After the commencement date of the lease term, the subsequent measurement of the right of use assets and lease liabilities, as well as lease changes, are detailed in "Note 5. 31: Lease: 1. The Company as the lessee". When measuring the lease liability formed by the sale and leaseback, the method in which the Company determines the lease payment amount or changes the lease payment amount will not result in the recognition of gains or losses related to the right to use obtained through leaseback.

If the transfer of an asset in a sale-and-leaseback transaction is not a sale, the Company continues to recognize the transferred asset as a lessee and also recognizes a financial liability equal to the transfer proceeds. For details of the accounting treatment of financial liabilities, please refer to "Note 5. 11: Financial Instruments".

(2) As the lessor

If the transfer of assets in a sale-and-leaseback transaction is a sale, the Company accounts for the purchase of the assets as a lessor and accounts for the lease of the assets in accordance with the policy "2. The Company as the lessor" mentioned above. If the transfer of assets in a sale-and-leaseback transaction is not a sale, the Company, as the lessor, does not recognize the transferred asset, but recognizes a financial asset equal to the transfer proceeds. For details of the accounting treatment of financial assets, please refer to "Note 5. 11: Financial Instruments".

32. Hedge Accounting

1. Classification of hedging

(1) Fair value hedging refers to the hedging of the risk of changes in fair value of recognized assets or liabilities and unrecognized confirmed commitments (excluding foreign exchange risks).

(2) Cash flow hedging refers to the hedging of the risk of changes in cash flow, such cash flow changes are arising from certain types of specific risks related to recognized assets or liabilities, expected transactions that are likely to occur, or foreign exchange risks included in an unrecognized confirmed commitment.

(3) Net investment in overseas operations hedging refers to hedging of foreign exchange risks arising from net investment in overseas operations. Net investment in overseas operations refers to the equity share of an enterprise in the net assets of overseas operations.

2. Designation of hedging relationship and determination of hedging effectiveness

At the beginning of the hedging relationship, the Company has formally designated the hedging relationship and prepared formal written documents on the hedging relationship, risk management objectives and hedging strategy. The documents specifies the nature and quantity of the hedging instruments, the nature and quantity of

the hedged items, the nature of the hedged risks, the type of hedge, and the Company's evaluation of the effectiveness on the hedging instruments. Effectiveness of hedge refers to the extent to which changes in the fair value or cash flow of a hedging instrument can offset changes in the fair value or cash flow of the hedged item caused by the hedged risks.

The Company carries out continuously evaluates on the effectiveness of hedging to determine whether the hedging meets the effectiveness requirements of applying hedge accounting within the designated accounting period of the hedging relationship. If it can not meet such requirements, the hedging relationship shall be terminated.

The application of hedge accounting should satisfy the following requirements for hedging effectiveness:

(1) There exists economic relationship between the hedged item and the hedging instrument.

(2) The impact of credit risk is not dominant in the value changes arising from the economic relationship between the hedged item and the hedging instrument.

(3) Using an appropriate hedge ratio will not result in an imbalance in the relative weight of the hedged item and the hedging instrument, and resulting in accounting results that are inconsistent with the hedge accounting objectives. If the hedging ratio is no longer appropriate, but the hedging risk management objectives have not changed, the quantity of the hedged item or hedging instrument should be adjusted to make the hedging ratio meet the effectiveness requirements again.

3. Hedge accounting treatment method

(1) Fair value hedging

Changes in the fair value of hedging derivative instruments are included in the current profit and loss. The changes in the fair value of the hedged item caused by the hedging risk are included in the current profit and loss, and adjust the book value of the hedged item at the same time.

For fair value hedges related to financial instruments measured at amortized cost, adjustments made to the book value of the hedged item are amortized over the remaining period from the adjustment date to the maturity date and included in the current profit and loss. Amortization using the effective interest rate method can begin immediately after the book value adjustment and no later than the termination of the hedged item's adjustment for changes in fair value resulting from the hedging risks.

If the hedged item is derecognized, the unamortized fair value is recognized as current profit or loss.

If the hedged item is an unrecognized confirmed commitment, the cumulative change in fair value of the confirmed commitment due to the hedged risk is recognized as an asset or liability, and the relevant gains or losses are included in the current profit or loss. Changes in the fair value of hedging instruments are included in the current profit and loss.

(2) Cash flow hedging

The portion of the gains or losses on hedging instruments that belong to effective hedging is directly

recognized as other comprehensive income, and the portion that belongs to ineffective hedging is included in the current profit and loss.

If the hedged transaction affects the current profit and loss, such as when the hedged financial revenue or financial expenses are recognized or expected sales occur, the amount recognized in other comprehensive income is transferred to the current profit and loss. If the hedged item is the cost of a non-financial asset or non-financial liability, the amount originally recognized in other comprehensive income is transferred out and included in the initial recognition amount of the non-financial asset or non-financial liability (or, if the amount originally recognized in other comprehensive income, it shall be transferred out during the same period during which the non-financial asset or non-financial liability affects profit or loss and included in the current profit or loss).

If the expected transaction or confirmed commitment is estimated not to occur, the accumulated gains or losses on hedging instruments previously included in other comprehensive income are transferred out, it is included in the current profit and loss. If the hedging instrument has expired, been sold, the contract has been terminated or performed (but has not been replaced or extended), or the designation of the hedging relationship has been revoked, the amount previously included in other comprehensive income will not be transferred out until the expected transaction or confirmed commitment affects the current profit and loss.

(3) Hedge of net investment in overseas operations

Hedges of net investments in overseas operations include hedges of monetary items that are part of net investments, the treatment is similar to cash flow hedges. The portion of the gains or losses of the hedging instrument that is determined to be an effective hedge is included in other comprehensive income, while the portion of the ineffective hedge is recognized as current profit or loss. When disposing overseas operations, any accumulated gains or losses transfer-out included in other comprehensive income is included in current profits and losses.

33. Repurchase of shares of the Company

The Company uses its own funds to repurchase shares through centralized bidding transactions, and the shares that have been repurchased have not yet been written off deems as inventory shares. The accounting treatment method adopts the cost method, and the total amount actually paid for the repurchase (including transaction costs) is included in inventory shares, which are listed as a decreasing item of share capital.

34. Debt restructuring

1. The company as creditor

The company terminates the recognition of credit upon the termination of the contractual right to receive cash flows from credit. If debt restructuring is carried out by using assets to settle debts or converting debts into equity instruments, the Company shall recognize relevant assets when they meet their definition and recognition conditions.

If debt restructuring is carried out by using assets to settle debts, the Company shall initially recognize the acquired non-financial assets at cost. The cost of inventory includes the fair value of relinquished credits and other costs directly attributable to the asset, such as taxes, transportation fees, loading and unloading fees, insurance fees, etc., incurred to bring the asset to its current position and condition. The cost of investing in associates or joint ventures includes the fair value of relinquished credits and other costs such as taxes directly attributable to the asset. The cost of investment properties includes the fair value of the relinquished credits and other costs such as taxes directly attributable to the asset. The cost of fixed assets includes the fair value of the relinquished credits and other costs directly attributable to the asset, such as taxes, transportation fees, loading and unloading fees, installation fees, professional service fees, etc., incurred before the asset reaches its intended usable state. The cost of biological assets includes the fair value of relinquished credits and other costs directly attributable to the asset, such as taxes, transportation fees, insurance premiums, etc. The cost of intangible assets includes the fair value of relinquished credits and other costs directly attributable to taxes incurred to achieve the intended use of the asset. If the debt restructuring carried out by converting debt into equity instruments results in creditors converting their debt into equity investments in joint ventures or associates, the Company shall measure the initial investment cost based on the fair value of the relinquished credits and other costs directly attributable to the asset, such as taxes. The difference between the fair value and book value of the relinquished credits is recognized in the profit and loss of current period.

If debt restructuring is carried out by modifying other terms, the Company shall recognize and measure the restructured debt in accordance with “Note 5. 11: Financial Instruments”.

If debt restructuring is carried out through multiple asset settlement or combination methods, the Company first recognizes and measures the acquired financial assets and restructured claims in accordance with item III. (X) “Financial Instruments” of this Notes to Financial Statements. Then, based on the fair value ratio of assets other than the acquired financial assets, the net amount of the fair value of the relinquished credits minus the recognized amount of the acquired financial assets and restructured credits is distributed, and the cost of each asset is determined separately according to the above method. The difference between the fair value and book value of the relinquished credits shall be accounted in the profit and loss of current period.

2. The Company as debtor

The Company terminates the recognition of debt when the current obligation of the debt is relieved.

If debt restructuring is carried out using assets to settle debts, the Company shall terminate recognition when the relevant assets and settled debts meet the termination recognition conditions. The difference between the book value of settled debts and the book value of transferred assets shall be recognized in the profit and loss of current period.

If the debt is converted into equity instruments for debt restructuring, the Company shall terminate the recognition of the debt when it meets the termination recognition conditions. When the Company initially

recognizes equity instruments, they are measured at their fair value. If the fair value of equity instruments cannot be reliably measured, they are measured at the fair value of the debt repaid. The difference between the book value of the settled debt and the recognized amount of equity instruments shall be recognized in the profit and loss of current period.

If debt restructuring is carried out by modifying other terms, the Company shall recognize and measure the restructured debt in accordance with “Note 5. 11: Financial Instruments”.

If debt restructuring is carried out by settle debts with multiple asset or combination methods, the Company shall recognize and measure equity instruments and restructured debts in accordance with the aforementioned methods. The difference between the book value of the debt to be settled and the book value of the transferred assets, as well as the recognition amount of equity instruments and restructured debts, shall be recognized in the profit and loss of current period.

35. Segment reporting

The Company determines operating segments based on internal organizational structure, management requirements and internal reporting system, and determines reportable segments and discloses segment information based on operating segments.

An operating segment is a component within the Company that also meets the following conditions: (1) The component is capable of generating revenue and incurring expenses in the ordinary course of activities; (2) The Company’s Management Layer is able to periodically evaluate the operating results of the component in order to decide to allocate resources to it and evaluate its performance; (3) The Company has access to accounting information related to the financial position, results of operations and cash flows of the component. Two or more operating segments may be consolidated into one operating segment if they have similar economic characteristics and certain conditions are met.

36. 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). In 2024, new accounting standards or interpretations that require adjustments to the financial statements at the beginning of the year are implemented for the first time.

Applicable Not applicable

VI. TAXES

1. Main tax categories and tax rates

Status of main tax categories and tax rates

Applicable Not applicable

Tax categories	Taxation basis	Tax rate
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Value Added Tax	The output tax shall be calculated based on the income obtained from the sales of goods and the taxable labor and calculated as per the regulations of tax law, and the balance after deducting the input tax deductible in the current period is the VAT payable.	13%, 9%, 6%, 5%, 3%
Urban maintenance and construction tax	Payment based on actual VAT and consumption tax paid	1%, 5%, 7%
Enterprise income tax	Calculated and paid according to taxable income	25%, 20%, 15%
Education surcharges	Payment based on actual VAT and consumption tax paid	3%, 5%
Consumption tax (Japan)	The difference between total sales amount and total purchases amount	10%, 8%
Enterprise income tax (Dusseldorf)	Calculated and paid according to taxable income	15.4%
Solidarity surcharge (German)	Payment based on actual Enterprise income tax paid	5.5%

If there are taxable entities with different corporate income tax rates, disclose the description of the situation
Applicable Not applicable

Taxable entities	Income tax rate (%)
High-tech enterprises	
Shanghai Shanshan Technology Co., Ltd.	15
Ningbo Shanshan New Material Technology Co., Ltd.	15
Chenzhou Shanshan New Material Co., Ltd.	15
Huzhou Shanshan New Energy Technology Co., Ltd.	15
Inner Mongolia Shanshan Technology Co., Ltd.	15
Inner Mongolia Shanshan New Material Co., Ltd.	15
Fujian Shanshan Technology Co., Ltd.	15
Shanjin Optoelectronics (Guangzhou) Co., Ltd.	15
Shanjin Optoelectronics (Nanjing) Co., Ltd.	15
Ningbo Ulica Solar Co., Ltd. Note	15

Shanghai Zhanxiao New Energy Technology Co., Ltd.	15
Overseas enterprises	
Taiwan Shanjin Optoelectronics Co., Ltd.	20
Shanjin Tokyo Co., Ltd. (Legal Person Tax)	23.2
Ulica Solar GmbH Note	15.4

Note: The company has completed the equity transfer in January 2024 and seceded from the scope of consolidation.

2. Tax preferences

Applicable Not applicable

(1). According to the SAT Announcement on Enterprise Income Tax Issues Related to the Further Implementation of the Western Development Strategy (No.12, 2012), Sichuan Shanshan New Material Co., Ltd. and Yunnan Shanshan New Material Co., Ltd., subsidiaries of the Company, are enterprises encouraged to establish in the western region and is subject to a reduced enterprise income tax rate of 15%.

(2). According to the Notice on Enterprise Income Tax Policies for Key Industries in the New Lingang Area of the China (Shanghai) Pilot Free Trade Zone (C.S. [2020] No. 38) and the Administrative Measures for the Recognition of Enterprise Income Tax Preferential Qualifications for Key Industries in the New Lingang Area of the China (Shanghai) Pilot Free Trade Zone (H.C.F. [2020] No. 12) issued by the Ministry of Finance and the SAT, Shanghai Shanshan New Material Co., Ltd., a subsidiary of the Company, was recognized as one of the first batch of key industrial enterprise income tax concessions in the Lingang New Area in 2022, and will be subject to corporate income tax at a reduced rate of 15% within five years since 2021.

VII. Notes to consolidated financial statement items

1. Cash at bank and on hand

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Cash on hand	67,950.06	67,828.76
Digital Currency	21,350.00	110,837.00
Bank deposit	4,105,026,793.47	3,978,930,722.91
Other cash balances	1,520,005,502.69	876,616,074.05
Total	5,625,121,596.22	4,855,725,462.72
Of which: Total amount of money deposited abroad	88,402,373.81	72,830,896.93

Of these, the breakdown of cash at bank and on hand with restrictions on use due to mortgages, pledges or freezes, etc., as well as those placed outside the country with restrictions on repatriation of funds, is as follows:

Unit: Yuan Currency: RMB

Item	Ending balance	Balance at the beginning of the year
Deposit for bank acceptance bill	567,992,750.16	308,617,536.41
L/C guarantee deposits	503,835,601.48	406,166,690.26
Guarantee deposit Note 1	155,481,600.67	143,328,755.50
Other deposit Note 2	292,601,434.27	102,266,316.66

Subtotal	1,519,911,386.58	960,379,298.83
Bank deposits - freeze	4,000.00	4,394.37
Total	1,519,915,386.58	960,383,693.20
Listed as: Assets held for sale		90,193,172.28
Listed as: Other cash balances	1,519,915,386.58	870,190,520.92

Note 1: Guarantee Deposit

Unit: Yuan Currency: RMB

Category	Closing deposit amount	Closing deposit amount of previous year
Procurement guarantee		1,377,821.50
Performance guarantee	10,030,666.67	
Business merge guarantee	84,410,934.00	84,410,934.00
Aggregate taxation guarantee	58,000,000.00	54,500,000.00
Quality guarantee	3,040,000.00	3,040,000.00
Subtotal	155,481,600.67	143,328,755.50

Note 2: Other deposits

Unit: Yuan Currency: RMB

Category	Closing deposit amount	Closing deposit amount of previous year
Financing Deposit	292,601,434.27	101,212,857.43
Procurement deposit		1,053,459.23
Subtotal	292,601,434.27	102,266,316.66

2. Notes receivable**(1). Presentation of notes receivable by category**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Banker's acceptance bill		
Commercial acceptance bill	506,149,143.61	587,224,062.50
Subtotal	506,149,143.61	587,224,062.50
Provision for impairment of commercial acceptance bill	1,758,818.81	1,758,818.81
Total	504,390,324.80	585,465,243.69

(2). Disclosure of classified by bad debt provision method

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Category	Ending balance					Opening balance				
	Book Balance		Bad Debt Provision		Book value	Book Balance		Bad Debt Provision		Book value
	Amount	Proportion (%)	Amount	Withdrawal ratio (%)		Amount	Proportion (%)	Amount	Withdrawal ratio (%)	

Provision for bad debts is made on a credit risk characters portfolio basis	506,149,143.61	100.00	1,758,818.81	0.35	504,390,324.80	587,224,062.50	100.00	1,758,818.81	0.30	585,465,243.69
Of which:										
Account age portfolio	506,149,143.61	100.00	1,758,818.81	0.35	504,390,324.80	587,224,062.50	100.00	1,758,818.81	0.30	585,465,243.69
Total	506,149,143.61	/	1,758,818.81	/	504,390,324.80	587,224,062.50	/	1,758,818.81	/	585,465,243.69

(3). Bad debt provision

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Changes in amount for the current period				Ending balance
		Accrual	Recovery or reversal	Transfer or write-off	Other changes	
Impairment reserve	1,758,818.81					1,758,818.81
Total	1,758,818.81					1,758,818.81

(4). Notes receivable pledged by the Company at the end of the period

□ Applicable √ Not applicable

(5). Notes receivable that has been endorsed or discounted by the Company and are outstanding at the balance sheet date at the end of the period

□ Applicable √ Not applicable

Please refer to “Note VII.5. Receivables Financing”.

(6). Notes transferred to accounts receivable due to non-performing drawers at the end of the period

Applicable Not applicable

3. Accounts receivable

(1). Disclosure by aging

Applicable Not applicable

Unit: Yuan Currency: RMB

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year		
Of which: Subtotal within 1 year		
Within 1 year	5,367,589,772.26	4,790,187,781.54
Subtotal within 1 year	5,367,589,772.26	4,790,187,781.54
1-2 years	4,634,616.91	6,562,450.13
2-3 years	1,749,304.93	2,588,054.96
3-4 years	5,639,427.90	8,155,292.90
4-5 years	6,358,326.00	4,027,211.07
Above 5 years	5,214,379.82	59,736,929.82
Subtotal	5,391,185,827.82	4,871,257,720.42
Less: provision for bad debt	177,907,772.14	207,169,587.91
Total	5,213,278,055.68	4,664,088,132.51

(2). Disclosed by bad debt provision method

Applicable Not applicable

Unit: Yuan Currency: RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Withdrawal ratio (%)		Amount	Proportion (%)	Amount	Withdrawal ratio (%)	

Provision for bad debts made on an individual basis	15,991,731.97	0.30	14,612,568.07	91.38	1,379,163.90	70,400,442.00	1.45	66,693,041.10	94.73	3,707,400.90
Of which:										
Accounts receivable whose amounts are not considered individually significant but whose bad debt provision shall be withdrawn individually	15,991,731.97	0.30	14,612,568.07	91.38	1,379,163.90	70,400,442.00	1.45	66,693,041.10	94.73	3,707,400.90
Provision for bad debts made on a portfolio basis	5,375,194,095.85	99.70	163,295,204.07	3.04	5,211,898,891.78	4,800,857,278.42	98.55	140,476,546.81	2.93	4,660,380,731.61
Of which:										

Account age portfolio	5,375,194,095.85	99.70	163,295,204.07	3.04	5,211,898,891.78	4,800,857,278.42	98.55	140,476,546.81	2.93	4,660,380,731.61
Total	5,391,185,827.82	/	177,907,772.14	/	5,213,278,055.68	4,871,257,720.42	/	207,169,587.91	/	4,664,088,132.51

Significant provision for bad debts made on an individual basis:

Applicable Not applicable

Unit: Yuan Currency: RMB

Name	Ending balance				Balance at the end of the previous year	
	Amount	Bad debt provision	Withdrawal ratio (%)	Withdrawal reason	Book balance	Bad debt provision
HZ Bus Transportation Co., Ltd.					6,339,710.00	6,339,710.00
DG Automotive Service Co., Ltd.					11,000.00	11,000.00
F Public Transportation Holdings Co., Ltd.					27,500.00	27,500.00
YB Auto Co., Ltd.					8,520.00	8,520.00
Total					53,359,710.00	53,359,710.00

Note: The material accounts receivable for which provision for bad debt made on an individual basis at the beginning of the year are the balance of accounts receivable of Inner Mongolia Qingshan Automobile Co., Ltd. At the end of the Reporting Period, the company had already withdrawn from the consolidation scope.

Provision for bad debts is made on a portfolio basis:

Applicable Not applicable

Combined provision items: account age portfolio

Unit: Yuan Currency: RMB

Name	Ending balance		
	Accounts receivable	Bad debt provision	Withdrawal ratio (%)
Within 1 year	5,367,589,769.97	157,836,031.47	2.94
1-2 years	1,986,774.76	436,667.62	21.98
2-3 years	1,749,304.93	1,154,258.79	65.98
3-4 years	172,542.80	172,542.80	100.00
4-5 years	546,250.00	546,250.00	100.00
Above 5 years	3,149,453.39	3,149,453.39	100.00
Total	5,375,194,095.85	163,295,204.07	/

(3). Provision for bad debt

Applicable Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrual	Recovery or reversal	Transfer or write-off	Other changes	
Bad debt provision	207,169,587.91	25,806,221.28	14,883,648.20	-526,384.28	40,710,773.13	177,907,772.14
Total	207,169,587.91	25,806,221.28	14,883,648.20	-526,384.28	40,710,773.13	177,907,772.14

(4). Actual write-off of accounts receivable for the period

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Amount of write-off
Actual write-off of accounts receivable	-526,384.28

(5). Accounts receivable and contract assets ranking the top five in the ending balance summarized by the debtors

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Name of entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balances of accounts receivable and contract assets	Proportion in total ending balance of accounts receivable and contract assets (%)	Ending balance of bad debt provision
Customer A	1,123,752,542.23		1,123,752,542.23	20.84	41,036,709.18
Customer B	926,658,139.60		926,658,139.60	17.19	2,038,647.91
Customer C	720,658,359.51		720,658,359.51	13.37	36,032,917.98
Customer D	676,927,801.88		676,927,801.88	12.56	33,846,390.09
Customer E	200,351,126.92		200,351,126.92	3.72	10,017,556.35
Total	3,648,347,970.14		3,648,347,970.14	67.68	122,972,221.51

4. Receivables financing**(1). Presented by classification of receivables financing**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Notes receivable	283,053,797.20	819,020,204.62
Of which: Banker's acceptance bill	283,053,797.20	819,020,204.62
Commercial acceptance bill		
Less: Provision for impairment of commercial acceptance bill		
Total	283,053,797.20	819,020,204.62

(2). Increase/decrease in receivables financing and changes in fair value during the period:√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the year	Newly increased amount in the current period	Derecognition in the current period	Ending balance	Accumulated provision for losses recognized in other comprehensive income
Notes receivable	819,020,204.62	4,456,857,654.47	4,992,824,061.89	283,053,797.20	0.00
Total	819,020,204.62	4,456,857,654.47	4,992,824,061.89	283,053,797.20	0.00

(3). Pledged receivables financing of the Company at the end of the periodApplicable Not applicable**(4). Notes receivable that has been endorsed or discounted by the Company and are outstanding at the balance sheet date at the end of the period**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount recognized at the end of the period
Endorsed but not due - bank acceptance bill	1,003,093,681.18
Subtotal of endorsed but not due notes receivable	1,003,093,681.18
Discounted but not due - bank acceptance bill	848,268,778.00
Subtotal of discounted but not due notes receivable	848,268,778.00
Total	1,851,362,459.18

(5). Bad debt provisionApplicable Not applicable

5. Prepayment

(1). Prepayments are listed as per account age

Applicable Not applicable

Unit: Yuan Currency: RMB

Account age	Ending balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	348,891,709.42	92.00	395,706,001.03	92.77
1-2 years	20,035,875.00	5.28	29,691,252.31	6.96
2-3 years	9,804,491.08	2.59	1,132,892.36	0.27
Above 3 years	501,320.71	0.13	800.70	
Total	379,233,396.21	100.00	426,530,946.40	100.00

(2). Top five prepayments with ending balance grouped by prepaid objects

Applicable Not applicable

Unit: Yuan Currency: RMB

Prepaid objects	Ending balance	Percentage of the total ending balance of prepayments (%)
A	78,236,474.89	20.63
B	45,364,739.18	11.96
C	34,284,872.11	9.04
D	27,808,748.99	7.33
E	19,244,717.77	5.07
Total	204,939,552.94	54.03

Other instructions

Applicable Not applicable

Among the balance of prepayments as of the end of the period, there were no debts owed by shareholding companies holding more than 5% (including 5%) of the voting shares of the Company.

6. Other receivables

Presentation of items

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Interest receivable	3,171,559.46	
Dividend receivable	4,992,116.13	4,992,116.13
Other receivables	607,779,921.54	639,252,121.84
Total	615,943,597.13	644,244,237.97

Interest receivable

Classification of interest receivable

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Fixed deposit	3,171,559.46	
Less: Bad debt provision		

Total	3,171,559.46
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Dividend receivable**Details of Dividend receivable**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item (or investee)	Ending balance	Opening balance
Shanghai Shanchuang Mining Investment Co., Ltd.	492,116.13	492,116.13
Suiyong Holdings Co., Ltd.	4,500,000.00	4,500,000.00
Subtotal	4,992,116.13	4,992,116.13
Less: Bad debt provision		
Total	4,992,116.13	4,992,116.13

Other receivables**(1). Disclosure by account age**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Account age	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year		
of which: sub-item within 1 year		
Within 1 year	285,181,728.89	542,593,229.99
Subtotal within 1 year	285,181,728.89	542,593,229.99
1-2 years	290,337,780.44	40,266,314.37
2-3 years	35,653,624.07	61,399,920.07
3-4 years	11,584,402.57	83,619,253.75
4-5 years	43,896,374.00	1,916,356.00
Above 5 years	24,984,743.04	26,257,311.84
Subtotal	691,638,653.01	756,052,386.02
Less: Bad debt provision	83,858,731.47	116,800,264.18
Total	607,779,921.54	639,252,121.84

(2). Disclosure by classification

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Category	Ending balance					Balance at the beginning of the year				
	Book balance	Proportion (%)	Bad debt provision	Percent age of bad debt provision (%)	Net book value	Book balance	Proportion (%)	Bad debt provision	Percent age of bad debt provision (%)	Net book value
Provision for bad debts made on an individual basis	126,733,979.11	18.32	57,445,074.67	45.33	69,288,904.44	180,958,988.12	23.93	97,280,118.25	53.76	83,678,869.87
Provision for bad debts made on a portfolio basis	564,904,673.90	81.68	26,413,656.80	4.68	538,491,017.10	575,093,397.90	76.07	19,520,145.93	3.39	555,573,251.97
Of which:										

Risk-free portfolio	214,420,782.40	31.00			214,420,782.40	179,191,176.92	23.70			179,191,176.92
Portfolio of equity receivables	329,744,681.19	47.68	25,386,059.22	7.70	304,358,621.97	377,948,681.19	49.99	18,897,434.06	5.00	359,051,247.13
Portfolio of security deposit and deposit	10,914,398.55	1.58	545,719.92	5.00	10,368,678.63	9,237,087.24	1.22	461,854.36	5.00	8,775,232.88
Portfolio of advances	9,689,656.96	1.40	475,119.92	4.90	9,214,537.04	8,335,916.84	1.10	141,830.72	1.70	8,194,086.12
Portfolio of reserves	135,154.80	0.02	6,757.74	5.00	128,397.06	380,535.71	0.05	19,026.79	5.00	361,508.92
Total	691,638,653.01	100.00	83,858,731.47		607,779,921.54	756,052,386.02	100.00	116,800,264.18		639,252,121.84

Significant provision for bad debts made on an individual basis

Unit: Yuan Currency: RMB

Name	Ending balance				Balance at the end of last year	
	Book balance	Bad debt provision	Withdrawal ratio (%)	Withdrawal reason	Book balance	Bad debt provision
Beiben Heavy Duty Automobile Group Co., Ltd. Note					55,980,469.75	39,186,328.83

Name	Ending balance				Balance at the end of last year	
	Book balance	Bad debt provision	Withdrawal ratio (%)	Withdrawal reason	Book balance	Bad debt provision
Ningbo Liankangcai Brand Management Co., Ltd.	42,000,000.00	21,000,000.00	50.00	The final payment of equity transfer accounts receivable is overdue and there is a significant risk of recovery	42,000,000.00	21,000,000.00
Zhejiang Fanyue Technology Co., Ltd	44,100,000.00	4,410,000.00	10.00	Overdue, increased risk of recovery	44,100,000.00	4,410,000.00
Putian Hualin Vegetable Base Co., Ltd.	13,372,982.07	13,372,982.07	100.00	Winning the case, but unable to execute	13,372,982.07	13,372,982.07
Ningbo Shanshan Suyu Clothing Co., Ltd.	10,162,742.46	10,162,742.46	100.00	Expected to be unreceivable	10,162,742.46	10,162,742.46
Jiangsu Shuntian High-tech Carbon Materials Co., Ltd	7,863,550.02	4,757,217.03	60.50	The advance payment related to litigation has been fully provisioned for bad debts, except for the retained property	7,863,550.02	4,757,217.03
Total	117,499,274.55	53,702,941.56		Total	173,479,744.30	92,889,270.39

Note: Beiben Heavy Duty Automobile Group Co., Ltd. is the other receivables of Inner Mongolia Qingshan Automobile Co., Ltd. At the end of the Reporting Period, Inner Mongolia Qingshan had already withdrawn from the consolidation scope.

Provision for bad debts is made on a portfolio basis
Portfolio provision items

Unit: Yuan Currency: RMB

Name	Ending balance
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	Other receivables	Bad debt provision	Withdrawal ratio (%)
Portfolio of risk-free	214,420,782.40		
Of which: Portfolio of financing deposit Note 1	34,950,782.40		
Portfolio of investment deposit Note 2	141,970,000.00		
Portfolio of equity receivables	329,744,681.19	25,386,059.22	7.70
Portfolio of security deposit and deposit	10,914,398.55	545,719.92	5.00
Portfolio of advances	9,689,656.96	475,119.92	4.90
Of which: Individual social security of settlement, collection and payment every other month	187,258.62		
Portfolio of reserve	135,154.80	6,757.74	5.00
Total	564,904,673.90	26,413,656.80	

Note 1: The portfolio of financing-type deposits includes deposits paid to finance and leasing companies in the operations of machinery and equipment finance leasing and after-sale leaseback of subsidiaries and other financing business deposits, which will be returned after the Company returns its debts without risk of return and without provision for bad debts.

Note 2: Investment deposit: It means the transitional service deposit paid by the polarizer business of a subsidiary to LG Chem (China) Investment Co., Ltd. for the purchase of SP business patent technology. Subsequently, the Company will orderly proceed with the purchase of SP business and related assets of LG Chem Ltd. in mainland China, South Korea and Vietnam, with no repayment risk and no provision for bad debts.

(3). Provision for bad debt

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (no credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance as of 1 January 2024	19,520,145.93	65,196,301.68	32,083,816.57	116,800,264.18
Balance as of 1 January 2024 in the current period	19,520,145.93	65,196,301.68	32,083,816.57	116,800,264.18
— Transferred to Phase II				
— Transferred to Phase III				
— Transferred back to Phase II				
— Transferred back to Phase I				
Current provision	2,671,758.63	4,462,176.02		7,133,934.65
Current reversal	-193,051.61			-193,051.61
Current reselling				
Current write-off				
Withdrawal from the consolidation scope		-39,186,328.83	-696,086.92	-39,882,415.75
Balance as of 30 June 2024	21,998,852.95	30,472,148.87	31,387,729.65	83,858,731.47

(4). Provision for bad debt

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrual	Recovery or reversal	Transfer or write-off	Consolidation scope reduced	
Bad debt provisions of other accounts receivable	116,800,264.18	9,524,198.91	2,583,124.90	190.97	39,882,415.75	83,858,731.47

Total	116,800,264.18	9,524,198.91	2,583,124.90	190.97	39,882,415.75	83,858,731.47
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(5). Breakdown by nature of payments√Applicable Not applicable

Unit: Yuan Currency: RMB

Nature of funds	Book balance at the end of the period	Book balance at the beginning of the period
Current accounts	24,349,567.01	168,500,809.97
Receivables (transfer of equity, etc.)	453,344,681.19	487,584,405.72
Security deposit, deposit	190,531,745.08	79,873,759.64
Advances, prepayments	23,206,163.33	19,015,644.46
Petty cash	206,496.40	1,077,766.23
Total	691,638,653.01	756,052,386.02

(6). Other accounts receivable ranking the top five in the ending balance summarized by the debtors√Applicable Not applicable

Unit: Yuan Currency: RMB

Name of entity	Ending balance	Proportion in total ending balance of other receivables (%)	Nature of payment	Account age	Bad debt provision Ending balance
Zhejiang Xinya Zhongning New Energy Co., Ltd.	244,862,000.00	35.40	Equity transfer payment	1-2 years	20,000,000.00
LG Chem (China) Investment Co., Ltd.	141,970,000.00	20.53	Deposit	Within 1 year	
Zhejiang Fanyue Technology Co., Ltd.	44,100,000.00	6.38	Equity transfer payment	1-2 years	4,410,000.00

Ningbo Liankangcai Brand Management Co., Ltd.	42,000,000.00	6.07	Equity transfer payment	4-5 years	21,000,000.00
Beigong Holdings (Inner Mongolia) Co., Ltd.	41,796,000.00	6.04	Equity transfer payment	Within 1 year	2,089,800.00
Total	514,728,000.00	74.42	/	/	47,499,800.00

7. Inventories

(1). Classification of inventories

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance			Opening balance		
	Book balance	Provision for decline in value of inventories/provision for impairment of contract fulfillment costs	Book value	Book balance	Provision for decline in value of inventories/provision for impairment of contract fulfillment costs	Book value
Raw materials	1,135,706,598.35	12,023,648.99	1,123,682,949.36	958,815,977.30	17,325,082.48	941,490,894.82
Packaging materials	16,734,624.17		16,734,624.17	15,116,420.14		15,116,420.14
Low-value consumption goods	89,320,110.69		89,320,110.69	78,053,925.16	1,074,511.55	76,979,413.61
Finished goods	952,111,399.46	56,793,783.83	895,317,615.63	856,976,205.95	57,194,363.18	799,781,842.77
Products in progress	2,213,912,339.60	89,033,714.13	2,124,878,625.47	1,776,005,489.69	128,711,771.92	1,647,293,717.77

Materials outsourced for processing	472,237,701.90	15,913,549.98	456,324,151.92	397,923,683.15	15,913,549.98	382,010,133.17
Goods in transit	647,803,052.08	45,671,391.35	602,131,660.73	576,577,061.92	45,671,391.35	530,905,670.57
Materials in transit	284,496,643.77		284,496,643.77	356,609,961.79		356,609,961.79
Turnover materials	731,905,709.48		731,905,709.48	606,116,123.60		606,116,123.60
Total	6,544,228,179.50	219,436,088.28	6,324,792,091.22	5,622,194,848.70	265,890,670.46	5,356,304,178.24

(2). Provision for decline in value of inventories and provision for impairment of contract fulfillment costs

Applicable Not applicable

Unit: Yuan Currency: RMB

Categories of inventories	Book balance at the beginning of the period	Amount increased in the current period		Amount decreased in the current period		Book balance at the end of the period
		Accrual	Reversal	Reselling	Withdrawal from the consolidation scope	
Raw materials	17,325,082.48	441,738.79	102,513.14		5,640,659.14	12,023,648.99
Packaging materials						
Low-value consumption goods	1,074,511.55				1,074,511.55	0.00
Finished goods	57,194,363.18	21,041,896.72	21,336,937.74	105,538.33		56,793,783.83
Products in progress	128,711,771.92	2,554,291.22	6,519,276.42		35,713,072.59	89,033,714.13
Materials outsourced for processing	15,913,549.98					15,913,549.98
Goods in transit	45,671,391.35					45,671,391.35
Materials in transit						
Turnover materials						
Total	265,890,670.46	24,037,926.73	27,958,727.30	105,538.33	42,428,243.28	219,436,088.28

8. Assets held for sale

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Balance at the end of the previous year
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Assets in disposal groups classified as held for sale		510,478,436.95
Minus: depreciation reserves of assets held for sale		5,663,253.88
Total		504,815,183.07

Note: The main reason is that during the reporting period, the subsidiary Ningbo Ulica SOLAR Co., Ltd. and its subsidiaries withdrew from the consolidated scope.

9. Non-current assets due within one year

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Long-term receivables due within one year Note		43,356,102.91
Total		43,356,102.91

Note: The main reason is that the subsidiary Inner Mongolia Qingshan withdrew from the consolidated financial statements during the Reporting Period.

10. Other current assets

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Prepaid income tax	23,837,749.70	183,351,132.59
Input value-added-tax to be deducted	1,237,478,161.49	1,050,076,448.31
Other prepaid taxes and fees	466,805.91	734,568.82
Total	1,261,782,717.10	1,234,162,149.72

11. Long-term equity investment

Long-term equity investment

Applicable Not applicable

Unit: Yuan Currency: RMB

Name of investees	Opening balance	Increase and decrease in the current period								Ending balance	Ending balance of impairment provision
		A	D	Profit and loss on investments confirmed under the equity method	Adjustment of other comprehensive incomes	Change in other equities	Cash dividends or profits declared to be issued	Provision for impairment	Others		

		en	en								
		t	t								
I. joint ventures											
Ningbo Liweineng Energy Storage System Co., Ltd.	134,407,552.35			-17,570,989.40						116,836,562.95	
Subtotal	134,407,552.35			-17,570,989.40						116,836,562.95	
II. associates											
Ningbo Airport Logistics Development Co., Ltd.	177,078,005.33			-701,908.33						176,376,097.00	
Shanghai Shanshan Chuanghui Venture Capital Management Co., Ltd.	13,538,057.53			-371,640.81						13,166,416.72	
Zhejiang Chouzhou Commercial Bank Co., Ltd.	1,616,722,599.68			63,402,781.48	4,859,336.06					1,684,984,717.22	137,050,000.00
Ningbo Shanqi Property Services Co., Ltd.	38,686,044.96			-322,329.29						38,363,715.67	

Suiyong Holdings Co., Ltd.	858,249,784.06			-33,589,670.58						824,660,113.48	
Shenzhen Yuanshan Private Equity Investment Management Co., Ltd.	4,561,404.34			-340,858.14						4,220,546.20	
Shanshan Brand Management Co., Ltd.	49,156,202.20			2,929,218.16						52,085,420.36	
Winsky Gaoke Group Co., Ltd. Note	-										
Anhui Shanyue Technology Co., Ltd.	3,845,141.83			-251,202.18						3,593,939.65	
Inner Mongolia Mengji New Carbon Materials Co., Ltd	90,529,485.36			-4,251,900.26						86,277,585.10	
BASF Shanshan Battery Materials Co., Ltd	3,813,792,927.57			-3,321,357.18						3,810,471,570.39	

Xinya Shanshan New Material Technology (Quzhou) Co., Ltd.	256,000,000.00			-6,607,833.37						249,392,166.63	30,575,111.39
Jiangxi Zhanxiao New Energy Technology Co., Ltd	15,527,859.97			-1,868,962.56						13,658,897.41	
Subtotal	6,937,687,512.83			14,704,336.94	4,859,336.06					6,957,251,185.83	167,625,111.39
Total	7,072,095,065.18			-2,866,652.46	4,859,336.06					7,074,087,748.78	167,625,111.39

Note: Winsky Gaoke Group Co., Ltd. is a long-term equity investment with equity method write down to zero. The specific information please refers to Note “X. 2. (5). Excess losses incurred by joint ventures or associates”.

12. Investment in other equity instruments

investment in other equity instruments

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase and decrease in the current period					Ending balance	Dividend income recognized in this period	Accumulated gains recognized in other comprehensive income	Accumulated losses recognized in other comprehensive income	Reasons for designating fair value measurement with changes recognized in other comprehensive income
		Additional investment	Decreased investment	Gains recognized in other comprehensive income for the current period	Losses recognized in other comprehensive income for the current period	Others					
Investment in other equity instruments- Investments in listed	794,706,655.01			440,314,402.88	-2,366,524.93		684,672,048.41		647,412,486.23	-226,100,966.00	Strategic purpose, plan to hold for a long term

equity instruments											
Investment in other equity instruments- Investments in unlisted equity instruments	47,550,000.00					54,020,023.85		1,754,537.24	-1,407,000.00		Strategic purpose, plan to hold for a long term
Total	842,256,655.01			440,314,402.88	-2,366,524.93		738,692,072.26		649,167,023.47	-227,507,966.00	/

13. Other non-current financial assets

√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Financial assets at fair value through profit or loss	195,550,284.01	202,225,284.01
Of which: Investment in debt instruments		
Investments in equity instruments		
Derivative financial assets		
Others	195,550,284.01	202,225,284.01
Financial assets designated at fair value through profit or loss		
Of which: Investment in debt instruments		
Others		
Total	195,550,284.01	202,225,284.01

14. Fixed assets

Presentation of items

√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Fixed assets	11,535,964,822.92	10,912,682,083.74
Liquidation of fixed assets	5,463,128.49	4,411,720.35
Total	11,541,427,951.41	10,917,093,804.09

Fixed assets

(1). Fixed assets

√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Houses and buildings	Machinery equipment	Transportation equipment	Other equipment	Fixed assets decoration	Total
I. Original book value:						
1. Opening balance	5,432,675,857.31	8,470,198,468.52	41,264,249.18	227,209,538.06	6,889,118.96	14,178,237,232.03
2. Amount increased in the current period	151,533,395.87	1,114,097,025.72	3,813,665.33	35,968,269.61	10,442.48	1,305,422,799.01
a) Purchase	14,675,302.74	15,460,171.70	1,595,565.38	4,128,914.94	10,442.48	35,870,397.24
b) Transfer of construction in progress	136,858,093.13	1,098,636,854.02	2,218,099.95	31,839,354.67		1,269,552,401.77
3. Amount decreased in the current period	150,754,625.11	158,621,269.92	7,645,029.73	6,908,033.12		323,928,957.88
a) Disposal or scrapping	3,819,861.82	103,451,540.86	5,259,584.70	5,022,160.72		117,553,148.10
b) Withdrawal from the consolidation	139,923,709.80	53,943,946.22	2,334,896.57	1,883,734.71		198,086,287.30
c) Decrease in exchange rate changes	7,011,053.49	1,225,782.84	50,548.46	2,137.69		8,289,522.48
4. Ending balance	5,433,454,628.07	9,425,674,224.32	37,432,884.78	256,269,774.55	6,899,561.44	15,159,731,073.16
II. Accumulated depreciation						
1. Opening balance	734,201,293.13	2,145,294,496.85	19,012,011.96	107,517,158.10	4,362,986.14	3,010,387,946.18
2. Amount increased in the current period	84,180,065.86	403,564,888.93	3,417,894.91	14,683,868.27	1,802,067.64	507,648,785.61
(1) Accrual	84,180,065.86	403,564,888.93	3,417,894.91	14,683,868.27	1,802,067.64	507,648,785.61

3. Amount decreased in the current period	37,222,766.98	63,711,099.90	6,234,301.68	5,299,048.70		112,467,217.26
(1) Disposal or scrapping	882,601.04	47,110,293.92	4,126,296.71	3,250,832.85		55,370,024.52
(2) Withdrawal from the consolidation	32,727,798.81	16,118,896.26	2,108,004.97	1,824,791.36		52,779,491.40
(3) Decrease in exchange rate changes	3,612,367.13	481,909.72		223,424.49		4,317,701.34
4. Ending balance	781,158,592.01	2,485,148,285.88	16,195,605.19	116,901,977.67	6,165,053.78	3,405,569,514.53
III. Provision for impairment						
1. Opening balance		198,491,032.54	6,462,072.17	50,214,097.40		255,167,202.11
2. Amount increased in the current period		6,060,246.54				6,060,246.54
(1) Provision		6,060,246.54				6,060,246.54
3. Amount decreased in the current period		40,924,945.76	2,028,450.98	77,316.20		43,030,712.94
(1) Disposal or scrapping		3,204,272.25	1,730,244.79			4,934,517.04
(2) Withdrawal from the consolidation		37,720,673.51	298,206.19	77,316.20		38,096,195.90
4. Ending balance		163,626,333.32	4,433,621.19	50,136,781.20		218,196,735.71
IV. Book value						
1. Ending book value	4,652,296,036.06	6,776,899,605.12	16,803,658.40	89,231,015.68	734,507.66	11,535,964,822.92
2. Opening book value	4,698,474,564.18	6,126,412,939.13	15,790,165.05	69,478,282.56	2,526,132.82	10,912,682,083.74

(2). Temporarily idle fixed assets

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Original book value	Accumulated depreciation	Provision for impairment	Book value
Machinery and equipment	123,684,912.53	28,761,426.55	86,345,996.27	8,577,489.71
Electronic equipment				
Transportation equipment				
Total	123,684,912.53	28,761,426.55	86,345,996.27	8,577,489.71

(3). Fixed assets leased out through operating leases

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending book value
Houses and buildings	298,302,532.27
Transportation equipment	
Total	298,302,532.27

The houses and buildings leased out by the Company through operating leases are temporarily idle self-use houses, not investment properties.

(4). Fixed assets without proper certificate of title

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Book value	Reasons for not completing the certificate of title
Houses and buildings	2,744,168,034.15	Self-built factory building whose right certificate is still in process.
Total	2,744,168,034.15	

Liquidation of fixed assets

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Fixed assets	5,463,128.49	4,411,720.35
Total	5,463,128.49	4,411,720.35

15. Construction in progress

Presentation of items

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Construction in progress	5,930,220,523.24	5,548,573,232.36
Engineering materials	3,090,933.72	32,169,523.19
Total	5,933,311,456.96	5,580,742,755.55

Construction in progress**(1).Construction in progress**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Polarizer Guangzhou 3# 4# production line				3,882,163.42		3,882,163.42
Polarizer technology reform and add RTP	122,054,929.71		122,054,929.71	251,412,606.82		251,412,606.82
Project of a polarizer production line with an annual output of 40 million square meters for LCD (Zhangjiagang)	484,367,807.30		484,367,807.30	1,022,952,657.57		1,022,952,657.57
Polarization production base project in Mianyang	351,029,216.48		351,029,216.48	218,557,000.44		218,557,000.44
New R&D base for new materials in Shanghai	514,433,517.39		514,433,517.39	479,897,126.26		479,897,126.26
Sichuan Meishan Integrated Base Project for 200,000 Tons of Lithium Ion Battery Negative Electrode Materials	1,384,948,131.16		1,384,948,131.16	1,175,396,894.34		1,175,396,894.34

Inner Mongolia Baotou Lithium Ion Battery Negative Electrode Materials Integrated Base Project (Phase II)	11,911,440.07		11,911,440.07	12,378,040.53		12,378,040.53
Negative electrode materials Fujian Phase II project	37,492,985.61		37,492,985.61	37,113,952.30		37,113,952.30
Negative electrode material production capacity expansion supporting project	36,158,088.63		36,158,088.63	37,840,355.05		37,840,355.05
Yunnan Anning Annual Production of 300,000 tons of Lithium Ion Battery Negative Electrode Materials Integrated Base Project	2,450,673,164.74		2,450,673,164.74	1,850,297,530.80		1,850,297,530.80
Project of integrated base for producing 40,000 tons of silicon- based negative electrode materials for lithium-ion batteries annually	447,660,869.19		447,660,869.19	381,520,926.97		381,520,926.97
Inner Mongolia Negative Electrode Phase III Annual Production 40,000 Tons crushing project	83,787,304.55		83,787,304.55	72,669,753.55		72,669,753.55
SP Project	4,728,733.51		4,728,733.51	3,961,543.98		3,961,543.98
Others	974,334.90		974,334.90	692,680.33		692,680.33
Total	5,930,220,523.24		5,930,220,523.24	5,548,573,232.36		5,548,573,232.36

(2).Changes in significant construction-in-progress projects in the current period

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Project name	Budget amount	Opening balance	Amount increased in the current period	Amount transferred to fixed assets in the current period	Other amount decreased in the current period	Ending balance	Proportion of cumulative project investment in budget (%)	Project progress	Source of funds
Polarizer Guangzhou 3# 4# production line	RMB1.171 billion	3,882,163.42	244,979.37	4,127,142.79		0.00	101.02	Completed and transferred to fixed assets	Financed funds + self-financing
Project of a polarizer production line with an annual output of 40 million square meters for LCD (Zhangjiagang)	RMB2.187 billion	1,022,952,657.57	97,355,024.88	635,939,875.15		484,367,807.30	79.68	Line 1 has been put into mass production and was transferred to fixed assets in May 2024, and Line 2 is under trial production.	Self-financing

Polarization production base project in Mianyang	RMB3.5 billion	218,557,000.44	132,472,216.04			351,029,216.48	9.23	Project under construction	Self-financing
New R&D base for new materials in Shanghai	RMB0.6 billion	479,897,126.26	38,107,126.79	3,332,203.55	238,532.11	514,433,517.39	85.52	The equipment has gradually entered the factory, and the construction of the factory building is roughly completed.	Self-financing
Sichuan Meishan Integrated Base Project for 200,000 Tons of Lithium Ion Battery Negative	RMB8 billion (Phase I RMB4.2 billion)	1,175,396,894.34	305,774,400.37	96,223,163.55		1,384,948,131.16	50.00	Under construction	Financed funds+ self-financing + borrowing

Electrode Materials									
Inner Mongolia Baotou Lithium Ion Battery Negative Electrode Materials Integrated Base Project (Phase II)	RMB1.535 billion	12,378,040.53	3,177,002.36	3,643,602.82		11,911,440.07	53.00	Under construction	Financed funds+ self- financing+borrowing
Negative electrode materials Fujian Phase II project	RMB0.526 billion	37,113,952.30	3,590,869.73	3,211,836.42		37,492,985.61	95.00	Sporadic closure projects	Self-financing
Yunnan Anning Annual Production of 300,000 tons of Lithium Ion Battery Negative	RMB9.7 billion (Phase I RMB6 billion, Phase II	1,850,297,530.80	711,819,586.90	111,443,952.96		2,450,673,164.74	26.80	The infrastructure construction is basically completed, the equipment has gradually	Self-financing

Electrode Materials Integrated Base Project	RMB3.7 billion)							entered the factory, and some equipment has started trial production.	
Project of integrated base for producing 40,000 tons of silicon-based negative electrode materials for lithium-ion batteries annually	RMB3.75 billion	381,520,926.97	216,569,832.52	150,429,890.30		447,660,869.19	10.06	The main body of the factory building has been basically completed, and the machinery and equipment have gradually entered the installation and commissioning stage.	Self-financing
Total		5,181,996,292.63	1,509,111,038.96	1,008,351,667.54	238,532.11	5,682,517,131.94		/	/

Construction materials

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Materials for graphitization furnace project	3,090,933.72		3,090,933.72	32,169,523.19		32,169,523.19
Total	3,090,933.72		3,090,933.72	32,169,523.19		32,169,523.19

16. Right of use assets**Right of use assets**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Houses and buildings	Machinery and equipment	Site	Transportation equipment	Others	Total
I. Original book value						
1. Opening balance	1,012,096,679.81	540,706,991.13	5,893,048.67	78,244,637.97	4,347,761.69	1,641,289,119.27
2. Amount increased in the current period	9,436,263.39	45,515,575.47				54,951,838.86
New lease	9,436,263.39	45,515,575.47				54,951,838.86
3. Amount decreased in the current period	15,681,963.92	84,755.16		577,676.04		16,344,395.12
Disposal	15,681,963.92	84,755.16		577,676.04		16,344,395.12
4. Ending balance	1,005,850,979.28	586,137,811.44	5,893,048.67	77,666,961.93	4,347,761.69	1,679,896,563.01
II. Accumulated depreciation						
1. Opening balance	128,653,320.26	44,034,028.76	886,112.78	45,185,314.64	3,569,427.06	222,328,203.50
2. Amount increased in the current period	50,658,508.99	18,072,249.27		484,478.86	59,447.22	69,274,684.34
New lease	50,658,508.99	18,072,249.27		484,478.86	59,447.22	69,274,684.34
3. Amount decreased in the current period	11,005,662.06	12,589.97		571,583.67		11,589,835.70
Disposal	11,005,662.06	12,589.97		571,583.67		11,589,835.70

4. Ending balance	168,306,167.19	62,093,688.06	886,112.78	45,098,209.83	3,628,874.28	280,013,052.14
III. Impairment reserve						
1. Opening balance						
2. Amount increased in the current period						
New lease						
3. Amount decreased in the current period						
Disposal						
4. Ending balance						
IV. Book value						
1. Ending book value	837,544,812.09	524,044,123.38	5,006,935.89	32,568,752.10	718,887.41	1,399,883,510.87
2. Opening book value	883,443,359.55	496,672,962.37	5,006,935.89	33,059,323.33	778,334.63	1,418,960,915.77

17. Intangible assets

(1). Intangible assets

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Land-use right	Patent right	Software and others	Customer relationship	Total
I. Original book value					
1. Opening balance	1,446,915,825.27	710,574,630.67	114,559,286.51	153,000,000.00	2,425,049,742.45
2. Amount increased in the current period	86,363,264.25	2,190,369.33	6,163,260.54		94,716,894.12
(1) Purchase	86,363,264.25	2,190,369.33	6,163,260.54		94,716,894.12
3. Amount decreased in the current period	35,487,055.72		54,858.13		35,541,913.85
(1) Disposal or scrapping					

(2) Withdrawal from the consolidation scope	35,487,055.72		54,858.13		35,541,913.85
4. Ending balance	1,497,792,033.80	712,765,000.00	120,667,688.92	153,000,000.00	2,484,224,722.72
II. Accumulated amortisation					
1. Opening balance	115,259,426.04	213,032,362.55	51,658,264.28	44,625,000.00	424,575,052.87
2. Amount increased in the current period	17,105,689.16	34,785,664.96	4,490,439.50	7,650,000.00	64,031,793.62
(1) Accrual	17,105,689.16	34,785,664.96	4,490,439.50	7,650,000.00	64,031,793.62
3. Amount decreased in the current period	5,441,348.66		54,858.13		5,496,206.79
(1) Disposal or scrapping					
(2) Withdrawal from the consolidation scope	5,441,348.66		54,858.13		5,496,206.79
4. Ending balance	126,923,766.54	247,818,027.51	56,093,845.65	52,275,000.00	483,110,639.70
III. Provision for impairment					
1. Opening balance			427,750.81		427,750.81
2. Amount increased in the current period					
(1) Provision					
3. Amount decreased in the current period					
(1) Disposal or scrapping					

(2) Withdrawal from the consolidation scope					
4. Ending balance			427,750.81		427,750.81
IV. Book value					
1. Ending book value	1,370,868,267.26	464,946,972.49	64,146,092.46	100,725,000.00	2,000,686,332.21
2. Opening book value	1,331,656,399.23	497,542,268.12	62,473,271.42	108,375,000.00	2,000,046,938.77

(2). Single intellectual property with significant impact√Applicable Not applicable

The patent rights include intellectual property related to the acquisition of LCD polarizer business in 2021, mainly including 1,071 patent technology ownership and application rights, 1,843 proprietary technologies Know-Now, with a net value of RMB428 million at the end of the reporting period.

(3). Intellectual property with restricted ownership or use rights

Unit: Yuan Currency: RMB

Item	Original book value	Net Book Value
Intangible assets - Land-use right	639,998,287.02	593,046,289.02

18. Goodwill**(1). Original book value of goodwill**√Applicable Not applicable

Unit: Yuan Currency: RMB

Name of investee or matters forming goodwill	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
		Formed by business consolidation	Withdrawal from the consolidation scope	
Polarizer business	879,235,149.99			879,235,149.99
Total	879,235,149.99			879,235,149.99

(2). Information about the asset group or combination of asset groups corresponding to goodwill√Applicable Not applicable

The polarizer business formed by the acquisition of LG Chem's LCD polarizer business and related assets in mainland China, Taiwan China and South Korea, and the asset group corresponding to goodwill includes fixed assets, intangible assets, construction in progress, long-term deferred expense, right-of-use assets, and lease liabilities.

19. Long-term deferred expenses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Amount increased in the current period	Amortisation amount in the current period	Ending balance
Expenses for leased-in fixed assets improvement	48,937,422.96	6,044,070.55	14,859,648.95	40,121,844.56
Amortization of turnover materials	20,542,760.59	2,081,183.28	2,697,368.86	19,926,575.01
Others	23,549,439.13	19,875,309.35	21,275,915.41	22,148,833.07
Total	93,029,622.68	28,000,563.18	38,832,933.22	82,197,252.64

20. Deferred income tax assets/deferred income tax liabilities**(1). Deferred income tax assets without offsetting**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance		Opening balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Credit impairment losses	162,943,492.72	25,945,494.15	165,457,622.39	26,580,118.40
Provision for Impairment of assets	623,909,410.74	101,616,102.87	622,149,345.47	102,774,381.62

Unrealized gross profit within the consolidation scope	16,330,016.59	2,449,502.49	21,759,655.52	3,263,948.33
The income from equity transfer within the consolidation scope, recognized for tax purposes and offset by accounting	163,893,536.52	40,973,384.13	163,893,536.52	40,973,384.13
Deductible losses	393,146,494.97	69,374,180.87	393,146,494.97	69,374,180.87
Payment of fees for shares not yet exercised	46,351,517.26	7,021,396.14	76,970,256.47	11,614,207.02
Income recognized by tax, not yet recognized for accounting purposes	202,599,587.87	30,889,938.19	211,453,454.07	31,718,018.12
Expenditure recognized by accounting, not yet recognized for tax purposes	356,229,492.09	56,572,427.57	340,046,301.37	51,362,264.16
Changes in fair value of other equity instruments included in other comprehensive income				
Changes in fair value of other non current financial assets recognized in current period profit and loss	2,560,000.00	640,000.00	2,560,000.00	640,000.00
Deductible temporary differences formed by leasing	1,023,116,835.81	160,952,673.83	1,040,557,073.14	163,568,709.43
Total	2,991,080,384.57	496,435,100.24	3,037,993,739.92	501,869,212.08

(2). Deferred income tax liabilities without offsetting√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Changes in fair value of other equity instruments included in other comprehensive income	370,002,537.24	92,574,634.31	207,633,537.24	51,982,384.31
Changes in fair value of other non-current financial assets included in the profit and loss in the current period				
Difference between accelerated depreciation tax and financial caliber of fixed assets	1,164,987,917.82	173,412,661.64	1,161,649,102.74	174,247,365.41
Long term investment fair value adjustment when the original subsidiary loses control	1,361,433,802.05	325,070,894.82	1,361,433,802.05	325,070,894.82
Taxable temporary differences arising from leasing	916,979,836.57	143,922,475.34	916,979,836.57	143,922,475.34
Total	3,813,404,093.68	734,980,666.11	3,647,696,278.60	695,223,119.88

(3). Deferred income tax assets or liabilities presented as net amount after offsetting

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Offset amount between deferred income tax assets and liabilities at the end of the period	Balance of deferred income tax assets or liabilities after offset at the end of the period	Offset amount between deferred income tax assets and liabilities at the beginning of the period	Balance of deferred income tax assets or liabilities after offset at the beginning of the period

Deferred income tax assets	301,073,947.03	195,361,153.21	302,536,541.33	199,332,670.75
Deferred income tax liabilities	301,073,947.03	433,906,719.08	302,536,541.33	392,686,578.55

21. Other non-current assets

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Prepayment for house purchasing				70,000,000.00		70,000,000.00
Prepayment for engineering equipment	64,323,744.80		64,323,744.80	66,235,292.10		66,235,292.10
Total	64,323,744.80		64,323,744.80	136,235,292.10		136,235,292.10

22. Assets with restricted ownership or use rights

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	End of the period				Beginning of the period			
	Book value	Of which: presented as held for sale assets	Of which: presented in the corresponding asset account	Restricted conditions	Book value	Of which: presented as held for sale assets	Of which: presented in the corresponding asset account	Restricted conditions
Monetary fund	1,519,911,386.58		1,519,911,386.58	Deposit	960,379,298.83	90,193,172.28	870,186,126.55	Deposit
	4,000.00		4,000.00	Froze	4,394.37		4,394.37	Froze
Accounts	149,848,290.86		149,848,290.86	Pledge	127,774,206.95		127,774,206.95	Pledge

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Receivable				financing				financing
Fixed assets	2,396,249,131.00		2,396,249,131.00	Financial leasing, mortgage financing	2,766,433,018.90		2,766,433,018.90	Financial leasing, mortgage financing
Construction in processing	2,468,357,750.18		2,468,357,750.18	Mortgage financing	359,278,078.97		359,278,078.97	Mortgage financing
Intangible assets	593,046,289.02		593,046,289.02	Mortgage financing	1,142,355,062.57		1,142,355,062.57	Mortgage financing
Total	7,127,416,847.64		7,127,416,847.64	/	5,356,224,060.59	90,193,172.28	5,266,030,888.31	/

23. Short-term borrowings**Classification of short-term borrowings**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Credit borrowings	3,094,125,191.61	2,475,516,601.10
Guaranteed borrowings	4,648,393,364.01	4,206,059,548.47
Pledged borrowings Note 1	132,587,377.00	127,057,697.49
Mortgage borrowings Note 2	200,188,888.89	
Total	8,075,294,821.51	6,808,633,847.06
Listed as: Liabilities held for sale		111,548,901.39
Listed as: Short-term borrowings	8,075,294,821.51	6,697,084,945.67

Note 1: Short-term pledged borrowings

Unit: Yuan Currency: RMB

Item	Original value of guarantee	Net value of guarantee	Beneficiary banks	Credit terms	Mortgage and guarantee amount	Short-term borrowing balance
Account receivable	150,178,683.96	149,848,290.86	China Trust Commercial Bank, Ltd. Shanghai	Mortgage and Guarantee	149,848,290.86	112,238,014.79
Deposit	20,349,362.21	20,349,362.21			200,000,000.00	20,349,362.21
Total	170,528,046.17	170,197,653.07	Branch		349,848,290.86	132,587,377.00

Note 2: Pledged short-term loans

Unit: Yuan Currency: RMB						
Nature of loan	Bank	Borrowing entity	Pledge project	Mortgage and guarantee cap	Collateral amount	Loan balance
Pledged and guaranteed	Industrial Bank	Yunnan Shanshan New Material Technology Co., Ltd.	Construction in progress	277,268,900.00	1,761,655,609.10	200,188,888.89
Total				277,268,900.00	1,761,655,609.10	200,188,888.89

The pledged project is the same as the pledged project with a long-term loan s of RMB1,966,500,666.63 in “ VII, 34, note 2, Mortgage borrowings”.

24. Notes payable

√Applicable □Not applicable

Unit: Yuan Currency: RMB		
Type	Ending balance	Opening balance
Commercial acceptance bill		15,694,333.87
Banker’s acceptance bill	749,461,825.78	808,822,859.77
Total	749,461,825.78	824,517,193.64

25. Accounts payable

Presentation of accounts payable

√Applicable □Not applicable

Unit: Yuan Currency: RMB		
Item	Ending balance	Opening balance
Payables for purchase of goods or labor services	2,893,892,650.28	1,797,831,645.99
Payables for purchase of long-term assets	1,013,702,982.55	1,014,574,811.13
Total	3,907,595,632.83	2,812,406,457.12

Other instructions:

√Applicable □Not applicable

Among the ending balance, there were no debts owed by shareholding companies holding more than 5% (inclusive) of the voting shares of the Company.

26. Account collected in advance**(1). Presentation of account collected in advance**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Pre-paid rent and others	3,622,226.87	835,376.00
Equity in advance		20,000,000.00
Total	3,622,226.87	20,835,376.00

(2). Significant account collected in advance with an aging over 1 yearApplicable√Not applicable

Other instructions:

√Applicable Not applicable

Among the ending balance, there were no account collected in advance from shareholding companies holding more than 5% (inclusive) of the voting shares of the Company.

27. Contract liabilities**Contract liabilities**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Sales	9,320,475.86	12,376,375.15
Total	9,320,475.86	12,376,375.15

28. Payroll payable**(1).Payroll payable list**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term compensation	141,238,696.53	528,781,721.06	637,647,592.78	32,372,824.81
II. Welfare after demission - defined contribution plan	282,531.27	47,943,385.45	48,173,624.93	52,291.79
III. Dismissal welfare	858,776.57	13,377,802.99	14,116,330.56	120,249.00
Total	142,380,004.37	590,102,909.50	699,937,548.27	32,545,365.60

(2).Short-term compensation list

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
I. Wages, bonuses, allowances and subsidies	139,363,428.95	461,075,732.77	569,701,381.75	30,737,779.97
II. Welfare expenses for the employees	216,664.58	15,941,624.45	16,053,758.52	104,530.51
III. Social insurance expenses	181,725.18	24,948,600.89	25,100,609.07	29,717.00
Of which: Medical insurance premiums	172,482.73	21,571,577.07	21,715,716.38	28,343.42
Industrial injury insurance premiums	9,242.45	2,058,114.51	2,065,983.38	1,373.58
Maternity insurance premiums		1,318,909.31	1,318,909.31	
IV. Housing accumulation fund	191,437.00	19,331,839.93	19,501,508.93	21,768.00
V. Labor union expenditure and employee education expenses	1,285,440.82	7,483,923.02	7,290,334.51	1,479,029.33
VI. Short-term paid absence				
VII. Short-term profit sharing plan				

Total	141,238,696.53	528,781,721.06	637,647,592.78	32,372,824.81
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(3).Defined contribution plan list√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic endowment insurance	273,782.16	46,259,492.62	46,482,784.46	50,490.32
2. Unemployment insurance premiums	8,749.11	1,683,892.83	1,690,840.47	1,801.47
Total	282,531.27	47,943,385.45	48,173,624.93	52,291.79

29. Taxes payable√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Value added tax	11,131,752.70	31,043,542.12
Enterprise income tax	103,887,352.74	19,284,200.73
Individual income tax	8,036,635.57	7,152,301.57
Urban maintenance and construction tax	286,389.97	1,008,936.50
House property tax	3,270,036.02	8,377,739.67
Education surcharges	282,483.55	804,639.82
Land use tax	3,043,319.33	5,275,191.76
Others	5,179,377.39	6,233,212.65
Total	135,117,347.27	79,179,764.82

30. Other payables**(1). Presentation of items**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Dividend payable	701,360.00	701,360.00
Other payables	438,841,506.39	517,013,406.96
Total	439,542,866.39	517,714,766.96

Dividend payable√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Payable dividends - dividends on common shares - corporate shareholders	701,360.00	701,360.00
Payable dividends - dividends on common shares - subsidiaries payable to non-controlling interests		
Total	701,360.00	701,360.00

Other payables**(1). Other payables listed by nature of payment**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Security deposit	41,215,797.09	44,318,379.75
Accrued expenses	159,937,502.44	168,718,422.53
Deposit	18,175,575.00	23,645,000.00
Accounts payable	20,338,378.51	26,549,242.45

Temporary receipts	63,677,638.74	58,044,412.19
Final property payment payable	7,075,068.47	7,075,068.47
Contingent repurchase payables of Restricted Share	128,421,546.14	188,662,881.57
Total	438,841,506.39	517,013,406.96

(2). Other significant payables with an aging over 1 year or overdue√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Reasons for outstanding or carry-forward
Final payment for the purchase of Shanshan Mansion	7,075,068.47	Not yet paid
Total	7,075,068.47	/

31. Liabilities held for sale√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Ningbo Ulica Solar Energy Co., Ltd.		427,188,378.77
Total		427,188,378.77

32. Non-current liabilities due within 1 year√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Long-term borrowings due within 1 year Note 1	2,144,058,861.48	1,943,280,245.75

Long-term payables due within 1 year Note 2	368,279,720.83	625,412,435.19
Lease liabilities due within 1 year	321,023,291.71	504,675,538.61
Total	2,833,361,874.02	3,073,368,219.55

Note 1: The nature of the loan is detailed in "VII. 34. Long-term borrowings" in this Notes to Financial Statements.

Note 2: The details of long-term payables due within one year are as follows

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Payable rent for leaseback	368,279,720.83	625,412,435.19
Total	368,279,720.83	625,412,435.19

33. Other current liabilities

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Output tax to be transferred	1,099,970.01	1,498,699.04
Total	1,099,970.01	1,498,699.04

34. Long-term borrowings

Classification of long-term borrowings

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Credit borrowings	428,800,000.00	
Guaranteed borrowings	1,906,484,046.09	1,919,665,023.64
Pledged borrowings Note 1	1,411,000,000.00	2,024,000,000.00
Mortgage borrowings Note 2	5,142,895,819.31	4,120,033,965.05

Total	8,889,179,865.40	8,063,698,988.69
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Notes for classification of long-term borrowings:

Long-term borrowings are as follows:

Unit: Yuan Currency: RMB

Project	Long-term borrowings due within one year	Long-term borrowings	Subtotal
Credit borrowings	527,372,222.22	428,800,000.00	956,172,222.22
Guaranteed borrowings	662,765,500.00	1,906,484,046.09	2,569,249,546.09
Pledged borrowings Note 1	846,000,000.00	1,411,000,000.00	2,257,000,000.00
Mortgage borrowings Note 2	107,921,139.26	5,142,895,819.31	5,250,816,958.57
Total	2,144,058,861.48	8,889,179,865.40	11,033,238,726.88

Note 1: Pledged borrowings

Unit: Yuan Currency: RMB

Nature of Borrowing	Bank	Borrower	Pledge and mortgage projects	Pledge and mortgage	Borrowing balance	
					Long-term borrowings due within one year	Long-term borrowings
Pledged and guaranteed	China Merchants Bank, China Construction Bank, Shanghai Rural and Commercial Bank	Ningbo Shanshan Co., Ltd.	Equity interest in Shanjin Optoelectronics (Suzhou) Co., Ltd. held by Ningbo Shanshan Co., Ltd.	70% of share equity	600,000,000.00	600,000,000.00
Pledge	China Merchants Bank Ningbo Branch	Ningbo Shanshan Co., Ltd.	Equity interest in Shanjin Optoelectronics (Suzhou) Co., Ltd. held by Ningbo Shanshan Co., Ltd.	10% of share equity	100,000,000.00	300,000,000.00
Pledge	China Merchants Bank Ningbo Branch	Ningbo Shanshan Co., Ltd.	Equity interest in Shanjin Optoelectronics (Suzhou) Co., Ltd. held by Ningbo Shanshan Co., Ltd.	15% of share equity	146,000,000.00	511,000,000.00

Total					846,000,000.00	1,411,000,000.00
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Note 2: Mortgage borrowings

Unit: Yuan Currency: RMB

Nature of Borrowing	Mortgage projects	Collateral amount	Borrowing balance	
			Long-term borrowings due within one year	Long-term borrowings
Mortgaged and guaranteed	House and land	259,000,721.13	15,413,323.04	200,330,858.45
Mortgaged and guaranteed	Land	127,026,203.04		1,378,825,105.14
Mortgaged and guaranteed	Construction in progress	1,761,655,609.10		1,966,500,666.63
Mortgaged and guaranteed	Construction in progress	334,789,022.99		553,387,467.44
Mortgaged and guaranteed	Land	116,142,269.00		437,358,435.45
Mortgaged and guaranteed	House and land	406,335,520.27	226,163.45	302,493,286.20
Mortgaged and guaranteed	Land	53,012,388.51	2,048,319.44	47,000,000.00
Mortgaged and guaranteed	Land	46,713,393.01	233,333.33	200,000,000.00
Mortgage	House and land	787,227,997.27	90,000,000.00	57,000,000.00
Total		3,891,903,124.32	107,921,139.26	5,142,895,819.31

35. Lease liabilities

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Houses and buildings	724,855,790.87	737,059,366.71
Machinery and equipment	135,519,748.47	30,461,445.24
Others	5,329,789.78	9,395,827.47

Total	865,705,329.12	776,916,639.42
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36. Long-term payables**Presentation of items**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Long-term payables	413,781,521.12	497,131,448.00
Total	413,781,521.12	497,131,448.00

Long-term payables√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Sale and leaseback payable	413,781,521.12	497,131,448.00
Subtotal	413,781,521.12	497,131,448.00

37. Estimated liabilities√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
Estimated repair compensation	11,400,000.00			11,400,000.00
Withholding polarizer product quality guarantee	64,468,748.26		8,243,798.43	56,224,949.83
Total	75,868,748.26		8,243,798.43	67,624,949.83

38. Deferred income

Deferred income

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Decrease in consolidation scope	Ending balance
Government subsidies	467,257,728.18	72,187,500.00	42,830,188.26	23,346,370.00	473,268,669.92
Total	467,257,728.18	72,187,500.00	42,830,188.26	23,346,370.00	473,268,669.92

39. Share capital

√Applicable □Not applicable

Unit: Yuan Currency: RMB

	Opening balance	Change in the current period: increase (+)/decrease (-)					Ending balance
		Issuance of new shares	Share dividend	Transfer from provident fund	Others	Subtotal	
Total number of shares	2,258,223,223.00				-4,381,555.00	-4,381,555.00	2,253,841,668.00

The Company's capital reduction during the Reporting Period is as follows:

According to the relevant provisions of the *Management Measures for Equity Incentives of Listed Companies* and the *2022 Stock Option and Restricted Shares Incentive Plan of Ningbo Shanshan Co., Ltd. (Revised Draft)*, in view of the failure to achieve the performance evaluation indicators and the disqualification of the incentive objects due to resignation or retirement during the second period of lifting restrictions, the Company is entitled to unilaterally repurchase and cancel part of restricted shares. In June 2024, the Company completed the repurchase and cancellation procedures for the above-mentioned restricted shares, and a total of 4,381,555 shares with restricted sale conditions were cancelled.

40. Capital reserve

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
Capital premium (equity premium)	7,661,649,089.84		55,858,863.04	7,605,790,226.80
Other capital reserve	1,411,835,058.05		30,618,739.21	1,381,216,318.84
Total	9,073,484,147.89		86,477,602.25	8,987,006,545.64

Other notes: including the increase or decrease in the Period and the reasons for the changes:

In June 2024, the Company repurchased and cancelled 4,381,555 restricted shares, offsetting capital reserves by RMB55,858,863.04.

41. Treasury shares

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Beginning balance	Increase in the Period	Decrease in the Period	Ending balance
Treasury shares from centralized bidding repurchase	792,658,300.89	554,293,989.97		1,346,952,290.86
Treasury shares repurchased from stock option incentive plan	188,662,881.57		60,240,418.04	128,422,463.53
Total	981,321,182.46	554,293,989.97	60,240,418.04	1,475,374,754.39

42. Other comprehensive income

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Amount in the current period					Ending balance
		Amount before income tax in the current period	Less: The profit and loss transferred	Less: income tax expenses	That attributable to the company after tax	That attributable to non-controlling	

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			in the current period but previously included in other comprehensive income			interests after tax		
1. Other comprehensive incomes that will not be reclassified into profit or loss	-84,186,251.12	530,106,539.47		132,750,911.52	397,355,627.95		276,475,984.55	36,693,392.28
Of which: Remeasurement of changes in defined benefit plans					-			
Other comprehensive income that cannot be transferred to profit and loss under equity method	-3,245,880.41							-3,245,880.41
Changes in fair value of other equity instrument investments	-80,940,370.71	530,106,539.47		132,750,911.52	397,355,627.95		276,475,984.55	39,939,272.69
Changes in fair value of enterprise's own credit risk								
2. Other comprehensive incomes to be reclassified into profit and loss	6,292,165.38	-2,235,474.06			-2,241,673.10	6,199.04		4,050,492.28
Of which: Other comprehensive income that can be transferred to profit and loss under equity method	4,488,035.49	4,859,336.06			4,859,336.06			9,347,371.55
Changes in fair value of other debt investments								
The balance arisen from the translation of foreign currency financial statements	1,804,129.89	-7,094,810.12			-7,101,009.16	6,199.04		-5,296,879.27
Total other comprehensive income	-77,894,085.74	527,871,065.41		132,750,911.52	395,113,954.85	6,199.04	276,475,984.55	40,743,884.56

43. Special reserve√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Withdrawal from the consolidation scope	Ending balance
Safety production fund	1,724,238.27			1,713,357.67	10,880.60
Total	1,724,238.27			1,713,357.67	10,880.60

44. Surplus reserve√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
Statutory surplus reserve	292,801,918.55			292,801,918.55
Total	292,801,918.55			292,801,918.55

45. Retained earnings√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	The current period	The previous year
Retained earnings at the end of the previous period before adjustment	12,102,150,807.75	12,028,646,332.05
Adjustment to total retained earnings at the beginning of the period(+for increase and - for decrease)		
Retained earnings at the beginning of the period after adjustment	12,102,150,807.75	12,028,646,332.05
Plus: Net profits attributable to equity owners the Company's owners in the current period	17,574,536.66	765,337,842.07
Less: Withdrawal of legal surplus reserve		
Withdrawal of discretionary surplus reserve		
Withdrawal of reserve funds		
Withdrawal of enterprise development fund		
Withdrawal of workers' compensation and welfare fund		
Withdrawal of common risk provision		
Common share dividends payable	437,401,038.60	671,354,367.30
Common share dividends converted to share capital		

Add: Financial assets designated at fair value through other comprehensive income are disposed of in the current period, and the disposal previously recorded in other comprehensive income is transferred to retained earnings	276,475,984.55	-20,478,999.07
Retained earnings at the end of the period	11,958,800,290.36	12,102,150,807.75

46. Operating income and operating cost

(1). Operating income and operating cost

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Main operations	8,684,161,532.12	7,471,712,478.60	9,330,769,658.92	7,661,596,447.33
Other operations	135,694,503.79	66,541,844.73	137,006,264.90	71,522,251.36
Total	8,819,856,035.91	7,538,254,323.33	9,467,775,923.82	7,733,118,698.69

Breakdown of operating income:

Unit: Yuan Currency: RMB

Item	Amount for the current period	Amount for the previous period
Main operations income	8,684,161,532.12	9,330,769,658.92
Of which: Commodities for sale	8,684,161,532.12	9,281,085,810.26
New energy service revenue		49,683,848.66
Other operations income	135,694,503.79	137,006,264.90
Of which: Material sales	54,793,545.13	50,539,988.35
Income from scrap materials and waste materials	28,860,991.83	21,223,495.60
Entrusted processing	14,115,543.29	21,207,238.19

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Income from rent, utilities, and property fees	36,355,744.85	43,103,944.23
Guarantee fee	220,714.68	
Technical service income	367,202.83	397,169.81
Others	980,761.18	534,428.72
Total	8,819,856,035.91	9,467,775,923.82

(2). Breakdown information of operating income and operating costs

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Contract classification	Polarizer segment		Lithium battery material segment		New energy vehicle segment		Others		Inter-segment offset		Total	
	Operating income	Operating cost	Operating income	Operating cost	Operating income	Operating cost	Operating income	Operating cost	Operating income	Operating cost	Operating income	Operating cost
Commodity type												
Revenue from sales of goods	5,313,040,259.29	4,620,757,577.16	3,453,105,850.02	2,899,186,550.71	1,187,787.60	1,149,556.50					8,767,333,896.91	7,521,093,684.37
Revenue from entrusted processing	14,115,543.29										14,115,543.29	-
Revenue from service and other sales	9,196,469.53	8,632,340.46	108,288.18		24,123.29		38,458,111.54	8,528,298.50	9,380,396.83		38,406,595.71	17,160,638.96
Classified by operating areas												
Sales in mainland China	5,143,454,894.14	4,468,683,258.78	2,982,982,617.40	2,591,522,003.79	1,211,910.89	1,149,556.50	38,458,111.54	8,454,861.11	9,380,396.83		8,156,727,137.14	7,069,809,680.18
Taiwan China	44,538,465.47	46,462,741.02	1,280,577.44	1,213,354.37							45,819,042.91	47,676,095.39
Overseas sales	148,358,912.50	114,243,917.82	468,950,943.36	306,451,192.55				73,437.39			617,309,855.86	420,768,547.76

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Classification by timing of commodity transfer												
Confirmation at a point of time	5,328,131,254.03	4,621,168,899.54	3,453,105,850.02	2,899,186,550.71	1,187,787.60	1,149,556.50	4,611,013.92	73,437.39	9,380,396.83		8,777,655,508.74	7,521,578,444.14
Confirmation within a certain period of time	8,221,018.08	8,221,018.08	108,288.18		24,123.29		33,847,097.62	8,454,861.11			42,200,527.17	16,675,879.19
Total	5,336,352,272.11	4,629,389,917.62	3,453,214,138.20	2,899,186,550.71	1,211,910.89	1,149,556.50	38,458,111.54	8,528,298.50	9,380,396.83		8,819,856,035.91	7,538,254,323.33

47. Taxes and surcharges√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Urban maintenance and construction tax	7,270,474.82	6,164,603.06
Education surcharges	5,209,560.50	5,714,126.36
Other taxes such as property tax and land use tax	42,815,873.35	32,110,522.92
Total	55,295,908.67	43,989,252.34

48. Selling expenses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Material consumption	53,142,105.89	38,966,367.35
Employee compensation payable	17,792,944.35	17,615,705.07
Depreciation and amortisation expense for intangible assets and long-term amortisation	8,278,529.67	8,888,377.52
Rent	1,141,511.19	3,344,532.67
Transportation costs, vehicle costs and others	82,813.20	685,343.87
Consulting fees and expenses of external intermediary agencies	6,217,027.74	4,676,835.58
Marketing fees, promotion fees, meeting fees, exhibition fees and others	23,897,793.60	17,836,623.66
Communication expenses, office expenses, travel expenses and others	2,092,752.11	2,807,287.16
Business entertainment fee	3,574,207.08	2,031,438.69
Insurance expenses	3,098,029.08	3,843,244.35
Share-based payment expenses	-1,014,854.14	-128,680.70
Others	51,335.40	32,993.26
Total	118,354,195.17	100,600,068.48

49. Administrative expenses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Material consumption	7,789,687.14	6,511,730.77
Employee compensation payable	110,933,106.23	95,375,000.43
Depreciation and amortisation expense for intangible assets and long-term amortisation	98,961,487.16	88,436,826.90
Rent	3,558,617.00	4,257,128.72
Taxes	793,785.05	935,458.04
Transportation costs, vehicle costs and others	2,723,826.10	2,925,866.31
Consulting fees and expenses of external intermediary agencies	90,205,363.80	54,382,862.64
Conference fees and others	385,835.72	868,263.73
Communication expenses, office expenses, travel expenses and others	20,159,719.83	17,696,078.17
Business entertainment fee	9,509,335.53	7,292,796.12
Share-based payment expenses	-28,193,327.91	3,867,260.03
Others	163,449.02	135,920.34
Total	316,990,884.67	282,685,192.20

50. Research and development expenses

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Raw materials consumed	350,569,134.22	226,383,595.84
Employee compensation payable	140,266,027.62	108,300,092.34
Depreciation and amortisation expense for intangible assets and long-term amortisation	21,780,049.69	30,323,637.53
Office expenses, rental expenses, travel expenses and others	3,394,953.85	2,266,674.64
Energy and other manufacturing expenses	664,751.18	464,814.10
Consulting fees and expenses of external intermediary agencies	10,449,927.45	4,523,277.24
Business entertainment fee	364,907.91	278,325.31
Share-based payment expenses	-1,410,557.16	-1,112,859.63

Total	526,079,194.76	371,427,557.37
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51. Financial expenses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expenses	277,997,627.75	254,043,771.58
Less: interest income	38,074,601.83	52,441,021.72
Exchange gain/loss	-10,690,444.32	30,077,730.20
Handling charges	6,575,026.82	5,861,560.24
Total	235,807,608.42	237,542,040.30

52. Other revenues√Applicable Not applicable

Unit: Yuan Currency: RMB

Classification by nature	Amount incurred in the current period	Amount incurred in the previous period	Asset-related/income-related
Government subsidies related to industrial investment projects	36,091,126.09	5,646,897.72	Asset-related
Government subsidies related to industrial support projects	6,411,562.13	6,105,357.99	Asset-related
High-tech enterprise subsidy	127,879.00	399,999.98	Income-related
Industrial support fund subsidy	78,499,731.79	288,354,562.36	Income-related
Technology project subsidy	9,629,789.65	4,637,963.04	Income-related
VAT deduction	32,601,036.72		Income-related
Other subsidies	3,077,524.93	5,316,444.11	Income-related
Total	166,438,650.31	310,461,225.20	

53. Investment income√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment incomes accounted by the equity method	-2,866,652.46	-29,895,584.95
Investment incomes generated from disposal of long-term equity investment	-54,945,559.27	371,687,074.00
Dividend income earned during the holding period of investments in other equity instruments		13,362,000.00

Income of securities borrowings and wealth management products		2,184.81
Total	-57,812,211.73	355,155,673.86

54. Gains from changes in fair value√Applicable Not applicable

Unit: Yuan Currency: RMB

Sources of gains from changes in fair value	Amount incurred in the current period	Amount incurred in the previous period
Trading financial assets		
Other non-current financial assets	-6,675,000.00	
Total	-6,675,000.00	-

55. Credit impairment losses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Bad debt losses on notes receivable		
Bad debt losses on accounts receivable	10,922,573.08	-34,899.57
Impairment losses on receivables financing		
Bad debt losses on other receivables	6,941,074.01	17,345,106.24
Impairment losses on debt investments		
Other impairment losses on debt investments		
Bad debt losses on long-term receivables		
Bad debt losses on long-term receivables due within one year		
Total	17,863,647.09	17,310,206.67

56. Assets impairment losses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Impairment losses on contract assets		

II. Decline in the value of inventories and impairment loss on contract fulfilment costs impairment losses	-3,920,800.57	-36,525,486.55
III. Impairment loss of long-term equity investment		
IV. Impairment loss on investment properties		
V. Impairment loss of fixed assets	6,060,246.54	1,653,842.08
VI. Impairment loss of engineering materials		
VII. Impairment loss of project under construction		
VIII. Impairment loss of productive biological assets		
IX. Impairment loss of oil and gas assets		
X. Impairment loss of intangible assets		
XI. Impairment loss of goodwill		
XII. Others		
Total	2,139,445.97	-34,871,644.47

57. Gain on disposal of assets√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amounts included into the current non-recurring profit and loss
Fixed assets	1,901,111.53	-6,367,937.29	1,901,111.53
Total	1,901,111.53	-6,367,937.29	1,901,111.53

58. Non-operating income√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amounts included into the current nonrecurring profit and loss
Income from fines and liquidated damages	3,348,927.53	852,721.90	3,348,927.53
Payables that cannot be paid due to the reasons of creditors	300.00	299,475.93	300.00
Loss on retirement of non-current assets	716,640.71	12,228.15	716,640.71
Settlement of insurance claim	177,207.44	4,833,107.80	177,207.44

Others	8,312.89	388,841.70	8,312.89
Total	4,251,388.57	6,386,375.48	4,251,388.57

59. Non-operating expenses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amounts included into the current non-recurring profit and loss
Loss of assets scrapped and destroyed	8,081,516.24	4,052,533.45	8,081,516.24
External donations and sponsorships	1,000,000.00	1,317,000.00	1,000,000.00
Payment for liquidated damages, litigation and others	15,529,677.32	3,269,677.97	15,529,677.32
Others	17.20	2,108.11	17.20
Total	24,611,210.76	8,641,319.53	24,611,210.76

60. Income tax expenses**(1). Table of income tax expenses**√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Income tax expenses in the current period	74,596,359.40	281,332,973.25
Deferred income tax expenses	-3,858,126.69	20,805,814.15
Total	70,738,232.71	302,138,787.40

(2). The reconciliation from total profit presented in the consolidated financial statements to the income tax expenses√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period
Total profit	92,563,555.75
Profit and loss of subsidiaries cannot be offset against each other	237,212,894.13

Income tax expenses calculated at statutory/applicable tax rate <input type="checkbox"/>	82,444,112.47
Effect of different tax rates applied to subsidiaries	-12,547,621.93
Effect of adjustments to income taxes of prior periods	7,387,207.73
Effect of non-taxable income	-4,251,900.26
Effect of non-deductible costs, expenses and losses	2,683,919.84
Effect of deductible losses on the use of deferred tax assets not recognized in prior periods	-2,468,965.92
Effect of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the current period	1,222,908.70
Additional deductible expenses under the tax law	-3,731,427.92
Income tax expenses	70,738,232.71

61. Cash flow statement items

(1). Cash related to operating activities

Other cash received related to operating activities

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Rent fee and interest income from bank deposits	34,770,965.91	90,670,860.86
Government subsidies received	195,803,462.05	313,851,227.69
Receipt of various business-related deposits and customer security deposits	35,904,653.23	42,447,029.60
Current temporary borrowings received		125,149.23
Non-operating income received related to business activities	3,534,747.86	6,386,375.48
Others		1,912,193.52
Total	270,013,829.05	455,392,836.38

Other cash paid related to operating activities

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Operating-related expenses	222,238,692.27	386,645,727.28
Payment of various types of business-related deposits and security deposits	36,767,733.77	24,437,838.85
Payment of temporary borrowings		45,000.00

Non-operating expenses paid related to operating activities	1,000,000.00	4,588,786.08
Total	260,006,426.04	415,717,352.21

(2). Cash related to investing activities

Other cash received related to investing activities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the Period	Amount incurred in previous period
Non-transactional current fund received from the controlling shareholders	253,342,202.74	
Retrieve the house purchasing payment of Junkang Finance Square and interest	683,753,972.61	
Guarantee fees received from BASF Shanshan	233,957.56	
Total	937,330,132.91	

Other cash paid related to investing activities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the Period	Amount incurred in previous period
Non-transactional current fund paid to the controlling shareholders	150,000,000.00	
Total	150,000,000.00	

(3). Cash related to financing activities

Other cash received related to financing activities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the Period	Amount incurred in previous period
Current accounts received from Ningbo Shanshan Contract Energy Management Co., Ltd. before accounting statements		10,000,000.00
Due payment received from BYD and Farasis Energy Zhenjiang bank notes		125,805,925.45
Receipt of sale and leaseback borrowings	100,000,000.00	300,000,000.00
Current accounts received from Ningbo Liweineng Energy Storage System Co., Ltd.		208,000.00

Recovery of deposits on bills and letters of credit used for financing	131,184,801.23	367,768,112.12
Total	231,184,801.23	803,782,037.57

Other cash paid related to financing activities

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the Period	Amount incurred in previous period
Repurchase of treasury shares	554,293,989.97	230,705,880.22
Repurchase of restricted shares	60,240,418.04	
Payment of interest on letter of credit		71,447,602.31
Payment of current accounts payable to Ningbo Shanxin Photovoltaic Energy Management Co., Ltd. and its subsidiaries		11,253,562.10
Repayment of finance lease loans or payment of finance lease deposits	199,254,329.46	
Payment of deposits on bills and letters of credit used for financing	690,716,494.61	357,515,700.20
Total	1,504,505,232.08	670,922,744.83

Changes in liabilities arising from financing activities

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the current period		Decrease in the current period		Ending balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Lease liabilities (including portion due within one year)	1,281,592,178.03		231,829,401.81	184,864,362.55	141,828,596.46	1,186,728,620.83
Total	1,281,592,178.03		231,829,401.81	184,864,362.55	141,828,596.46	1,186,728,620.83

62. Supplementary materials of cash flow statement**(1). Supplementary materials of cash flow statement**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Supplementary information	Amount for the current period	Amount for the previous period
1. Cash flow for adjusting net profits to operating activities:		
Net profit	21,825,323.04	1,070,829,782.56
Plus: Impairment reserves of assets	2,139,445.97	-34,871,644.47
Credit impairment losses	17,863,647.09	17,310,206.67
Depreciation of fixed assets and investment property	507,648,785.61	457,788,548.88
Depreciation of right-to-use assets	69,274,684.34	71,601,884.07
Amortisation of intangible assets	64,031,793.62	57,253,678.40
Amortisation of long-term deferred expenses	38,832,933.22	46,117,198.52
Loss on disposal of fixed assets, intangible assets and other long-term assets (gains expressed with “-”)	-1,901,111.53	6,367,937.29
Losses on scrapping of fixed assets (gains expressed with “-”)	8,081,516.24	4,052,533.45
Losses on changes in fair value (gain expressed with “-”)	6,675,000.00	
Financial expenses (gain expressed with “-”)	267,307,183.43	284,121,501.78
Investment losses (gain expressed with “-”)	57,812,211.73	-355,155,673.86
Decrease of deferred income tax assets (increase expressed with “-”)	3,971,517.54	-10,612,474.69
Increase of deferred income tax liabilities (decrease expressed with “-”)	-834,703.77	23,368,831.85
Decrease in inventories increase expressed with “-”)	-922,033,330.80	-527,404,915.92
Decrease in operating receivable items (increase expressed with “-”)	-429,958,137.27	-667,872,323.82
Increase in operating payable items (decrease expressed with □ “-”)	1,023,565,605.38	-1,895,092,665.16
Deferred income carried forward to other income	-42,830,188.26	-11,927,255.68
Net cash flow from operating activities	691,472,175.58	-1,464,124,850.13
2. Major investment and financing activities irrelevant to cash income and expenditure:		

Conversion of debts into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	4,105,206,209.64	3,432,818,264.15
Less: Opening balance of cash	4,024,541,676.69	3,911,177,960.18
Plus: Ending balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	80,664,532.95	-478,359,696.03

(2). Net cash received from disposal of subsidiaries in the current period√Applicable Not applicable

Unit: Yuan Currency: RMB

	Amount
Cash or cash equivalents received in the current period from disposal of subsidiaries in the current period	120,410,951.00
Of which: Ningbo Ulica Solar Co., Ltd. (including Ulica Solar GmbH)	69,326,950.00
Of which: Ningbo Qingshan Automobile Co., Ltd. (including Inner Mongolia Qingshan Automobile Co., Ltd.)	51,084,001.00
Less: Cash and cash equivalents held by the subsidiaries on the date of loss of control	184,153,623.57
Of which: Ningbo Ulica Solar Co., Ltd. (including Ulica Solar GmbH)	182,545,264.20
Of which: Ningbo Qingshan Automobile Co., Ltd. (including Inner Mongolia Qingshan Automobile Co., Ltd.)	1,608,359.37
Plus: Cash or cash equivalents received in the current period from disposal of subsidiaries during the previous periods	90,000,000.00
Of which: Xinya Shanshan New Material Technology (Quzhou) Co., Ltd.	90,000,000.00
Net cash received from disposal of subsidiaries	26,257,327.43

(3). Composition of cash and cash equivalents√Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
I. Cash	4,105,206,209.64	4,024,541,676.69
Of which: Cash on hand	67,950.06	206,355.97
Digital monetary available for payment at any time	21,350.00	110,837.00
Bank deposit available for payment at any time	4,105,026,793.47	4,017,794,536.22
Other monetary capitals available for payment at any time	90,116.11	6,429,947.50
Deposits in the Central Bank for payment		
Deposit of interbank funds		
Deposit and lending of interbank funds		

II. Cash equivalents		
Of which: Bond investment due within 3 months		
III. Cash and cash equivalents balance at the end of the period	4,105,206,209.64	4,024,541,676.69
Of which: Cash and cash equivalents with restricted use in the company or subsidiaries of the Group		

63. Foreign currency monetary items

Applicable Not applicable

Unit: Yuan

Item	Foreign currency balance at the end of the period	Exchange rate	Converted RMB balance at the end of the period
Cash at bank and on hand	-	-	390,987,714.70
Of which: USD	50,547,600.61	7.1268	360,242,640.03
Euro	962,601.72	7.6617	7,375,165.60
HKD	18,618,044.25	0.9127	16,992,316.63
Japanese yen	95,352,000.00	0.0447	4,265,857.78
Australian dollar	2.09	4.7650	9.96
NTD	9,615,357.00	0.2196	2,111,724.70
Other equity instruments	-	-	13,809,548.54
Of which: USD	730,566.75	7.1268	5,206,603.11
Australian dollar	1,805,445.00	4.7650	8,602,945.43
Accounts receivable	-	-	541,263,483.46
Of which: USD	75,947,617.93	7.1268	541,263,483.46
Other receivables	-	-	901,889.39
Of which: USD	100,000.00	7.1268	712,680.00
HKD	31,800.00	0.9127	29,023.22
NTD	594,375.72	0.2196	130,536.80
Japanese yen	662,733.39	0.0447	29,649.37
Accounts payable	-	-	684,707,836.95
Of which: USD	49,380,653.22	7.1268	351,926,039.37
Japanese yen	7,437,711,201.00	0.0447	332,748,323.71
NTD	152,417.22	0.2196	33,473.87
Other payables	-	-	29,953,433.69
Of which: USD	3,147,780.07	7.1268	22,433,599.00
HKD	14,900.00	0.9127	13,598.93

Euro	576,707.00	7.6617	4,418,556.02
NTD	14,031,702.00	0.2196	3,081,642.39
Japanese yen	134,949.00	0.0447	6,037.35

64. Leases

(1) The Company as the lessee

Applicable Not applicable

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

Applicable Not applicable

Lease expenses for short-term lease with simplified treatment and low-value assets

Applicable Not applicable

Item	Unit: Yuan Currency: RMB	
	Amount of the Period	Amount of the previous period
Interest expense on lease liabilities	40,287,542.88	45,667,273.14
Short-term lease expenses included in the cost of the related assets or in profit or loss for the current period for simplified treatment	14,601,288.77	8,972,059.81
Lease expenses for low-value assets included in the cost of the related assets or in profit or loss for the current period for simplified treatment (except short-term lease expenses for low-value assets)		

Sale-and-leaseback transactions and judgment basis

Applicable Not applicable

For details, please refer to “Note V.31. Lease”

Total cash outflow related to leasing 102,593,127.22 (Unit: Yuan Currency: RMB)

The expected future annual cash outflows for leases to which the Company is committed but which have not yet commenced are as follows:

Remaining lease term	Unit: Yuan Currency: RMB	
	Undiscounted lease payments	
Within 1 year	13,328,162.65	
1 to 2 years	433,631.76	
2 to 3 years		
Above 3 years		
Total	13,761,794.41	

(2) The Company as the lessor

Operating lease as the lessor

Applicable Not applicable

Operating lease income	Unit: Yuan Currency: RMB	
	Amount of the Period	Amount of the previous period
	31,070,047.42	27,979,589.92
Of which: Income related to variable lease payments not included in lease payments		

The undiscounted lease receives to be received after the balance sheet date

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Annual undiscounted lease payments	
	Amount of the Period	Amount of the previous period
First year	46,923,616.78	45,002,760.33
Second year	36,243,989.28	31,921,841.82
Third year	28,732,735.20	21,500,431.06
Fourth year	19,310,459.28	19,401,000.77
Fifth year	19,244,140.98	18,167,898.68
Five years and above	19,182,584.52	18,016,004.52
Total undiscounted lease payments after five years	169,637,526.04	154,009,937.18

VIII. Research and development expenses

By nature of expenses

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the Period	Amount incurred in previous period
Raw materials consumption	350,569,134.22	226,383,595.84
Employee compensation costs	140,266,027.62	108,300,092.34
Depreciation and amortization expense of intangible assets and long-term deferred liabilities	21,780,049.69	30,323,637.53
Office expenses, rental fees and travel expenses	3,394,953.85	2,266,674.64
Energy and other manufacturing costs	664,751.18	464,814.10
Consulting fees, and expenses of external intermediary agencies	10,449,927.45	4,523,277.24
Business entertainment expenses	364,907.91	278,325.31
Equity incentives	-1,410,557.16	-1,112,859.63
Others		
Total	526,079,194.76	371,427,557.37
Of which: Expensed R&D expenses	526,079,194.76	371,427,557.37
Capitalized R&D expenses		

IX. Changes in the scope of consolidation**1. Business combination not under the same control** Applicable Not applicable**2. Business combination under the same control** Applicable Not applicable**3. Reverse purchase** Applicable Not applicable

4. Disposal of subsidiaries

Whether there are any transactions or events that result in the loss of control over subsidiaries in the current period

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Name of subsidiary	Time of loss of control	Equity disposal price at the time of loss of control	Equity disposal ratio at the time of loss of control (%)	Equity disposal method at the time of loss of control	Basis for determining the time of loss of control	The 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 of the investment	Ratio of the remaining equity at the date of loss of control (%)	Book value of the remaining equity at the consolidated financial statement level at the date of loss of control	Fair value of the remaining equity at the consolidated financial statement level at the date of loss of control	Gains or losses on remeasurement of remaining equity at fair value	Methods and key assumptions for determining the fair value of the remaining equity at the consolidated financial statement level at the date of loss of control	Amount transferred from other comprehensive income related to equity investment in former subsidiaries to investment profit and loss or retained earnings
Ningbo Ulica Solar Co., Ltd. (including	January 2024	69,326,950.00	90.04	Equity transfer	Control over operating decisions has been	9,867,127.14	0.00					

Ulica Solar GmbH)					transferred							
Ningbo Qingshan Automobile Co., Ltd. (including Inner Mongolia Qingshan Automobile Co., Ltd.)	June 2024	92,880,001.00	100.00	Equity transfer	Control over operating decisions has been transferred	-64,812,686.41	0.00					

5. Changes in the scope of consolidation for other reasons

Description of the changes in the scope of consolidation caused by other reasons (such as establishment of new subsidiaries, and liquidation of subsidiaries) and related information:

√ Applicable □ Not applicable

S.N.	New companies added to the scope of consolidation	Reason
1	Shanshan New Material (Finland) Co., Ltd.	Investing in newly established company
S.N.	Companies reduced from the scope of consolidation	Reason
1	Ningbo Ulica Solar Co., Ltd.	Equity transfer
2	Ulica Solar GmbH	Equity transfer
3	Inner Mongolia Qingshan Automobile Co., Ltd.	Equity transfer
4	Ningbo Qingshan Automobile Co., Ltd.	Equity transfer

X. Interests in other subjects**1. Interests in subsidiaries****(1). Composition of enterprise groups**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Name of subsidiary	Main business locations	Registered capital	Place of registration	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
ShanJin Optoelectronics (Suzhou) Co., Ltd.	Suzhou, Jiangsu	RMB7,105,000,000.00	Suzhou, Jiangsu	Industry	100		Newly established
ShanJin Optoelectronics (Guangzhou) Co., Ltd.	Guangzhou, Guangdong	RMB1,700,000,000.00	Guangzhou, Guangdong	Industry		100	Newly established
ShanJin Optoelectronics (Nanjing) Co., Ltd.	Nanjing, Jaingsu	RMB3,800,000,000.00	Nanjing, Jaingsu	Industry		100	Newly established
Shanjin Optoelectronics (Beijing) Co., Ltd.	Beijing	RMB90,726,100.00	Beijing	Industry		100	Newly established
ShanJin Optoelectronics Technology (Zhangjiagang) Co., Ltd.	Zhangjiagang, Jiangsu	RMB900,000,000.00	Zhangjiagang, Jiangsu	Industry		100	Newly established
ShanJin Optoelectronics (Mianyang) Co., Ltd.	Mianyang, Sichuan	RMB1,000,000,000.00	Mianyang, Sichuan	Industry		100	Newly established
Shanjin Optoelectronics (Yangzhou) Co., Ltd.	Yangzhou, Jiangsu	RMB1,500,000,000.00	Yangzhou, Jiangsu	Industry		100	Newly established
Taiwan Shanjin Optoelectronics Co., Ltd.	Taiwan, China	NTD1,500,000,000.00	Taiwan, China	Industry		100	Consolidation not under same control
Shanjin Tokyo Co., Ltd.	Tokyo, Japan	JPY100,000,000.00	Tokyo, Japan	Trade	100		Newly established
Ningbo Shanshan New Energy Technology Development Co., Ltd.	Ningbo, Zhejiang	RMB2,132,650,000.00	Ningbo, Zhejiang	Investment	98	2	Newly established
Shanghai Shanshan New Energy Technology Development Co., Ltd.	Shanghai	RMB200,000,000.00	Shanghai	Industry	100		Newly established
Shanghai Shanshan Lithium Battery Material Technology Co., Ltd.	Shanghai	RMB1,182,000,000.00	Shanghai	Investment		87.08	Newly established
Ningbo Shanshan New Material Technology Co., Ltd	Ningbo, Zhejiang	RMB2,800,000,000.00	Ningbo, Zhejiang	Industry		100	Newly established

Name of subsidiary	Main business locations	Registered capital	Place of registration	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Shanghai Shanshan Technology Co., Ltd.	Shanghai	RMB300,000,000.00	Shanghai	Industry		100	Consolidation under same control
Shanghai Shanshan New Material Co., Ltd.	Shanghai	RMB1,000,000,000.00	Shanghai	Industry		100	Newly established
Chenzhou Shanshan New Material Co., Ltd.	Chenzhou, Hunan	RMB200,000,000.00	Chenzhou, Hunan	Industry		100	Newly established
Fujian Shanshan Technology Co., Ltd.	Ningde, Fujian	RMB200,000,000.00	Ningde, Fujian	Industry		100	Newly established
Inner Mongolia Shanshan Technology Co., Ltd.	Baotou, Inner Mongolia	RMB1,300,000,000.00	Baotou, Inner Mongolia	Industry		100	Newly established
Inner Mongolia Shanshan New Material Co., Ltd.	Baotou, Inner Mongolia	RMB400,000,000.00	Baotou, Inner Mongolia	Industry		100	Newly established
Baotou Graphene Material Research Institute Co., Ltd. Note 1	Baotou, Inner Mongolia	RMB20,000,000.00	Baotou, Inner Mongolia	Industry		50	Newly established
Huzhou Shanshan New Energy Technology Co., Ltd.	Huzhou, Zhejiang	RMB60,000,000.00	Huzhou, Zhejiang	Industry		100	Consolidation not under same control
Inner Mongolia Shanshan Material Technology Co., Ltd.	Ulanqab, Inner Mongolia	RMB50,000,000.00	Ulanqab, Inner Mongolia	Industry		100	Newly established
Sichuan Shanshan New Material Co., Ltd.	Meishan, Sichuan	RMB2,000,000,000.00	Meishan, Sichuan	Industry		100	Newly established
Yunnan Shanshan New Material Co., Ltd.	Kunming, Yunnan	RMB2,050,000,000.00	Kunming, Yunnan	Industry		100	Newly established
Ningbo Shanshan Silicon Based Materials Co., Ltd	Ningbo, Zhejiang	RMB500,000,000.00	Ningbo, Zhejiang	Industry		100	Newly established
Shanshan New Material (Hong Kong) Co., Ltd.	Hong Kong, China	USD10,000,000.00	Hong Kong, China	Investment		100	Newly established
Shanshan New Material (Luxembourg) Sarl	Luxembourg	EUR1,000,000.00	Luxembourg	Investment		100	Newly established

Name of subsidiary	Main business locations	Registered capital	Place of registration	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Shanshan New Material (Finland) Co., Ltd.	Finland	0	Finland	Industry		100	Newly established
Ningbo Yongxiang Investment Co., Ltd.	Ningbo, Zhejiang	RMB116,000,000.00	Ningbo, Zhejiang	Investment		100	Newly established
Ningbo Yongquan Investment Co., Ltd.	Ningbo, Zhejiang	RMB200,000,000.00	Ningbo, Zhejiang	Investment		100	Newly established
Ningbo Shanshan Venture Capital Investment Co., Ltd.	Ningbo, Zhejiang	RMB1,000,000,000.00	Ningbo, Zhejiang	Investment	100		Newly established
Ningbo Shanshan Electric Vehicle Technology Development Co., Ltd.	Ningbo, Zhejiang	RMB1,000,000,000.00	Ningbo, Zhejiang	Investment	90	10	Newly established
Shanghai Zhanxiao New Energy Technology Co., Ltd.	Shanghai	RMB82,000,000.00	Shanghai	Industry		60.98	Newly established
Ningbo Shanshan Bada Power Assembly Co., Ltd.	Ningbo, Zhejiang	RMB120,000,000.00	Ningbo, Zhejiang	Industry		70	Newly established
Ningbo Shanshan Automobile Co., Ltd.	Ningbo, Zhejiang	RMB450,000,000.00	Ningbo, Zhejiang	Industry		100	Newly established
Ningbo Shanpeng Investment Co., Ltd.	Ningbo, Zhejiang	RMB50,000,000.00	Ningbo, Zhejiang	Investment		100	Newly established
Shanghai Shanshan Garment Co., Ltd.	Shanghai	RMB80,000,000.00	Shanghai	Industry	90	10	Newly established
Shanghai Tunheng Trading Co., Ltd.	Shanghai	RMB50,000,000.00	Shanghai	Industry	95	5	Newly established
Ningbo Shanshan Tongda Trading Co., Ltd.	Ningbo, Zhejiang	RMB32,000,000.00	Ningbo, Zhejiang	Industry	100		Newly established
Ningbo Haoheng Trading Co., Ltd.	Ningbo, Zhejiang	RMB50,000,000.00	Ningbo, Zhejiang	Industry	100		Newly established
Hong Kong Shanshan Resources Co., Ltd.	Hong Kong, China	USD50,000,000.00	Hong Kong, China	Investment	100		Newly established
Ningbo Ziheng Trading Co., Ltd.	Ningbo, Zhejiang	RMB50,000,000.00	Ningbo, Zhejiang	Trade	100		Newly established

Name of subsidiary	Main business locations	Registered capital	Place of registration	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Ningbo Lanhong Trading Co., Ltd.	Ningbo, Zhejiang	RMB50,000,000.00	Ningbo, Zhejiang	Trade		100	Newly established
Ningbo Yunling Zhichuang Park Operation Management Co., Ltd.	Ningbo, Zhejiang	RMB10,000,000.00	Ningbo, Zhejiang	Investment	100		Newly established
Shanshan Fashion Industrial Park Suqian Co., Ltd.	Suqian, Jiangsu	RMB90,000,000.00	Suqian, Jiangsu	Industry	66.67	33.33	Newly established
Yongshan International Co., Ltd.	Hong Kong, China	RMB225,883,600.00	Hong Kong, China	Industry		100	Newly established

Note 1: Basis of holding half or less of the voting rights but still controlling the investee: Baotou Graphene Material Research Institute Co., Ltd. is 50% owned by the Company, and the Company sends a majority of its directors and appoints all key management personnel.

(2). Significant non-wholly owned subsidiaries

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Name of subsidiary	Shareholding ratio of non-controlling interests	Profit and loss attributable to non-controlling interests in the current period	Dividends declared to non-controlling interests in the current period	Balance of non-controlling interests' equity at the end of the period
Shanghai Shanshan Lithium Battery Material Technology Co., Ltd. (lithium anode material)	12.923	6,522,336.41		918,170,238.79

(3). Key financial information of significant non-wholly owned subsidiaries

√Applicable □Not applicable

Unit: 0'000 Currency: RMB

Name of subsidiary	Ending balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shanghai Shanshan Lithium Battery Material Technology Co., Ltd.	1,032,285.03	1,290,990.60	2,323,275.63	913,674.48	631,533.23	1,545,207.71	1,002,233.36	1,191,426.51	2,193,659.87	891,252.14	527,538.48	1,418,790.62

Name of subsidiary	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
Shanghai Shanshan Lithium Battery Material Technology Co., Ltd.	345,321.41	5,025.37	5,025.37	13,050.08	316,417.00	43,091.16	43,091.16	-190,402.40

2. Interest in joint ventures or associates√Applicable Not applicable**(1). Significant joint ventures or associates**√Applicable Not applicable

Unit: Yuan Currency: RMB

Name of joint venture or associate	Main business locations	Place of registration	Business nature	Shareholding ratio (%)		The accounting method for investments in joint ventures or associates
				Direct	Indirect	
Zhejiang Chouzhou Commercial Bank Co., Ltd.	Zhejiang	Yiwu	Commercial bank	7.06		Equity method
BASF Shanshan Battery Materials Co., Ltd.	Hunan	Changsha	Industry		49.00	Equity method

(2). Key financial information of important joint venturesApplicable Not applicable**(3). Key financial information of important associates**√Applicable Not applicable

Unit: Yuan Currency: RMB

	Ending balance/Amount incurred in the current period		Opening balance/Amount incurred in the previous period	
	Zhejiang Chouzhou Commercial Bank Co., Ltd.	BASF Shanshan Battery Materials Co., Ltd.	Zhejiang Chouzhou Commercial Bank Co., Ltd.	BASF Shanshan Battery Materials Co., Ltd.
Current assets	268,392,997,294.47	3,162,889,722.08	330,946,331,338.96	3,900,810,151.51
Non-current assets	53,057,588,161.24	3,458,301,811.18	27,630,591,853.93	3,503,334,373.69
Total assets	321,450,585,455.71	6,621,191,533.26	358,576,923,192.89	7,404,144,525.20
Current liabilities	259,986,042,566.27	1,367,243,810.26	291,111,767,358.30	1,547,143,534.59
Non-current liabilities	36,415,431,239.37	11,967,559.42	40,615,307,197.28	600,192,584.07
Total liabilities	296,401,473,805.64	1,379,211,369.68	331,727,074,555.58	2,147,336,118.66

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Equity of non-controlling interests			1,450,228,774.72	
Equity attributable to shareholders of the company	25,049,111,650.07	5,241,980,163.58	25,399,619,862.59	5,256,808,406.54
Share of net assets based on percentage of shareholding	1,547,848,479.83	2,572,514,762.03	1,616,636,362.29	2,575,836,119.21
Adjustment matters	137,136,237.39	1,237,956,808.36	137,136,237.39	1,237,956,808.36
—Goodwill				
—Unrealized profit on internal transactions				
—Others	137,136,237.39	1,237,956,808.36	137,136,237.39	1,237,956,808.36
Book value of equity investment in associates	1,684,984,717.22	3,810,471,570.39	1,753,772,599.68	3,813,792,927.57
Fair value of equity investments in associates for which publicly quoted prices exist				
Operating income	4,629,011,268.88	1,970,278,336.76	4,848,421,572.77	2,583,009,631.12
Net profit	898,056,394.79	-6,778,279.95	1,182,132,206.20	-202,379,097.34
Of which: Net profit attributable to the company	898,056,394.79	-6,778,279.95	1,094,457,284.26	-202,379,097.34
Net profit from discontinued operations				

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Other comprehensive income			355,526.55	
Total comprehensive income	898,056,394.79	-6,778,279.95	1,094,812,810.81	-202,379,097.34
Dividends received from associates during the year				

(4). Aggregated financial information of immaterial joint ventures and associates

√Applicable □Not applicable

Unit: Yuan Currency: RMB

	Ending balance/Amount incurred in the current period	Opening balance/Amount incurred in the previous period
Joint ventures:		
Ningbo Liweineng Energy Storage System Co., Ltd.	116,836,562.95	134,407,552.35
Associates:		
Ningbo Airport Logistics Development Co., Ltd.	176,376,097.00	177,078,005.33
Ningbo Shanqi Property Services Co., Ltd.	38,363,715.67	38,686,044.96
Suiyong Holdings Co., Ltd.	824,660,113.48	858,249,784.06
Shanghai Shanshan Chuanghui Venture Capital Management Co., Ltd.	13,166,416.72	13,538,057.53
Anhui Shanyue New Material Co., Ltd.	3,593,939.65	3,845,141.83
Shanshan Brand Management Co., Ltd.	52,085,420.36	49,156,202.20
Shenzhen Yuanshan Private Equity Investment Management Co., Ltd.	4,220,546.20	4,561,404.34
Inner Mongolia Mengji New Carbon Material Co., Ltd.	86,277,585.10	90,529,485.36
Jiangxi Zhanxiao New Energy Technology Co., Ltd.	13,658,897.41	15,527,859.97

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Xinya Shanshan New Material Technology (Quzhou) Co., Ltd.	249,392,166.63	256,000,000.00
Total book value of investments	1,578,631,461.17	1,641,579,537.93
Total of the following in proportion to shareholdings		
— Net profit	-62,948,076.76	-7,998,511.53
—Other comprehensive income		
—Total comprehensive income	-62,948,076.76	-7,998,511.53

(5). Excess losses incurred by joint ventures or associates

√Applicable Not applicable

Unit: Yuan Currency: RMB

Name of joint venture or associate	Accumulated losses in the previous periods that are accumulated and unrecognized	Unrecognized loss in the current period (or net profit shared in the <input type="checkbox"/> current period)	Accumulated unrecognized losses at the end of the period
Winsky Gaoke Group Co., Ltd.	-23,078,249.31	-4,371,541.75	-27,449,791.06

XI. Government subsidies

1. Liabilities involving government subsidies

√Applicable Not applicable

Unit: Yuan Currency: RMB

Items in financial statement	Beginning balance	Newly increased subsidy amount in the Period	Amount included in non-operating income in the Period	Amount transferred to other income in the Period	Other changes in the Period	Reduction in the scope of consolidation	Ending balance	Assets Related/ Gains Related
Government subsidies related to industrial investment projects	417,179,258.79			36,091,126.09		22,798,477.00	358,289,655.70	Assets Related

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Government subsidies related to industrial supporting projects	48,778,469.39	72,180,000.00		6,411,562.13		547,893.00	113,999,014.26	Assets Related
Subsidies for high-tech enterprises	1,300,000.00			320,000.04			979,999.96	Gains Related
Other subsidies		7,500.00		7,500.00				Gains Related
Total	467,257,728.18	72,187,500.00		42,830,188.26		23,346,370.00	473,268,669.92	/

2. Government subsidies included in current profits and losses

√Applicable Not applicable

Assets related government subsidies

Unit: Yuan Currency: RMB

Category	Government subsidy amount	The amount recognized in the current period's profit and loss or offset against related cost and expense losses		Items included in current profit and loss or offset against related cost and expense losses
		Amount for the current period	Amount for the previous period	
Deferred gains	605,406,316.17	42,502,688.22	11,752,255.71	Other gains
Total	605,406,316.17	42,502,688.22	11,752,255.71	

Gains related government subsidies

Unit: Yuan Currency: RMB

Item	Government subsidy amount	The amount recognized in the current period's profit and loss or offset against related cost and expense losses	
		Amount included in other income in the current period	Amount included in other income in the previous period
Deferred gains	1,807,500.00	327,500.04	174,999.97
Directly recognized in other income	123,608,462.05	123,608,462.05	298,533,969.52
Total	125,415,962.05	123,935,962.09	298,708,969.49

XII. Risks associated with financial instruments

Risks of financial instruments

√Applicable Not applicable

The Company is exposed to various financial risks in the course of its business: Credit risk, market risk and liquidity risk. The Company's Board of Directors has overall responsibility for the determination of risk management objectives and policies and is ultimately accountable for them, and has designed and implemented procedures that will ensure that risk management objectives and policies are effectively implemented. The Company's internal auditors also audit risk management policies and procedures, and report findings to the Audit Committee.

The goal of corporate risk management is to get a balance between risk and return, to minimize the negative impact of risk on daily operating performance, and to maximize the interests of shareholders and other equity investors. Based on this risk management objective, the basic strategy of corporate risk management is to identify and analyze the various risks faced by the Company, establish an appropriate risk tolerance floor and manage the risks, and develop a risk management policy that minimizes risks without unduly affecting the company's competitiveness and resilience.

Based on the current scope and effectiveness of the Company's business operations and the Company's assets and liabilities, mainly financial instruments such as accounts receivable and investments in other equity instruments are exposed to certain risks.

(I) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to meet its obligations, causing the other party to incur financial losses. The Company's credit risk mainly arises from cash at bank and on hand and receivables. In order to control the above related risks, the Company has taken the following measures respectively:

(1) Cash at bank and on hand

The Company places its bank deposits and other cash balances with financial institutions with high credit ratings, so its credit risk is low.

(2) Accounts receivable

It mainly refers to receivables resulting from credit sales by customers, and the main control measures adopted are as follows: Prepare and continuously revise and improve sales and credit management systems and processes related to customer information collection, customer development, customer maintenance, customer credit investigation, credit assessment, credit limit management, customer blacklist management, bad debt assessment and recovery, customer file management, etc.; At the same time, the internal risk management mechanism of risk identification, response, tracking and control has been established with the risk asset management team as the responsible institution, which regularly organizes risk asset management meetings, evaluates the performance of credit-granting customers, defines the risk level based on the credit information and statistical data analysis of customers, and takes risk control measures such as key monitoring, letter issuance, collection, control, stopping delivery, lawyer's letter, filing lawsuits, as well as adopts information notification mechanisms for customers with different risk levels.

On the basis of strengthening the above-mentioned internal management, the Company transfers the credit risk of receivables through credit insurance instruments. In addition, the Company has prepared a sales and credit risk evaluation system around customer fundamentals and different risk levels for customer's accounts receivable management, while conducting biannual internal control evaluation activities and corresponding control measures rectification activities on a regular basis.

As of the end of the period, the book value of accounts receivable within the scope of consolidated statements was RMB5,213,278,055.68, accounting for 10.36% of the total assets at the end of the period, representing an increase of 11.77% year-over-year. The control of credit risk faces certain challenges, but under the implementation of the Company's strict risk management policy, the credit risk is still under control and the provision for impairment of accounts receivable already made is sufficient to cover its credit risk.

(II) Liquidity risk

Liquidity risk is the risk that a company will run short of funds to meet its obligations settled by delivering cash or other financial assets. It is the Company's policy to ensure that it has sufficient cash to pay its debts as they fall due. Liquidity risk is centrally controlled by the Company's Finance and Capital Department. The Finance and Capital Department ensures that the Company has sufficient funds to service its debt with all reasonable projections by monitoring cash balances, readily realizable marketable securities and rolling projections of cash flows for the next 12 months.

As of the end of the period, the Company's current ratio of 1.25 and quick ratio of 0.76 were within a reasonable range, while the Company had other tools and strategies to protect against liquidity risk: First, as of 30 June 2024, the Company and the consolidated subsidiaries had obtained bank credit facilities totaling RMB37.862 billion, with RMB18.058 billion in unused credit lines. Based on the Company's credit capacity and the bank's cooperative relationship, the Company can obtain bank financing in a short term.

Second, the Company also has assets with good liquid such as the equity in Luoyang Molybdenum. Third, the Finance and Capital Department will make monthly statistics on the plan for the use of funds in the coming month and arrange a reasonable allocation of funds to improve the efficiency of the use of funds and reduce the flow risk.

(III) Market risk

Market risk of financial instruments is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, including interest rate risk, exchange rate risk, and other price risks.

1. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises mainly from interest-bearing liabilities such as bank borrowings. As of 30 June 2024, the Company's bank borrowings totaled approximately RMB19.109 billion, mainly bank borrowings with the Loan Prime Rate (LPR) denominated in RMB floating up and down by a certain percentage; The Company has obtained 4.608 billion of medium- and long-term bank borrowings, and the maturity and interest rate structure of the financing is reasonable overall. The Company's Finance and Capital Department continuously monitors interest rate levels.

An increase in interest rates will increase the cost of new interest-bearing debt and interest expense on the Company's outstanding interest-bearing debt with floating interest rates and adversely affect the Company's financial results. The Management Layer will make timely adjustments based on the latest market conditions, such as appropriate arrangements to increase the fixed interest rate ratio to address the risks associated with financial instruments.

2. Exchange rate risk

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to exchange rate changes is mainly related to the Company's foreign currency monetary assets and liabilities. For foreign currency assets and liabilities, if there is a short-term imbalance, the company will adopt various foreign exchange tools such as buying and selling foreign currencies at market rates to control the exchange rate risk when necessary to ensure that the net exposure is maintained at an acceptable level.

3. Other price risk

The Company holds equity investments in other listed companies and the Management believes that the market price risk to which these investment activities are exposed is acceptable.

Item	Ending balance (RMB)	Balance at the beginning of the year (RMB)
Trading financial assets	0.00	0.00
Investments in other equity instruments — Investments in listed equity instruments	684,672,048.41	794,706,655.01
Total	684,672,048.41	794,706,655.01

As of 30 June 2024, with all other variables held constant, if the value of the Company's financial instruments held rose or fell by 10%, the net assets at the end of the period would rise or fall by 0.23% accordingly, with little impact on the Company's net assets in the long run.

XIII. Disclosure of fair value

1. Ending fair value of assets and liabilities measured at fair value

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Ending fair value
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	Level I fair value measurement	Level II fair value measurement	Level III fair value measurement	Total
I. Continuous fair value measurement				
(I) Held-for-trading financial assets				
1. Financial assets at fair value through profit or loss				
(1) Investment in debt instruments				
(2) Investment in equity instruments				
(3) Derivative financial assets				
2. Financial assets designated at fair value through profit or loss				
(1) Investment in debt instruments				
(2) Investment in equity instruments				
(II) Other debt investment				
(III) Investment in other equity instruments	684,672,048.41		54,020,023.85	738,692,072.26
1. Investments in listed equity instruments	684,672,048.41			684,672,048.41
2. Investments in unlisted equity instruments			54,020,023.85	54,020,023.85
(IV) Receivables financing			283,053,797.20	283,053,797.20
(V) Other non-current financial assets		31,849,000.00	163,701,284.01	195,550,284.01
1. Financial assets at fair value through profit or loss		31,849,000.00	163,701,284.01	195,550,284.01
(1) Investment in debt instruments				
(2) Investment in equity instruments		31,849,000.00	163,701,284.01	195,550,284.01
(3) Derivative financial assets				

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(4) Others				
2. Financial assets designated at fair value through profit or loss				
(1) Investment in debt instruments				
(2) Others				
Total assets continuously measured at fair value	684,672,048.41	31,849,000.00	500,775,105.06	1,217,296,153.47
(VI) Held-for-trading financial liabilities				
1. Financial liabilities at fair value through profit or loss				
Of which: Held-for-trading bonds issued				
Derivative financial liabilities				
Others				
2. Financial liabilities designated at fair value through profit or loss				
Total liabilities continuously measured at fair value				
II. Non-continuous fair value measurement				
(I) Assets held of sale				
Total assets not continuously measured at fair value				
Total liabilities not continuously measured at fair value				

2. Basis for determining the market value of continuing and discontinuing Level I fair value measurement items

Applicable Not applicable

The closing price of the company's shares held on the balance sheet date is used as the market price.

3. Continuing and discontinuing Level II fair value measurement items, qualitative and quantitative information on the valuation techniques and significant parameters used

Applicable Not applicable

Unit: Yuan Currency: RMB

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Item	Ending fair value	Valuation technology
LP or fund shares held in limited partnerships	31,849,000.00	The quoted prices of the shares of the companies in which the fund invests after the penetration exist in an active market and are recognized according to the shares of the fund held

4. Continuing and discontinuing Level III fair value measurement items, qualitative and quantitative information on the valuation techniques and significant parameters used

√ Applicable □ Not applicable

The Company's Level III fair value measurement items are receivables financing and investments in other equity instruments. Receivables financing is valued using the discounted cash flow method. Investments in other equity instruments are the "Three Nil" equity investments in which the Company has no control, joint control or significant influence, including the following:

(1) The Company measured the investment at cost as a reasonable estimate of fair value because there were no significant changes in the business environment and operating conditions and financial position of the investee;

(2) The Company measured the investee at RMB 0 as a reasonable estimate of fair value because of the deterioration of the business environment and operating conditions and financial position of the investee;

(3) The business environment and operating conditions and financial position of the investee have improved significantly, and there are comparable listed companies with sufficient reliable access to operating and financial data of comparable companies, so the market approach and the PB of comparable companies are averaged and liquidity discount is considered to measure the fair value of the equity in the investee.

XIV. Related parties and related transactions

1. Information about the parent company of the Company

√ Applicable □ Not applicable

Unit: 0'000 Currency: RMB

Parent company name	Place of registration	Business nature	Registered capital	Parent company's shareholding ratio in the Company (%)	Parent company's voting right ratio in the Company (%)
Shanshan Group Co., Ltd.	26F, No.777, Rili Middle Road, Shounan Street, Yinzhou District, Ningbo City, Zhejiang Province	Investment	29,841.8756	34.71	36.34

Controlling shareholder of the Company: Shanshan Holdings Co., Ltd. and Shanshan Group Co., Ltd. In addition to the shares of the Company held by Shanshan Group Co., Ltd., Shanshan Holdings Co., Ltd. directly holds 72,212,189 shares of the Company, accounting for 3.20%. Ningbo Pengze Trading Co., Ltd. directly holds 205,264,756 shares of the Company, accounting for 9.11%. Ningbo Yinzhou Jielun Investment Co., Ltd. directly holds 77,873,254 shares of the Company, accounting for 3.46%. Zheng Yonggang directly holds 655,267 shares of the Company, accounting for 0.03%

2. Information about the subsidiaries of the Company

For details of the Company’s subsidiaries, see “Note X. Interests in Other Entities”.

3. Information on the Company’s joint ventures and associates

For details of the Company’s significant joint ventures or associates, see “X. Interests in Other Entities”.
 Applicable Not applicable

Name of joint venture or associate	Relationship with the Company	Explanation
Shanshan Brand Management Co., Ltd.	An associate	
Zhejiang Chouzhou Commercial Bank Co., Ltd.	An associate	
Ningbo Airport Logistics Development Co., Ltd.	An associate	Note 1
Ningbo Liweineng Energy Storage System Co., Ltd.	A joint venture	
Anhui Liweineng Power Battery Co., Ltd.	A joint venture	
Winsky Gaoke Group Co., Ltd.	An associate	
Shanghai Shanshan Chuanghui Venture Capital Management Co., Ltd.	An associate	
Anhui Shanyue Technology Co., Ltd.	An associate	
Ningbo Shanqi Property Services Co., Ltd.	An associate	
BASF Shanshan Battery Materials Co., Ltd	An associate	
BASF Shanshan Battery Materials (Ningxiang) Co., Ltd.	An associate	
BASF Shanshan Battery Materials (Ningxia) Co., Ltd.	An associate	
Inner Mongolia Mengji New Carbon Materials Co., Ltd	An associate	
Suiyong Holdings Co., Ltd.	An associate	
Jiangxi Zhanxiao New Energy Technology Co., Ltd	An associate	
Xinya Shanshan New Material Technology (Quzhou) Co., Ltd.	An associate	

Note 1: Ningbo New Airport International Logistics Co., Ltd., which provides some logistics and transportation services for the Company, is a subsidiary of the Company.

4. Information on other related parties

Applicable Not applicable

Names of other related parties	Relationship between other related parties and the Company	Explanation
Jinzhou Jixiang Molybdenum Industry Co., Ltd.	Other enterprises controlled by controlling shareholder	
Ningbo Ligang Technology Service Co., Ltd.	Other enterprises controlled by controlling shareholder	

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Ningbo Shanli Packaging Products Co., Ltd.	Other enterprises controlled by controlling shareholder	
Ningbo Shanju Industrial Co., Ltd.	Other enterprises controlled by controlling shareholder	
Ningbo Shanqi Property Services Co., Ltd.	Other enterprises controlled by controlling shareholder	
Ningbo Shanshan Technology Venture Service Co., Ltd	Other enterprises controlled by controlling shareholder	
Ningbo Shanshan Energy & Chemical Co., Ltd.	Other enterprises controlled by controlling shareholder	
Ningbo Shanshan Products Co., Ltd	Other enterprises controlled by controlling shareholder	
Ningbo Shanxin Commercial Real Estate Management Co., Ltd	Other enterprises controlled by controlling shareholder	
Ningbo Shunnuo Trading Co., Ltd.	Other enterprises controlled by controlling shareholder	
Shanshan Products Group Co., Ltd.	Other enterprises controlled by controlling shareholder	
Shanghai Juzi Business Consulting Co., Ltd.	Other enterprises controlled by controlling shareholder	
Shanghai Hongbao Business Consulting Co., Ltd.	Other enterprises controlled by controlling shareholder	
Shanghai Guju Business Consulting Co., Ltd.	Other enterprises controlled by controlling shareholder	
Shanghai Shanshan Industrial Co., Ltd.	Other enterprises controlled by controlling shareholder	
Shanghai Yinkai Business Consulting Co., Ltd.	Other enterprises controlled by controlling shareholder	
Ningbo Yuantong Trading Co., Ltd.	Other enterprises with significant influence from controlling shareholder	
Shanghai Junsheng Tongda Real Estate Co., Ltd	Actual control of enterprises with significant influence from controlling shareholder	
Ningbo Huafan Network Technology Co., Ltd.	Actual control of enterprises with significant influence from controlling shareholder	

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Jiangsu Shanyuan Technology Co., Ltd.	Participating company	
Beiben Heavy Duty Automobile Group Co., Ltd.	Non-controlling interests of subsidiaries	Note 2

Note 2: As the subsidiary Inner Mongolia Qingshan Automobile Co., Ltd. withdrew from the scope of consolidation in June 2024, the reported transaction amount related to Beiben Heavy Duty Automobile Group Co., Ltd. was from January to May 2024.

5. Related transactions

(1). Related transactions for the purchase and sale of goods, provision and receipt of services

Information of commodities purchased/labor services accepted

√ Applicable □ Not applicable

Unit: 0'000 Currency: RMB

Related party	Contents of related transaction	Amount incurred in the current period	Approved transaction limit (if applicable)	Whether exceed the transaction limit (if applicable)	Amount incurred in the previous period
Jiangsu Shanyuan Technology Co., Ltd.	Purchase of goods	6.95			3.61
Inner Mongolia Mengji New Carbon Materials Co., Ltd	Purchase of goods	1,505.90			6,980.42
Ningbo Yuantong Trading Co., Ltd.	Purchase of goods	718.72			
Shanshan Brand Management Co., Ltd.	Purchase of goods	65.28			212.04
Xinya Shanshan New Material Technology (Quzhou) Co., Ltd.	Purchase of goods	2.48			257.98
Ningbo New Airport International Logistics Co., Ltd.	Transportation expenses	1,023.48			188.76
Ningbo Ligang Technology Service Co., Ltd.	Utilities, property fee				14.37
Ningbo Shanshan Technology Venture Service Co., Ltd	Property fee				87.02
Jiangxi Zhanxiao New Energy Technology Co., Ltd	Purchase of goods				0.37

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Jiangxi Zhanxiao New Energy Technology Co., Ltd	Commissioned processing				37.17
Total		3,322.81			7,781.74

Information of commodities sold/labor services provided

√ Applicable □ Not applicable

Unit: 0'000 Currency: RMB

Related party	Contents of related transaction	Amount incurred in the current period	Amount incurred in the previous period
Anhui Liweineng Power Battery Co., Ltd.	Sales of goods	99.58	200.79
Ningbo Liweineng Energy Storage System Co., Ltd.	Sales of goods	188.58	
Jiangxi Zhanxiao New Energy Technology Co., Ltd	Sales of goods	19.71	5.46
BASF Shanshan Battery Materials Co., Ltd	Financial services	22.07	
Ningbo Liweineng Energy Storage System Co., Ltd.	Utilities	0.03	6.31
Shanshan Brand Management Co., Ltd.	Utilities, property fees	72.17	75.13
Ningbo Shanli Packaging Products Co., Ltd.	Utilities	0.09	
Ningbo Shanjing Clothing Co., Ltd.	Utilities	27.52	23.19
Winsky Gaoke Group Co., Ltd.	Software service fee		4.25
Anhui Shanyue Technology Co., Ltd.	Software service fee		0.57
Suiyong Holdings Co., Ltd.	Software service fee		28.30
Ningbo Ligang Technology Service Co., Ltd.	Photovoltaic power sales		10.87
BASF Shanshan Battery Materials Co., Ltd	Sales of goods		0.19
Xinya Shanshan New Material Technology (Quzhou) Co., Ltd.	Sales of goods		227.52
Shanshan Brand Management Co., Ltd.	Decoration		37.98
Jiangxi Zhanxiao New Energy Technology Co., Ltd	Utilities, property fees		0.79
Jiangsu Shanyuan Technology Co., Ltd.	Utilities, property fees		0.34
Shanghai Shanshan Chuanghui Venture Capital Management Co., Ltd.	Utilities, property fees		0.28
Total		429.75	621.97

(2). Related leases

The Company as the lessor:

√ Applicable □ Not applicable

Unit: 0'000 Currency: RMB

Name of lessee	Types of leased assets	Rental income recognized in the current period	Rental income recognized in the previous period
Shanshan Brand Management Co., Ltd.	House buildings	188.02	148.58
Ningbo Shanxin Commercial Real Estate Management Co., Ltd	House buildings	10.31	
Ningbo Shanshan Products Co., Ltd	House buildings	30.91	43.66
Shanshan Products Group Co., Ltd.	House buildings	28.07	56.14
Ningbo Shanshan Energy & Chemical Co., Ltd.	House buildings	85.69	88.21
Ningbo Shanju Industrial Co., Ltd.	House buildings	12.53	10.96
Shanghai Shanshan Industrial Co., Ltd.	House buildings	69.35	
Ningbo Shanjing Clothing Co., Ltd.	House buildings		1.26
Ningbo Liweineng Energy Storage System Co., Ltd.	House buildings		63.00
Shanghai Mingxu Import and Export Co., Ltd.	House buildings		5.34
Jiangxi Zhanxiao New Energy Technology Co., Ltd	House buildings		3.54
Total		424.88	420.69

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The Company as the lessee:
 Applicable Not applicable

Unit: 0'000 Currency: RMB

Name of lessor	Types of leased assets	Rental costs for short-term leases and leases of low-value assets that are streamlined (if applicable)		Variable lease payments that are not included in the measurement of the lease liability (if applicable)		Rent paid		Interest expense on lease liabilities assumed		Increased right-to-use assets	
		Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period
Ningbo Ligang Technology Service Co., Ltd.	House buildings						174.95		5.79		323.62
Ningbo Shunnuo Trading Co., Ltd.	House buildings						14.40		0.48		50.10
Ningbo Shanqi Property Services Co., Ltd.	House buildings	0.58	1.22								
Shanshan Holdings Co., Ltd.	House buildings						348.42				

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Shanshan Group Co., Ltd.	House buildings					75.77	79.56	4.18	7.49		301.00
Shanghai Guju Business Consulting Co., Ltd.	House buildings						111.84		13.09		
Shanghai Hongbao Business Consulting Co., Ltd.	House buildings						111.84		13.09		
Shanghai Yinkai Business Consulting Co., Ltd.	House buildings						75.93		8.88		
Shanghai Junsheng Tongda Real Estate Co., Ltd	House buildings					452.12		53.69			

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(3). Related guarantees

The Company as the guarantor

√ Applicable □ Not applicable

Unit: 0'000 Currency: RMB

Guaranteed party	Guarantee amount	Guarantee start date	Guarantee expiration date	Amount used as of the end of the period	Whether the guarantee has been fulfilled
Ningbo Ulica SOLAR Co., Ltd.	15,000.00	2021-11-01	2024-11-01	7,300.00	No
Ningbo Ulica SOLAR Co., Ltd.	20,000.00	2023-09-19	2024-09-18	8,654.04	No
Total	35,000.00			15,954.04	

The Company as the guaranteed party

√ Applicable □ Not applicable

Unit: 0'000 Currency: RMB

Guarantor	Guarantee amount	Guarantee start date	Guarantee expiration date	Guaranteed borrowings balance (with margin deducted, excluding accrued interest at the end of the period)	Amount used as of the end of the period	Whether the guarantee has been fulfilled
Shanshan Group Co., Ltd.	20,000.00	2021-09-03	2024-09-03	20,000.00	20,000.00	No

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Shanshan Group Co., Ltd.	10,000.00	2022-03-24	2028-03-11	10,000.00	10,000.00	No
Shanshan Group Co., Ltd.	40,000.00	2022-12-14	2025-12-14	35,000.00	35,000.00	No
Shanshan Holdings Co., Ltd.	30,000.00	2024-01-02	2027-01-01	30,000.00	30,000.00	No
Shanshan Holdings Co., Ltd.	20,000.00	2022-03-31	2025-03-31	20,000.00	20,000.00	No
Shanshan Holdings Co., Ltd.	300,000.00	2021-01-19	2026-01-19	120,000.00	120,000.00	No
Total	420,000.00			235,000.00	235,000.00	

(4). Inter-bank lending of related parties

√ Applicable Not applicable

Unit: 0'000 Currency: RMB

Inter-bank offered	Opening amount	Accumulated amount of inter-bank lending	Accumulated repaid amount	Ending balance
Shanshan Holdings Co., Ltd.	8,000.00	15,000.00	23,000.00	-

Note: During the Reporting Period, the principal and interest of related-party borrowings have been recovered.

(5). Remuneration to key management personnel

√ Applicable Not applicable

Unit: 0'000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period

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Remuneration to key management personnel	1,141.55	1,111.58
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(6). Other related transactions

√ Applicable Not applicable

1. In 2024, the Company and its subsidiaries did not incur any bank borrowings with Zhejiang Chouzhou Commercial Bank Co., Ltd. As of 30 June 2024, the Company and its subsidiaries had a deposit balance of RMB918,000 with Zhejiang Chouzhou Commercial Bank Co., Ltd., with interest income of RMB287,700 in the first half of 2024.

2. In 2023, as the Company plans to purchase the office building in Junkang Financial Plaza as its headquarters, the Company engaged in financial transactions with related parties controlled by Shanshan Holdings, with a total amount of RMB520 million and a balance of RMB70 million at the end of the period. In January 2024, the Company prepaid another RMB600 million for the office purchase. However, the Board ultimately decided that the transaction was still subject to other decision-making procedures for related-party transactions, and therefore the transaction was terminated. The Company has recovered all principal and interest at the bank loan interest rate for the same period prior to the disclosure of the 2023 annual report.

6. Unsettled items receivable from/payable to related parties

(1). Receivable items

√ Applicable Not applicable

Unit: 0'000 Currency: RMB

Item name	Related party	Ending balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Accounts receivable	Anhui Liweineng Power Battery Co., Ltd.	112.53	5.62	127.88	6.39
	Jiangxi Zhanxiao New Energy Technology Co., Ltd	77.82	3.89	77.82	3.89
	Ningbo Liweineng Energy Storage System Co., Ltd.	512.77	102.43	406.93	81.29
	Shanshan Brand Management Co., Ltd.	116.56	5.82	15.43	0.77
	Ningbo Shanju Industrial Co., Ltd.	6.58			

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	Ningbo Shanshan Products Co., Ltd	8.47			
	Ningbo Shanshan Energy & Chemical Co., Ltd.	44.99			
Prepayments	Ningbo Yuantong Trading Co., Ltd.	288.45		910.92	
Other receivables	Beiben Heavy Duty Automobile Group Co., Ltd.			5,598.04	3,918.63
	Ningbo Liweineng Energy Storage System Co., Ltd.	81.38	40.69	119.99	60.00
	Shanghai Shanshan Chuanghui Venture Capital Management Co., Ltd.	613.50	30.68	613.50	30.68
	Suiyong Holdings Co., Ltd.	450.00		450.00	
	Shanshan Holdings Co., Ltd.			10,163.79	
	Ningbo Huafan Network Technology Co., Ltd.			968.25	
Other non-current assets	Ningbo Huafan Network Technology Co., Ltd.			7,000.00	

(2). Payable items

√ Applicable □ Not applicable

Unit: 0'000 Currency: RMB

Item name	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Accounts payable	Jiangsu Shanyuan Technology Co., Ltd.	2.40	0.70
	Inner Mongolia Mengji New Carbon Materials Co., Ltd	976.14	2,586.71
	Ningbo Liweineng Energy Storage System Co., Ltd.	74.80	74.80
	Ningbo New Airport International Logistics Co., Ltd.	277.35	0.75
	Shanshan Brand Management Co., Ltd.	41.98	183.96

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	Ningbo Shanli Packaging Products Co., Ltd.		262.11	
Other payables	Anhui Shanyue Technology Co., Ltd.	1.82	1.82	
	Ningbo New Airport International Logistics Co., Ltd.	100.80	100.80	
	Ningbo Liweineng Energy Storage System Co., Ltd.		8.27	
	Shanshan Brand Management Co., Ltd.	60.71	60.71	
	Ningbo Shanju Industrial Co., Ltd.			
	Ningbo Shanqi Property Services Co., Ltd.	707.51	707.51	
	Ningbo Shanxin Commercial Real Estate Management Co., Ltd	16.49	16.49	
	Shanghai Shanshan Industrial Co., Ltd.	14.63	14.63	
	Ningbo Shanshan Products Co., Ltd	8.82	8.82	
	Shanshan Products Group Co., Ltd.	4.00	4.00	
	Ningbo Shanshan Energy & Chemical Co., Ltd.	15.44	15.44	
	Shanghai Shanshan Chuanghui Venture Capital Management Co., Ltd.	9.41		
	Advances from customers	Ningbo Shanshan Energy & Chemical Co., Ltd.		44.99
		Ningbo Shanxin Commercial Real Estate Management Co., Ltd		10.83

XV. Share-based payment

1. Equity instruments

√ Applicable □ Not applicable

Unit: Share Unit: Yuan Currency: RMB

Category of granting object	Expired in the current period	
	Quantity	Amount
Stock Options of 2022	11,149,740.00	27,098,010.42
Restricted Stock of 2022	4,962,293.00	21,747,684.28
Total	16,112,033.00	48,845,694.70

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Share options or other equity instruments issued to the public at the end of the period

√ Applicable □ Not applicable

Category of granting object	Share options issued to the public at the end of the period		Other equity instruments issued to the public at the end of the period	
	The range of exercise price	Contract remaining period	The range of exercise price	Contract remaining period
Stock Options of 2022	27.55	21 months		
Restricted Stock of 2022			14.09	23 months

2. Equity-settled share-based payments

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Participants of equity-settled share-based payment	2022 Stock Options
Method for recognizing the fair value of equity instruments on the grant date	Use the option BS model to value the equity of the company on the grant date and recognize its fair value.
Important parameters of fair value of equity instruments on grant date	Market price of shares
Basis for recognizing the amount of exercisable equity instruments	During the waiting period, on each balance sheet date, the best estimate is made based on the latest changes in the number of vested employees, the performance conditions for vesting/unlocking sales, and whether performance appraisals have been completed and other follow-up information, and the estimated quantity of eligible equity instruments is corrected
Reasons for significant differences between the current estimate and the previous estimate	No
Participants of equity-settled share-based payment	2022 Restricted Shares
Method for recognizing the fair value of equity instruments on the grant date	The fair value of the Company's shares on the grant date (calculated based on the closing price of the Company's listed A-shares on that day)
Important parameters of fair value of equity instruments on grant date	Expected time before maturity, historical volatility, dividend yield, risk-free return, exercise price, market price of shares
Basis for recognizing the amount of exercisable equity instruments	During the waiting period, on each balance sheet date, the best estimate is made based on the latest changes in the number of vested employees, the performance conditions for vesting/unlocking sales, and whether performance appraisals have been completed and other follow-up information, and the estimated quantity of eligible equity instruments is corrected
Reasons for significant differences between the current estimate and the previous estimate	No

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Accumulated amount of equity-settled share-based payments recognized in capital reserves	46,351,517.26
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3. Cash-settled share-based payment

Applicable Not applicable

4. Share-based payment expenses in the current period

Applicable Not applicable

Unit: Yuan Currency: RMB

Category of granting object	Equity-settled share-based payments	Cash-settled share-based payment
Stock Options of 2022	-16,985,774.93	
Restricted Stock of 2022	-13,632,964.28	
Total	-30,618,739.21	

5. Modification or termination of share-based payments

Applicable Not applicable

XVI. Commitments and contingencies

(All units are in RMB if not otherwise stated in this section)

1. Important commitments

Applicable Not applicable

Significant external commitments existing at the balance sheet date, nature and amount

(1). Mortgaged and pledged assets

Item	Original value of collateral	Net value of collateral	
Intangible assets - borrowings mortgage	639,998,287.02	593,046,289.02	Note 1
Fixed assets - borrowings mortgage	948,717,851.81	830,499,085.12	Note 1
Construction in process- borrowings mortgage	2,468,357,750.18	2,468,357,750.18	Note 1
Fixed assets- lease	1,841,518,832.73	1,565,750,045.88	Note 2
Total	5,898,592,721.74	5,457,653,170.20	

Note 1: The specific situation of bank credit by using assets to mortgage is as follows:

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Item	Net value of collateral	Beneficiary banks	Credit terms	Credit limit	Short-term borrowing balance	Balance of long-term borrowings balance due within one year	Balance of long-term borrowing balance	Total use amount of credit
House, land	259,000,721.13	Ningde Branch of Xiamen Bank Co., Ltd.	Mortgage and guarantee	250,000,000.00		15,413,323.04	200,330,858.45	215,744,181.49
Land	127,026,203.04	Bank group including Industrial Bank	Mortgage and guarantee	3,800,000,000.00			1,378,825,105.14	1,378,825,105.14
House, machinery equipment	1,761,655,609.10	Industrial Bank	Mortgage and guarantee	277,268,900.00	200,188,888.89		1,966,500,666.63	2,166,689,555.52
House	334,789,022.99	China Merchants Bank	Mortgage and guarantee	950,000,000.00			553,387,467.44	553,387,467.44
Land	116,142,269.00	Bank group including Industrial Bank	Mortgage and guarantee	2,550,000,000.00			437,358,435.45	437,358,435.45
House, land	406,335,520.27	Shanghai Rural Commercial Bank Lingang New Area Sub-branch	Mortgage and guarantee	360,000,000.00		226,163.45	302,493,286.20	302,719,449.65
Land	53,012,388.51	Gaoshengqiao Sub-branch of Bank of Chengdu Co., Ltd.	Mortgage and guarantee	1,300,000,000.00		2,048,319.44	47,000,000.00	49,048,319.44
Land	46,713,393.01	Suzhou Branch of Bank of Jiangsu Co., Ltd.	Mortgage and guarantee	950,000,000.00		233,333.33	200,000,000.00	200,233,333.33
House, land	787,227,997.27	Ningbo Branch of the Export- Import Bank of China	Mortgage	400,000,000.00		90,000,000.00	57,000,000.00	147,000,000.00
Total	3,891,903,124.32			10,837,268,900.00	200,188,888.89	107,921,139.26	5,142,895,819.31	5,451,005,847.46

Note 2: Inner Mongolia Shanshan New Material Co., Ltd., Inner Mongolia Shanshan Technology Co., Ltd. and Sichuan Shanshan New Material Co., Ltd. rented the equipment in the form of financial lease. By the end of the period, the situation is as follows:

Company	Net value of fixed assets	Balance of long-term accounts payable due within one year	Balance of long-term account payable	Balance of lease liabilities
Inner Mongolia Shanshan New Material Co., Ltd.	123,910,245.24	54,026,668.34		
Inner Mongolia Shanshan New Material Co., Ltd.	72,444,281.68	0.00		
Inner Mongolia Shanshan Technology Co., Ltd.	125,946,750.12	29,637,676.81		
Inner Mongolia Shanshan Technology Co., Ltd.	69,070,234.75	17,828,489.30		
Inner Mongolia Shanshan Technology Co., Ltd.	70,149,107.25	33,897,345.10	10,910,052.68	
Sichuan Shanshan New Material Co., Ltd.	281,395,264.13	0.00		89,851,561.18

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Sichuan Shanshan New Material Co., Ltd.	822,834,162.71	232,889,541.28	402,871,468.44	
Total	1,565,750,045.88	368,279,720.83	413,781,521.12	89,851,561.18

(2). Assets pledge

Pledged assets	Carrying amount	Contents of guaranteed debts
Other cash balances - deposit for bank acceptance bill	567,992,750.16	Bank acceptance bill issued
Other cash balances - letter of credit deposit	503,835,601.48	Letter of credit issued
Other cash balances — guarantee deposit	155,481,600.67	Guarantee issued
Other cash balances — other deposits	292,601,434.27	Borrowings
Accounts receivable	149,848,290.86	Borrowings
Suzhou Shanjin equity	Note 1	Borrowings

Note 1: In the year, Ningbo Shanshan Co., Ltd. pledged 95% equity held by it in ShanJin Optoelectronics (Suzhou) Co., Ltd. to obtain borrowings. As of the end of the period, the situation is as follows:

Restricted items	Creditor	Long-term borrowings	Non-current liabilities due within one year
Suzhou Shanjin equity	China Merchants Bank, China Construction Bank, Shanghai Rural Commercial Bank	1,411,000,000.00	846,000,000.00

(3). Outstanding letters of credit

Currency	Amount in original currency
RMB	27,700,367.87
Japanese yen	21,078,772,702.00

(4). Outstanding letters of guarantee

Category	Currency	Amount in original currency
Performance guarantee	RMB	10,000,000.00
Quality guarantee	RMB	3,040,000.00
Aggregate taxation guarantee	RMB	151,000,000.00
Business merger guarantee	RMB	281,369,780.00

(5). Agreed expenditure

The main expenditure items agreed in the contract signed by the Company but not paid yet are as follows:

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Item	Content	Amount
Shanjin Mianyang project	Construction in process	556,723,484.47
Shanjin Zhangjiagang project	Construction in process	132,043,046.54
Yunnan Anning integrated base project for annual production of 300,000 tons of Lithium Ion Battery negative electrode materials	Construction in process	688,973,711.39
Sichuan Phase I integrated base project for annual production of 200,000 tons of Lithium Ion Battery negative electrode materials	Construction in process	567,384,602.02
Sub-total		1,945,124,844.42

2. Contingencies

(1). Significant contingencies existing as at the balance sheet date

√ Applicable □ Not applicable

(All units are in RMB if not otherwise stated)

1. Guarantee

Guaranteed entity	Total guarantee	Balance of guaranteed borrowings (after deducting deposit)	Balance of guarantee for issuing bank acceptance bill (after deducting deposit)	Letter of credit (after deducting deposit) and others	Financial leasing	Actual amount used at the end of the Period
Subsidiaries within the consolidation scope guaranteed by the parent company	21,500,703,571.53	10,316,533,697.80	401,248,479.02	463,442,419.75	860,726,111.91	12,041,950,708.48
Subsidiaries within the	1,129,600,000.00	188,782,736.36				188,782,736.36

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Guaranteed entity	Total guarantee	Balance of guaranteed borrowings (after deducting deposit)	Balance of guarantee for issuing bank acceptance bill (after deducting deposit)	Letter of credit (after deducting deposit) and others	Financial leasing	Actual amount used at the end of the Period
consolidation scope guaranteed mutually						
Parent company guaranteed by subsidiaries within the consolidation scope	675,000,000.00	298,000,000.00				298,000,000.00
Parent company guaranteed by controlling shareholder	4,200,000,000.00	2,350,000,000.00				2,350,000,000.00
Non-consolidated related party guaranteed by parent company	350,000,000.00	123,000,000.00	36,540,391.47			159,540,391.47

2. Pending litigation

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Litigation with the Company as the plaintiff

Plaintiff	Defendant	Prosecution time	Litigation request	Book amount receivable at the end of the Period	Proportion of accrued bad debt reserves (%)	Estimated liability	Case progress
Ningbo Shanshan New Energy Technology Development Co., Ltd.	FYKJ Co., Ltd., and CSKJ Group Co., Ltd.	April 2024	(1) Pay the second and third installments of equity transfer payment of RMB44,100,000; (2) pay liquidated damages of RMB1,525,500; (3) order the second defendant to bear joint and several liability for the payment obligations of the first defendant; (4) pay attorney fees of RMB350,000; and (5) order the defendant to bear the litigation costs of this case and preservation fees.	44,100,000	10%	/	This case is in the pre-litigation mediation stage, and property preservation has been applied for.

Litigation with the Company as the defendant

Plaintiff	Defendant	Prosecution time	Litigation request	Estimated liability	Case progress
XYZC (Zhejiang) Co., Ltd., and	Ningbo Yongquan Investment Co., Ltd., and Ningbo Shanshan New	28 June 2024	(1) Return the overpaid litigation costs of RMB540,708.19, and pay interest on occupied capital of RMB20,426.75; (2) pay the equity transfer payment of RMB108,058,000 and interest on occupied capital of RMB21,703,280.44, which was due to the increase in the	/	The case has been filed, but

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Plaintiff	Defendant	Prosecution time	Litigation request	Estimated liability	Case progress
XYZN New Energy Co., Ltd.	Energy Technology Development Co., Ltd., and Ningbo Shanshan Co., Ltd.		equity valuation price caused by the failure to truthfully disclose the annual production capacity of lithium hexafluorophosphate; (3) pay liquidated damages of RMB35,190,000; (4) pay attorney fees of RMB480,000; (5) request the court to order the defendants Ningbo Shanshan New Energy Technology Development Co., Ltd., and Ningbo Shanshan Co., Ltd. to bear joint and several liability for the above debts; and (6) the litigation costs shall be borne by the defendants.		the trial has not yet begun.

3. Major litigation cases that have been closed or settled but not fully executed

Plaintiff	Defendant	Amount of litigation	Carrying amount at the end of the Period	Proportion of accrued provision for asset impairment (%)	Case progress
Shanghai Shanshan Technology Co., Ltd.	Customer ZX	10,938,575.00	4,627,840.70	100	Settlement has been reached but not repaid according to schedule
Sichuan Shanshan New Material Technology Co., Ltd.	Supplier (Jiangsu ST)	82,588,07.43	2,870,763.28	The total amount of upfront prepayments was RMB10,734,313.30, and the bad debts of RMB7,863,550.02 was accrued. The current book balance is RMB2,870,763.28.	Mediation has been reached and is pending execution.

4. Miscellaneous

In April 2023, the Company has completed the sale of 90.035% equity interest in Ningbo Shanxin Photovoltaic Energy Management Co., Ltd., a subsidiary of the photovoltaic power station business. Upon the closing, a number of incidents occurred that required the dismantling and construction of mobile photovoltaic equipment due to the reasons of the site owner, as well as the situation where the transferee claimed that the delivered power station had quality problems and needed renovation. However, the relevant matters involved both parties, the property owners, and some industrial park owners. The division of responsibilities, determination of losses, and negotiation of responsibilities among all parties were very complex. Currently, The Company's current estimate of possible losses is RMB11.4 million, and estimated liabilities have been accrued.

XVII. Matters after the balance sheet date

1. Significant non-adjusting matters

Applicable Not applicable

2. Profit distribution

Applicable Not applicable

3. Sales returns

Applicable Not applicable

4. Description of other matters after the balance sheet date

Applicable Not applicable

(1) Dispute on transfer of equity interests

Ningbo Yongquan, a subsidiary of the Company, has filed a lawsuit with Ningbo Intermediate People's Court of Zhejiang Province to demand the counterparties, Xin Yafang and Xu Yi, to pay the remaining equity transfer payment of RMB245,412,000, provisional liquidated damages of RMB89,442,270, and bear the litigation fee and preservation fee, and at the same time, it also filed an application with Ningbo Intermediate People's Court for the preservation of property. The Ningbo Intermediate People's Court filed a case on July 26, 2024 and the trial has not yet commenced; filed an application for arbitration with the Shanghai Arbitration Commission requesting the counterparties, Quzhou Baoxin and Wang Weihua, to pay the equity transfer payment of RMB267.7 million, the liquidated damages of RMB70.0 million, indemnification of lawyer's fee of RMB500,000, and bear the arbitration fee and property preservation fees, and at the same time filed an application with the People's Court of Ke Cheng District, Quzhou City, Zhejiang Province for the preservation of properties. The Shanghai Arbitration Commission filed a case on July 11, 2024, and the case has not yet to be heard in court. Subsequently, Quzhou Baoxin and Wang Weihua applied to the Shanghai Arbitration Commission for an agreement to set aside the arbitration dispute, and the case has been filed but has not yet to be heard in court.

(2) Cases of investors' claims for compensation

As of the approval date of this report, a total of 10 natural persons have filed lawsuits with the Ningbo Intermediate People's Court of Zhejiang Province on the grounds of disputes relating to liability for false statements in respect of securities, requesting the Company to compensate them for their economic losses in the total amount of RMB1,286,332.96 and to bear the litigation fee of the cases. Among them, 3 cases (3 natural persons) are now at the stage of pre-litigation mediation, and the Company arrived at Ningbo Intermediate People's Court on August 8, 2024 to participate in the pre-trial meeting. In addition, one case (7 natural persons) has been filed and on August 26, 2024, the court hearing was held.

XVIII. Other important matters**1. Correction of prior accounting errors**

- (1). Retrospective restatement
 Applicable Not applicable

(2). Future application

- Applicable Not applicable

2. Major debt restructuring

- Applicable Not applicable

3. Asset swaps**(1). Non-monetary asset exchange**

- Applicable Not applicable

(2). Other asset swaps

- Applicable Not applicable

4. Annuity plan

- Applicable Not applicable

5. Discontinuation of operations

- Applicable Not applicable

6. Segment information**(1). Basis of determination of report segments and accounting policies**

- Applicable Not applicable

Each of the Company's report segments provides different products or services, or operates in different geographic areas. Because each segment requires a different technology or market strategy, the Company's Management Layer manages the operating activities of each report segment separately and periodically evaluates the operating results of these report segments to determine the allocation of resources to them and to evaluate their performance.

Inter-segment transfer prices are determined on the basis of actual transaction prices, and costs indirectly attributable to each segment are allocated among the segments on an inter-segment basis. Assets are allocated based on the operations of the segment and the location of the assets. Segment liabilities include liabilities attributable to the segment resulting from the segment's operating activities. If the costs associated with liabilities shared by multiple operating segments are allocated to those operating segments, the shared liability is also allocated to those operating segments.

(2). Financial information for report segments

- Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Polarizer segment	Lithium battery material	New energy vehicle	Investment	Others	Inter-segment offset	Total
I. External transaction income	5,336,352,272.11	3,453,214,138.20	1,211,910.89		38,458,111.54		8,829,236,432.74

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II. Inter-segment transactions income						-9,380,396.83	-9,380,396.83
III. External transaction cost	4,629,389,917.62	2,899,186,550.71	1,149,556.50		8,528,298.50		7,538,254,323.33
IV. Inter-segment transaction cost							
V. Total assets	16,499,618,131.55	27,574,501,577.62	50,341,507.37	1,752,702,626.94	30,076,192,252.14	-25,641,003,862.92	50,312,352,232.70
VI. Total liabilities	5,292,787,597.01	16,651,740,341.76	113,418,895.70	169,226,282.56	8,023,756,455.32	-2,920,500,111.74	27,330,429,460.61

7. Other important transactions and events that may affect investors' decisions

Applicable Not applicable

XIX. Notes to major items of financial statements of the parent company

1. Accounts receivable

(1). Disclosure by aging

Applicable Not applicable

Unit: Yuan Currency: RMB

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year		
Of which: sub-item within 1 year		
Within 1 year	7,909,456.19	3,959,016.93
Subtotal within 1 year	7,909,456.19	3,959,016.93
1-2 years	1,433,020.10	1,983,578.15
2-3 years	750,249.97	
3-4 years		71,285.23
4-5 years		
Over 5 years	92,379.00	578,643.93
Subtotal	10,185,105.26	6,592,524.24
Less: Bad debt provision	706,178.82	1,008,725.33
Total	9,478,926.44	5,583,798.91

(2). Disclosed by bad debt provision method

Applicable Not applicable

Unit: Yuan Currency: RMB

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Category	Ending balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Withdrawal ratio (%)		Amount	Proportion (%)	Amount	Withdrawal ratio (%)	
Provision for bad debts made on an individual basis										
Of which:										
Accounts receivable whose amounts are not considered individually significant but whose bad debt provision shall be withdrawn individually										
Provision for bad debts made on a portfolio basis	10,185,105.26	100.00	706,178.82	6.93	9,478,926.44	6,592,524.24	100.00	1,008,725.33	15.30	5,583,798.91
Of which:										
Combination of related parties	1,657,170.71	16.27	130,371.04	7.87	1,526,799.67	2,214,720.89	33.59	640,408.70	28.92	1,574,312.19
Account age portfolio	8,527,934.55	83.73	575,807.78	6.75	7,952,126.77	4,377,803.35	66.41	368,316.63	8.41	4,009,486.72
Total	10,185,105.26	100.00	706,178.82		9,478,926.44	6,592,524.24	100.00	1,008,725.33		5,583,798.91

Provision for bad debts made on an individual basis:

Applicable Not applicable

Provision for bad debts made on a portfolio basis:

Applicable Not applicable

Combined provision items: Account age portfolio

Unit: Yuan Currency: RMB

Name	Ending balance		
	Accounts receivable	Bad debt provision	Withdrawal ratio (%)
Within 1 year	7,202,535.45	360,126.77	5.00
1-2 years	1,233,020.10	123,302.01	10.00
2-3 years			
3-4 years			
4-5 years			
Over 5 years	92,379.00	92,379.00	100.00

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Total	8,527,934.55	575,807.78	
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(3). Bad debt provision

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Changes in amount for the current period				Ending balance
		Accrual	Recovery or reversal	Transfer or write-off	Other changes	
Bad debt provision	1,008,725.33		302,546.51			706,178.82
Total	1,008,725.33		302,546.51			706,178.82

(4). Accounts receivable and contract assets ranking the top five in the ending balance summarized by the debtors

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Name of entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Percentage of the total ending balance of accounts receivable and contract assets (%)	Ending balance of bad debt provision
Ningbo Ulica SOLAR Co., Ltd.	2,180,448.07			21.41	109,022.40
Ningbo Liweineng Energy Storage System Co., Ltd.	1,966,013.63			19.30	159,951.69
Shanshan Brand Management Co., Ltd.	1,165,579.96			11.44	58,279.00
Shanghai Shanshan New Energy Technology Co., Ltd.	950,249.97			9.33	95,025.00
Ningbo He and She Clothing Co., Ltd	823,934.79			8.09	41,196.74
Total	7,086,226.42			69.57	463,474.83

2. Other receivables**Presentation of items**

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Interest receivable		
Dividend receivable	4,500,000.00	4,500,000.00
Other receivables	1,951,750,602.28	3,006,622,040.54
Total	1,956,250,602.28	3,011,122,040.54

Dividend receivable

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item (or investee)	Ending balance	Opening balance
Suiyong Holdings Co., Ltd.	4,500,000.00	4,500,000.00
Total	4,500,000.00	4,500,000.00

Other receivables**(1). Disclosure by aging**

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year		
Of which: sub-item within 1 year		
Within 1 year	1,922,618,278.55	1,989,789,280.57
Subtotal within 1 year	1,922,618,278.55	1,989,789,280.57
1-2 years	66,415,790.65	947,209,773.58
2-3 years	397,835.45	160,887.34
3-4 years	17,701.64	42,000,000.00
4-5 years	42,000,000.00	7,100,000.00
Over 5 years	17,899,277.85	287,809,666.14
Total	2,049,348,884.14	3,274,069,607.63

(2). Disclosure by type

Unit: Yuan Currency: RMB

Category	Ending balance					Balance at the beginning of the year				
	Carrying amount	Percent age in total (%)	Amount of bad debt provision	Percent age of bad debt provision (%)	Book value	Carrying amount	Percent age in total (%)	Amount of bad debt provision	Percent age of bad debt provision (%)	Book value

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Provision for bad debts made on an individual basis	60,712,716.03	2.96	39,305,794.79	64.74	21,406,921.24	78,702,326.10	2.40	39,498,846.40	50.19	39,203,479.70
Of which:										
Accounts receivable whose amounts are not considered individually significant but whose bad debt provision shall be withdrawn individually	60,712,716.03	2.96	39,305,794.79	64.74	21,406,921.24	78,702,326.10	2.40	39,498,846.40	50.19	39,203,479.70
Provision for bad debts made on a portfolio basis	1,988,636,168.11	97.04	58,292,487.07	2.93	1,930,343,681.04	3,195,367,281.53	97.60	227,948,720.69	7.13	2,967,418,560.84
Total	2,049,348,884.14	100.00	97,598,281.86		1,951,750,602.28	3,274,069,607.63	100.00	267,447,567.09		3,006,622,040.54

Provision for bad debts made on an individual basis:

Unit: Yuan Currency: RMB

Name	Ending balance				Balance at the end of the previous year	
	Book balance	Bad debt provision	Withdrawal ratio (%)	Provision reason	Book balance	Bad debt provision
Beijing Shanshan Kaili New Energy	7,100,000.00	7,100,000.00	100.00	The possibility of recovery is expected to be small	7,100,000.00	7,100,000.00

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Technology Co., Ltd.						
Ningbo Liweineng Energy Storage System Co., Ltd.	813,842.48	406,921.24	50.00	Current funds, formed before withdrawal the consolidation, not returned on schedule	1,199,945.70	599,972.85
Ningbo Liankangcai Brand Management Co., Ltd.	42,000,000.00	21,000,000.00	50.00	Received equity transfer funds last payment, overdue, with significant risk of recovery	42,000,000.00	21,000,000.00
Ningbo Shanshan Suyu Clothing Co., Ltd.	10,162,742.46	10,162,742.46	100.00	The possibility of recovery is expected to be small	10,162,742.46	10,162,742.46
Current funds				The possibility of recovery is expected to be small	17,603,506.85	
Other sporadic customers	636,131.09	636,131.09	100.00	The possibility of recovery is expected to be small	636,131.09	636,131.09
Total	60,712,716.03	39,305,794.79		Total	78,702,326.10	39,498,846.40

Provision for bad debts made on a portfolio basis:

Unit: Yuan Currency: RMB

Name	Ending balance		
	Other receivables	Bad debt provision	Withdrawal ratio (%)
Combination of related parties	1,920,247,238.19	53,740,478.35	2.80

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Portfolio of security deposit and deposit	515,336.09	25,766.80	5.00
Collection and payment of personal social security in advances	187,258.62		0.00
Portfolio of other advances exclude social insurance	3,051,832.02	152,591.60	5.00
Equity transfer receivables	64,634,503.19	4,373,650.32	6.77
Total	1,988,636,168.11	58,292,487.07	

(3). Breakdown by nature of payments

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Nature of funds	Book balance at the end of the period	Book balance at the beginning of the period
Consolidated current accounts of related parties	1,920,247,238.19	3,171,477,369.13
Current funds	7,913,842.48	25,903,452.55
Equity transfer receivables	116,797,245.65	75,001,245.65
Security deposit, deposit	515,336.09	160,887.34
Advances	3,875,221.73	1,526,652.96
Total	2,049,348,884.14	3,274,069,607.63

(4). Provision for bad debts

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (no credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance as of 1 January 2024	59,402,212.56	190,146,480.98	17,898,873.55	267,447,567.09
Balance as of 1 January 2024 in the current period	59,402,212.56	190,146,480.98	17,898,873.55	267,447,567.09
- Transferred to Phase II				
- Transferred to Phase III				
- Transferred back to				

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Phase II				
- Transferred back to Phase I				
Current provision	4,594,349.35	1,141,925.16		5,736,274.51
Current reversal	-175,392,508.13	-193,051.61		-175,585,559.74
Current reselling				
Current write-off				
Other changes				
Balance as of 30 June 2024	-111,395,946.22	191,095,354.53	17,898,873.55	97,598,281.86

(5). Bad debt provision

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Amount of change in the current period		Ending balance
		Accrual	Recovery or reversal	
Bad debt provision	267,447,567.09	5,736,274.51	175,585,559.74	97,598,281.86
Total	267,447,567.09	5,736,274.51	175,585,559.74	97,598,281.86

(6). Other receivable ranking the top five in the ending balance summarized by the debtors

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Name of entity	Ending balance	Proportion in total of ending balance of other receivable (%)	Nature of amount	Aging	Ending balance of bad debt provision
Ningbo Shanshan New Energy Technology Development Co., Ltd.	671,887,592.74	34.42	Consolidated current accounts of related parties	Within 1 year	
Sichuan Shanshan New Material Co., Ltd.	440,000,000.00	22.54	Consolidated current accounts of related parties	Within 1 year	

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Shanghai Shanshan New Material Co., Ltd.	296,000,000.00	15.17	Consolidated current accounts of related parties	Within 1 year	
Ningbo Yongquan Investment Co., Ltd.	202,652,000.00	10.38	Consolidated current accounts of related parties	Within 1 year	
Inner Mongolia Shanshan Technology Co., Ltd.	131,753,845.75	6.75	Consolidated current accounts of related parties	Within 1 year	
Total	1,742,293,438.49	89.26	/	/	

3. Long-term equity investment

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in subsidiaries	12,234,632,076.82		12,234,632,076.82	12,383,462,417.26		12,383,462,417.26
Investments in associates and joint ventures	2,741,364,512.93	137,050,000.00	2,604,314,512.93	2,704,426,035.24	137,050,000.00	2,567,376,035.24
Total	14,975,996,589.75	137,050,000.00	14,838,946,589.75	15,087,888,452.50	137,050,000.00	14,950,838,452.50

(1). Investments in subsidiaries

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Name of investees	Opening balance	Increase in the current period	Decrease in the current period	Ending balance	Provision for impairment in the current period	Ending balance of provision for impairment

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Ningbo Shanshan Tongda Trading Co., Ltd.	32,000,000.00			32,000,000.00		
Ningbo Shanshan Electric Vehicle Technology Development Co., Ltd.	986,918,700.00			986,918,700.00		
Shanghai Tunheng Trading Co., Ltd.	47,500,000.00			47,500,000.00		
Shanghai Shanshan Garment Co., Ltd.	72,000,000.00			72,000,000.00		
Ningbo Shanshan New Energy Technology Development Co., Ltd.	2,142,560,888.36			2,142,560,888.36		
Ningbo Shanshan Venture Capital Investment Co., Ltd.	1,000,000,000.00			1,000,000,000.00		
Hong Kong Shanshan Resources Co., Ltd.	314,542,830.00			314,542,830.00		

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Ningbo Ulica SOLAR Co., Ltd.	148,830,340.44		148,830,340.44		
Ningbo Yunling Zhichuang Park Operation Management Co., Ltd.	10,000,000.00			10,000,000.00	
Shanshan Fashion Industrial Park Suqian Co., Ltd.	59,941,524.23			59,941,524.23	
ShanJin Optoelectronics (Suzhou) Co., Ltd.	7,356,702,164.52			7,356,702,164.52	
Shanghai Shanshan New Energy Technology Co., Ltd.	102,627,969.71			102,627,969.71	
Ningbo Haoheng Trading Co., Ltd. (宁波浩衡 贸易有限公司)	100,000,000.00			100,000,000.00	
Shanjin Tokyo Co., Ltd.	9,838,000.00			9,838,000.00	
Total	12,383,462,417.26		148,830,340.44	12,234,632,076.82	

(2). Investments in associates and joint ventures

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Investees	Opening balance	Increase and decrease in the current period	Ending balance
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		Inc rea se d inv est me nt	De cre ase d inv est me nt	Investment profit or loss recognized under equity method	Adjustment of other comprehensive income	Ch an ge in oth er eq uit ies	Cash divid ends or profi t decla red to be issue d	Pr ovi sio n for im pai rm ent	O t h e r s		Ending balance of impairment provision
I. Joint ventures											
II. Associates											
Ningbo Shanqi Property Services Co., Ltd.	38,686,044.96			-322,329.29						38,363,715.67	
Zhejiang Chouzhou Commercial Bank Co., Ltd.	1,753,772,599.68			63,402,781.48	4,859,336.06					1,822,034,717.22	137,050,000.00
Shanshan Brand Management Co., Ltd.	49,156,202.20			2,929,218.16						52,085,420.36	
Shenzhen Yuanshan Private Equity Investment Management Co., Ltd.	4,561,404.34			-340,858.14						4,220,546.20	
Suiyong Holdings Co., Ltd.	858,249,784.06			-33,589,670.58						824,660,113.48	
Subtotal	2,704,426,035.24			32,079,141.63	4,859,336.06					2,741,364,512.93	137,050,000.00

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Total	2,704,426,035.24			32,079,141.63	4,859,336.06				2,741,364,512.93	137,050,000.00
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4. Operating income and operating cost

1. Operating income and operating cost

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Main Business				
Other business	35,344,058.74	6,823,111.00	38,374,543.16	7,095,351.16
Total	35,344,058.74	6,823,111.00	38,374,543.16	7,095,351.16

Breakdown of operating income:

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Main business income		
Other operating income	35,344,058.74	38,374,543.16
Of which: Housing rental income	23,176,966.86	27,106,844.25
Other income such as utilities and property service fee	12,167,091.88	11,267,698.91
Total	35,344,058.74	38,374,543.16

5. Investment income

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment incomes accounted by the cost method		178,628,611.52
Long-term equity investment incomes accounted by the equity method	32,079,141.63	74,494,319.26

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Investment incomes generated from disposal of long-term equity investment	-273,644,237.33	-35,536,375.18
Investment income on trading financial assets during holding period		
Dividend income earned during the holding period of investments in other equity instruments		600,000.00
Interest income earned during the holding period of debt investments		
Interest income earned during the holding period of other debt investments		
Investment income from disposal of trading financial assets		
Investment income from disposal of investments in other equity instruments		
Investment income from disposal of debt investments		
Investment income from disposal of other debt investments		
Income from debt restructuring		
Total	-241,565,095.70	218,186,555.60

XX. Supplementary information

(1). Breakdown of non-recurring profits and losses

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item	Amount
Non-current asset disposal gains and losses, including the offsetting portion of the provision for impairment of assets	-57,291,888.15
Government subsidies recognized in profit or loss for the current period except those closely related to the Company's normal operating business, and compliant with national policies, available according to determined requirements, and having a continuous impact on the Company's profit or loss	83,751,642.66
Capital utilization fee charged from non-financial enterprises and included in profit or loss for the current period	3,675,997.31
Except for effective hedging business related to the Company's normal operating business, the fair value gains and losses arising from the holding of financial assets and financial liabilities by non-financial enterprises, as well as the gains and losses arising from the disposal of financial assets and financial liabilities	-6,675,000.00
Other non-operating income and expenses other than those mentioned above	-20,359,822.19
Less: Amount impacted by income tax	4,856,803.17
Amount impacted by non-controlling interests' equity (after tax)	4,576,025.26
Total	-6,331,898.80

The reason for the Company defining items not listed in the Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No.1 – Non-recurring Profit or Loss (《公开发行证券的公司信息披露解释性公告第 1 号——非经常性损益》) as non-recurring profit or loss items with significant amount, and the reason for defining the non-recurring profit or loss items illustrated in the Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No. 1 – Non-recurring Profit or Loss (《公开发行证券的公司信息披露解释性公告第 1 号——非经常性损益》) as recurring profit or loss items should be specified.

Applicable Not applicable

(2). Return on net assets and earnings per share

Applicable Not applicable

Profit during the Reporting Period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profits attributable to ordinary shareholders of the Company	0.078	0.008	0.008
Net profits attributable to ordinary shareholders of the Company after deducting non-recurring profits and losses	0.106	0.011	0.011

Chairman: Zheng Ju

Date of approval by the Board of Directors: 29 August 2024

Information on amendments

Applicable Not applicable